

Regional Council

NOTICE IS GIVEN

that the next meeting of the **Regional Council** will be held in **Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga** on:

Thursday, 2 August 2018 commencing at 9.30 am.

Councillors please note: an Informal Strategic Discussion is scheduled to be held at the conclusion of the meeting.

Fiona McTavish
Chief Executive
26 July 2018



Regional Council

Terms of Reference

Purpose

- Enable democratic local decision-making and action by, and on behalf of, Bay of Plenty communities.
- Meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.
- Set the overarching strategic direction for Bay of Plenty Regional Council as an organisation.
- Hold ultimate responsibility for allocating financial resources across the Council.

Membership

All councillors are members of the Regional Council.

Quorum

In accordance with Council standing order 10.1(a), the quorum at a meeting of the Regional Council is seven members, consisting of half the number of members.

Meeting frequency

Six-weekly.

Role of Council

- Address Local Electoral Act matters and Local Government Rating Act matters.
- Oversee all matters relating to identifying and contributing to community outcomes.
- Consider and agree on matters relating to significant new activities or areas of involvement such as infrastructure which are not the responsibility of a specific committee.
- Provide regional leadership on key issues that require a collaborative approach between a number of parties.
- Develop, adopt and review Council's Policy on Significance and decision-making policy and processes.
- Develop, adopt and implement the Triennial Agreement and the Code of Conduct.
- Consider and agree on matters relating to elected members' remuneration matters.
- Appoint the Chief Executive Officer, and review their contract, performance and remuneration at least annually.
- Approve all delegations to the Chief Executive, including the authority for further delegation to staff.
- Establish committees, subcommittees, and working parties and appoint members.
- Receive and consider recommendations and matters referred to it by its committees, joint committees, subcommittees and working parties.

- Approve membership to external bodies and organisations, including Council Controlled Organisations.
- Develop, adopt and review policies for, and monitor the performance of, Council Controlled Organisations.
- Review and approve strategic matters relating to the sale, acquisition and development of property for the purposes of meeting Council's organisational requirements and implement approved Regional Council policy.
- Address strategic corporate matters including property and accommodation.
- Institute any proceedings in the High Court that are not injunctive proceedings.
- Exercise the powers and duties conferred or imposed on Council by the Public Works Act 1981.
- Consider and agree on the process to develop the Long Term Plan, Annual Plan and Annual Report.
- Adopt Council policies as required by statute (for example Regional Policy Statement and Regional Land Transport Strategy) to be decided by Council or outside of Committee delegations (for example infrastructure policy).
- Delegate to commissioners to exercise the powers, functions and duties of the Council as a consent authority under the Resource Management Act 1991 including to hear and decide a consent application.
- Monitor Council's financial and non-financial performance in-year.
- Develop, review and approve Council's Financial Strategy and funding and financial policies and frameworks.

Delegations from Council to Committees

- Full Council has a role to monitor the functioning of all committees.
- Full Council will consider matters not within the delegation of any one Council committee.
- Full Council may at any time, revoke or modify a delegation to a Council committee, either permanently, for a specified time or to address a specific matter, if it considers there is good reason to do so.
- The delegations provided to committees may be further delegated to subcommittees unless the power of further delegation is restricted by Council or by statute.

It is accepted in making these delegations that:

- The committees, in performing their delegated functions, powers or duties, may, without confirmation by the Council, exercise or perform them in a like manner and with the same effect as the Council itself could have exercised or performed them.
- The delegated powers given shall at all times be subject to their current policies and principles or directions, as given by the Council from time to time.
- The chairperson of each committee shall have the authority to exercise their discretion, as to whether or not the delegated authority of the committee be used where, in the opinion of the chairperson, circumstances warrant it.

Powers that cannot be delegated

Under Clause 32 Schedule 7 of the Local Government Act 2002, Full Council must make the following decisions:

- Make a rate.
- Make a bylaw.
- Borrow money or purchase or dispose of assets, other than in accordance with the long-term plan.
- Adopt the long-term plan, annual plan, or annual report.
- Appoint a chief executive.
- Adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
- Adopt a remuneration and employment policy.

Public Forum

1. A period of up to 15 minutes may be set aside near the beginning of the meeting to enable members of the public to make statements about any matter on the agenda of that meeting which is open to the public, but excluding any matter on which comment could prejudice any specified statutory process the council is required to follow.
2. The time allowed for each speaker will normally be up to 5 minutes but will be up to the discretion of the chair. A maximum of 3 public participants will be allowed per meeting.
3. No statements by public participants to the Council shall be allowed unless a written, electronic or oral application has been received by the Chief Executive (Governance Team) by 12.00 noon of the working day prior to the meeting and the Chair's approval has subsequently been obtained. The application shall include the following:
 - name of participant;
 - organisation represented (if any);
 - meeting at which they wish to participate; and matter on the agenda to be addressed.
4. Members of the meeting may put questions to any public participants, relevant to the matter being raised through the chair. Any questions must be asked and answered within the time period given to a public participant. The chair shall determine the number of questions.

Membership

Chairman:	D Leeder
Deputy Chairman:	J Nees
Councillors:	N Bruning, W Clark, J Cronin, S Crosby, D Love, T Marr, M McDonald, A Tahana, P Thompson, L Thurston, A von Dadelszen, K Winters
Committee Advisor:	T Nerdrum-Smith

Recommendations in reports are not to be construed as Council policy until adopted by Council.

Agenda

E te Atua nui tonu, ko mātau ēnei e inoi atu nei ki a koe, kia tau mai te māramatanga ki a mātau whakarite mō tēnei rā, arahina hoki mātau, e eke ai te ōranga tonu ki ngā āhuatanga katoa a ngā tangata ki tō mātau rohe whānui tonu. Āmine.

“Almighty God we ask that you give us wisdom in the decisions we make here today and give us guidance in working with our regional communities to promote their social, economic, environmental and cultural well-being. Amen”.

1 Apologies

2 Representation Review - Hearing of Submissions

2.1 Tauranga City Council: Mayor Greg Brownless

2.2 Bay of Plenty Federated Farmers: Darryl Jensen

3 Public Forum

4 Acceptance of Late Items

5 General Business

6 Confidential Business to be transferred into the open

7 Declarations of Conflicts of Interests

8 Previous Minutes

8.1 Regional Council Minutes - 28 June 2018

17

9	Statutory Committee Minutes	
9.1	Regional Transport Committee Minutes - 15 June 2018	49
9.2	Rotorua Te Arawa Lakes Strategy Group Minutes - 15 June 2018	59
9.3	Civil Defence Emergency Management Group Joint Committee Minutes - 22 June 2018	67
9.4	Te Maru o Kaituna River Authority minutes - 22 June 2018	77
10	Joint Committee Minutes	
10.1	Eastern Bay of Plenty Joint Committee Minutes - 3 July 2018	83
11	Chairman's Report	
11.1	Chairman's Report	91
12	Chief Executive's Reports	
12.1	Review of the representation arrangements for the 2019 local elections - hearing and deliberations	97
	APPENDIX 1 - Initial Proposal Submissions Received	103
13	Presentation	
13.1	Local Government Operating Environment - Department of Internal Affairs	
	Richard Ward, Partnerships Director - Central/Local Government Partnerships, Department of Internal Affairs will be in attendance to present this item.	
14	Chief Executive's Reports (Continued)	
14.1	April 2017 Flood Recovery Project - Update	115
14.2	Local Government Funding Agency (LGFA) Limited - Statement of Intent 2018/19	123
	APPENDIX 1 - APPENDIX 1 LGFA Letter to shareholders to accompany 2018-19 SOI	125
	APPENDIX 2 - APPENDIX 2 LGFA Statement of Intent 2018-19	129
14.3	Bay of Plenty Local Authority Shared Services (BoPLASS) Limited's Statement of Intent 2018-21	145
	APPENDIX 1 - APPENDIX 1 BOPLASS SOI 2018-2021	147
14.4	Chairman's Study Tour to Murray-Darling Basin, Australia	165
14.5	BOPRC Submission on Taxation (Annual Rates for 2018-19, Modernising Tax Administration, and Remedial Matters) Bill	

Please note: This report will follow under separate cover.

14.6 Processing consents on behalf of Council - Procurement Plan **169**

APPENDIX 1 - Consents Processing Procurement Plan 173

15 Public Excluded Section **179**

Resolution to exclude the public

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

The general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
15.1 Public Excluded Regional Council Minutes - 28 June 2018	Please refer to the relevant section in the open meeting minutes.	Good reason for withholding exists under Section 48(1)(a)
15.2 Update on April 2018 Ngongotaha Flood Review	Disclosing the information may prejudice the maintenance of the law.	Good reason for withholding exists under Section 48(1)(a)

15.1 Public Excluded Regional Council Minutes - 28 June 2018 **181**

15.2 Update on April 2018 Ngongotaha Flood Review **187**

APPENDIX 1 - Terms of Reference - Ngongotaha Flood Event 191

APPENDIX 2 - 2018-04-30 Memo to Chairman and Councillors re Rotorua Flood Event 195

16 Confidential business to be transferred into the open

17 Readmit the public

18 Consideration of General Business

19 Closing karakia

Representation Review - Hearing of Submissions

Previous Minutes

Minutes of the Regional Council Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Thursday, 28 June 2018 commencing at 9.37 a.m.

Present:

Chairman: D Leeder

Deputy Chairman: J Nees

Councillors: J Cronin, T Marr, P Thompson, D Love, N Bruning, A Tahana, W Clark, S Crosby, K Winters, M McDonald

In Attendance: M Macleod (Chief Executive), F McTavish (Chief Executive - Designate), M Taylor (General Manager Corporate Performance), J Graham (General Manager Corporate Solutions), C Ingle (General Manager Integrated Catchments), S Omundsen (Acting General Manager Catchment Management), N Poutasi (Acting General Manager Strategy & Science), S Hey (Manager, Chief Executive's Officer), Y Tatton (Governance Manager), A Dixon (Management Accountant Team Leader), D Hyland (Finance and Corporate Manager), D Llewellyn (In-house Legal Counsel), S Kameta (Committee Advisor), Attendance in part: G Maloney (Transport Policy Manager), C Woods (Health & Safety Manager), Toi-EDA - F Pauwels (General Manager), B McLennan (Workforce Development Manager)

Apologies: L Thurston, A von Dadelszen (leave of absence)

1 Opening Karakia

Provided by Cr T Marr.

2 Apologies

Resolved

That the Regional Council:

- 1 **Accepts the apologies from Councillors: Thurston, von Dadelszen tendered at the meeting.**

**Winters/Nees
CARRIED**

3 Public Forum

Nil

4 **Acceptance of Late Items**

Nil

5 **General Business**

The following matter was raised for discussion:

- 1) Public Excluded Update on University of Waikato Coastal Marine Facility

6 **Confidential Business to be transferred into the open**

Nil

7 **Declaration of conflicts of interest**

Nil

8 **Previous Minutes**

8.1 **Regional Council Minutes - 10 May 2018**

Correction

- 1) Minute item 7 – Declaration of Conflicts of Interest (page 16 of the agenda) – Cr Thompson noted her conflict of interest in relation to Agenda Item 13.9 had been omitted and requested it be inserted.
- 2) Minute item 10 – Chairman’s report (page 19 of the agenda) – under first bullet, spelling correction required to amend ‘Provisional’ to ‘Provincial’.
- 3) Minute item 14.1 – Chief Executive Officer Recruitment (page 25 of the agenda) – it was noted that confirmation of the mover and seconder of the item (i.e. Leeder/Tahana – CARRIED) were omitted and should be inserted.

Resolved

That the Regional Council:

- 1 **Confirms the Regional Council Minutes of 10 May 2018, as a true and correct record with the foregoing corrections.**

**Cronin/Marr
CARRIED**

8.2 **Regional Council Minutes - 22 May 2018**

Resolved

That the Regional Council:

- 1 **Confirms the Regional Council Minutes of 22 May 2018, as a true and correct record.**

**Cronin/Love
CARRIED**

8.3 Regional Council Extraordinary Minutes - 1 June 2018**Resolved**

That the Regional Council:

- 1 Confirms the Regional Council Extraordinary Minutes of 1 June 2018, as a true and correct record.

Nees/Crosby
CARRIED

9 Statutory Committee Minutes**9.1 Regional Transport Committee Minutes - 24 April 2018****Resolved**

That the Regional Council:

- 1 Receives the Regional Transport Committee Minutes - 24 April 2018.

Crosby/Nees
CARRIED

9.2 Te Maru o Kaituna River Authority Minutes - 27 April 2018

Refer Tabled Documents 1 and 2.

Council was briefed on the successful launch of 'Kaituna He Taonga Tuku Iho', the completed Kaituna River Document that was held on 22 June 2018. Council was presented with a kete containing copies of the document and summary document (refer Tabled Documents 1 and 2), which all Te Maru o Kaituna River Authority partners had received at the launch.

Resolved

That the Regional Council:

- 1 Receives the Te Maru o Kaituna River Authority Minutes - 27 April 2018.

Tahana/Nees
CARRIED

9.3 Rangitāiki River Forum Minutes – 8 June 2018**Resolved**

That the Regional Council:

- 1 Receives the Rangitāiki River Forum Minutes – 8 June 2018.

Winters/Love
CARRIED

10 Joint Committee Minutes

10.1 SmartGrowth Leadership Group Minutes - 16 May 2018

Matter Arising

Regarding Minute item SG18/05.07 Review Role – Membership SmartGrowth Leadership Group (refer page 75 of the agenda) – a query was raised as to whether the review should be put on hold until all respective Chief Executive appointments had been confirmed. Chief Executive Designate Fiona McTavish advised that a report would be going to SLG's Chief Executive Action Group on the governance framework review.

Staff Follow-up:

Circulate the Governance Framework Review report to councillors prior to it going to SLG.

Resolved

That the Regional Council:

- 1 Receives the SmartGrowth Leadership Group Minutes - 16 May 2018.

Crosby/Thompson
CARRIED

11 Chairman's Report

The report updated Council on the Chairman's activities, highlighted key matters of potential interest and sought direction on the 2018 Local Government New Zealand Annual General Meeting Remits.

Key points of discussion:

- The Chairman noted his prior commitment made, on behalf of Council, to support Remit One to assist with a targeted approach for drug testing within the community.
- Consideration was sought to allow Council's delegates the flexibility to vote on the remits and enable them to listen to the debate at the AGM and inform a position.
- It was noted that Council had resolved at its meeting on 10 May 2018 a position to not support Remit Four on climate change investment issues.
- Councillors were informed of progress made by the Pastoral Greenhouse Gas Research Consortium in relation to the Crown-funded livestock emissions study. It was noted that completion of the study was anticipated in 2019 and that staff would be keeping a watching brief.

Resolved

That the Regional Council:

- 1 Receives the report, Chairman's Report.

- 2 Delegates to Regional Council's registered delegates, voting on the 2018 Local Government New Zealand Annual General Meeting Remits, noting the comments made at the meeting today.

Leeder/Cronin
CARRIED

12 Chief Executive Reports

12.1 Fixing of the Resource Management Act charges

The report sought Council fix the Resource Management Act and Building Charges, as approved at Council's Long Term Plan Deliberations meeting on 22 May 2018.

Council was advised that inflationary increases had been incorporated into the new fees and charges. Staff noted that Audit NZ would not be attending the meeting to present their audit opinion for the LTP 2018-2028 however, an unmodified audit opinion had been received.

Resolved

That the Regional Council:

- 1 Receives the report, Fixing of the Resource Management Act charges;
- 2 Notes that Council has followed the Local Government Act 2002 special consultative procedure in preparing and consulting on the proposed changes to its Resource Management Act charges and that the Council has considered the feedback received;
- 3 Adopts the section 36AAA analysis (Appendix 1: S36AAA Resource Management Act charges analysis) and confirms that, having regard to section 36AAA (and in particular section 36AAA(3)) of the Resource Management Act 1991, the charges set out below and in the appendix are appropriate to recover the reasonable costs incurred by the Council in respect of the activities to which the charges relate;
- 4 Fixes the Resource Management Act charges set out below and in the Resource Management Act and Building Act Charges Policy 2018/19 (Appendix 2), to come into effect on 1 July 2018;
- 5 Fixes the charges in relation to resource consents as follows:
 - a. the general consent application deposit to be set in three tiers;
 - Tier 1 - \$775
 - Certificate of compliance
 - Re-consenting existing unchanged lake structures
 - Lapsing period extensions
 - Tier 2 - \$1,770
 - Onsite effluent discharge (septic tanks)
 - Onsite dairy effluent discharge
 - Remediation of contaminated land
 - Multiple bores (more than three)
 - Changes, cancellation or review of consent conditions

- **Transfer of consent to another site or another person at another site**
 - **Tier 3 - \$2,700**
 - **All other consent categories**
 - b. the move to a single 'bore fee' of \$475 (incl. GST) which incorporates both consent and compliance staff time;**
 - c. the fee for transfer of a consent to another person at the same site to be \$165 (incl. GST);**
 - d. the change to the deposit for 'publicly notified applications' to a deposit for 'publicly notified applications which proceed to a hearing'. The level of the deposit remains the same at \$10,000 (incl. GST);**
 - e. the introduction of a fee of \$5,000 (incl. GST) for 'limited notified applications which proceed to a hearing';**
 - f. the deposit for complex plan or policy statement changes or new plan requests is set at \$50,000 (incl. GST);**
 - g. the introduction of a charge for the 'issue of a notice stating that an activity is a permitted marginal and temporary activity' on an actual and reasonable basis, with the first hour being free;**
 - h. the OSET approval inspection fee remains at \$50 (incl. GST);**
 - i. that "applications to reduce the allocated rate of a surface water take consent or allocated annual volume of groundwater take consent" and "applications for activities listed in regional plans that have zero fee" remain at a zero fee;**
 - j. the recovery of costs associated with an objection to be charged on an actual and reasonable basis. The Council may ask the hearings commissioner(s) to make a recommendation as to whether these costs should be remitted;**
- 6 Fixes the following in relation to the base charge:**
- a. the re-naming of the 'base' charge to 'administration' charge;**
 - b. a \$5 increase in the administration charge to \$135 (incl. GST);**
 - c. that the following consent categories are exempt from the annual administration charge:**
 - i. Long term consents for structures, reclamations or diversions in the Coastal Marine Area, rivers and lakes unless an inspection has been carried out in that year**
 - ii. "Consequential" consents such as the discharge permit in an activity that involves a diversion and discharge, or the discharge permit in an activity that involves taking and discharging water (e.g. to heat a pool). To qualify, the "consequential" consent must occur as a natural consequence of the primary activity and have no significant environmental effect compared to the primary consent;**

- 7 Fixes the following in relation to the compliance monitoring charges:**
 - a. the compliance monitoring fixed fees as listed in Schedule 1A of the Charges Policy (see appendix);**
 - b. the introduction of additional categories into Schedule 2A – Consents subject to variable compliance monitoring charges for ‘Production land – nutrient consents’;**
 - c. the introduction of actual and reasonable compliance monitoring charges for additional monitoring of water takes in over-allocated catchments;**
 - d. the introduction of actual and reasonable charges for additional time spent processing compliance monitoring returns, over and above the fixed fee charged;**
- 8 Fixes the following in relation to the regional/impact monitoring charges:**
 - a. the re-naming of the ‘regional/Impact monitoring charges’ to ‘data and science charges’;**
 - b. phase one of the increase to the data and science charges (changes are to be phased in over two years);**
 - c. the inclusion of ‘Activities on port land’ into the data and science charges (Schedule 10B) to be charged on an actual and reasonable basis;**
- 9 Fixes the following in relation to low risk onsite wastewater (OSET) exemptions:**
 - a. the reintroduction of the administration charge, annual compliance monitoring charge and regional/impact monitoring charge for low risk onsite wastewater consents;**
- 10 Fixes the following in relation to staff time and travel costs:**
 - a. the revised charges for staff as listed in Schedule A of the Charges Policy (see appendix) and inclusion of an additional category for a Maori Technical Advisor;**
 - b. the introduction of a standard travel time policy, with each site visit attracting a charge of 0.5 hours of staff time plus 50km at the applicable IRD mileage rate;**
- 11 Directs the Resource Management Act charges to be included with the Council’s other charges in a document to be called the Resource Management Act and Building Act Charges Policy 2018/19 (included as an appendix);**
- 12 Confirms that the decision has a low level of significance;**
- 13 Delegates authority to the Chief Executive to make minor editorial and formatting amendments to the Charges Policy if required.**

**Cronin/Thompson
CARRIED**

12.2 Adoption of the Long Term Plan 2018-2028

The report sought adoption of Council's Long Term Plan 2018-2028 (LTP 2018-2028). Chief Executive Mary-Anne Macleod noted the long rigorous process that had been undertaken and advised that Audit NZ would not be attending the meeting, but had provided their formal approval and unmodified audit opinion.

Councillors received the unmodified audit opinion from Audit NZ and provided the following comments:

- Regarding LTP 2018-2028: Volume One - a better profile photo of a catfish on page 40 was requested and the relevance of the illustration of a koura on page 32 was queried;
- Acknowledged the journey, process and tremendous efforts of staff.

Resolved

That the Regional Council:

- 1 **Receives the report, Adoption of the Long Term Plan 2018-2028;**
- 2 **Notes that the Long Term Plan 2018-2028 has been subject to an Audit process.**
- 3 **Adopts the following policies and supporting information for the Long Term Plan 2018-2028:**
 - a. **Long Term Plan 2018-2028: Financial Policies including:**
 - i. **Revenue and Financing - Funding Needs Analysis**
 - ii. **Policy on Development Contributions and Financial Contributions**
 - iii. **Policy on the Remission and Postponement of Rates**
 - iv. **Third Party Infrastructure Funding Policy**
 - b. **Long Term Plan 2018-2028 Treasury Policies, Strategy and Delegations including:**
 - i. **Treasury Policy (incorporating Investment Policy and Liability Management Policy)**
 - ii. **Treasury Statement of Investment Policy and Objectives – Toi Moana Fund**
 - iii. **Treasury Strategy**
 - iv. **Treasury Delegations**
 - c. **Long Term Plan 2018-2028: Asset Management Plans (AMPs) including:**
 - i. **Corporate Property AMP (not publicly available in full, sections available on request)**
 - ii. **Rivers and Drainage AMP**
 - iii. **Maritime AMP**

- iv. **Regional Parks AMP**
- v. **Rotorua Lakes AMP**
- d. **Long Term Plan 2018-2028 - Activity Work Plans**
 - 4 **Resolves that it is financially prudent for the Long Term Plan 2018-2028 to have an unbalanced budget (operating revenue is at a lower level than operating expenditure) for years one, two, three and four, pursuant to s100 (2) of the Local Government Act 2002.**
 - 5 **Authorises the Chair to sign the Audit New Zealand Letter of Representation on behalf of Council.**
 - 6 **Receives the Audit New Zealand audit opinion on the Long Term Plan 2018-2028.**
 - 7 **Adopts the Long Term Plan 2018-2028 to come into effect on 1 July 2018, including:**
 - a. **Long Term Plan 2018-2028: Volume One including:**
 - i. **Community Outcomes**
 - ii. **Development of Maori capacity to contribute to decision-making processes**
 - iii. **Groups of Activity Statements, including Levels of Service, Performance measures and targets.**
 - b. **Long Term Plan 2018-2028: Volume Two including:**
 - i. **Financial Strategy**
 - ii. **Infrastructure Strategy**
 - iii. **Financial Statements**
 - iv. **Accounting Policies**
 - v. **Council Controlled Organisations**
 - vi. **Funding Impact Statement**
 - vii. **Revenue and Financing Policy**
 - viii. **Rates Funding Impact Statement**
 - ix. **Significant Forecasting Assumptions**
 - x. **Significant Negative Effects**
 - 8 **Agrees that, in accordance with the adopted Treasury Delegations, the Chief Executive and Chief Financial Officer may commit Council to new debt subject to:**
 - a. **New debt may only be raised for the purposes described in the Financial Strategy and Treasury Policy.**
 - b. **All new debt is to be within the debt limits set by the Financial Strategy and Treasury Policy.**

- 9 Agrees that the Chief Executive may exceed the Daily Transaction Limit of \$40 million set in the Treasury Delegations to:**
- i. Borrow up to \$95 million from the Local Government Funding Agency as a one-off transaction before 31 October 2018, to prefund Council's capital expenditure in 2018/19 and for on-lending to Quayside Holdings Limited.**
 - ii. To transfer \$50 million to Quayside Holdings Limited as an intercompany loan before 31 October 2018.**
 - iii. To transfer \$45 million to Quayside Holdings Limited to manage Council's Toi Moana Fund in accordance with the adopted Treasury Statement of Investment Policy and Objectives – Toi Moana Fund, as a one off transaction before 31 August 2018.**
- 10 Delegates authority to the Chief Executive to execute all legal documents to give effect to recommendations 8 and 9.**
- 11 Agrees that the Chief Executive, Chief Financial Officer, and Finance and Corporate Planning Manager may refinance debt in accordance with the limits set in the Treasury Delegations.**
- 12 Delegates to the Chief Executive to make minor editorial changes to the Long Term Plan 2018-2028 and supporting documentation before publishing for reasons of consistency or minor correction.**
- 13 Notes that all submitters will receive a letter outlining Council's decisions in relation to the topics they provided feedback on, during July 2018 and that**
- a. Submitters will receive a standardised response for each of the consultation topics.**
 - b. Responses to key stakeholders will be circulated to the Council to provide feedback on following the meeting.**
 - c. Staff will provide responses to all other submitters in accordance with Council's decisions made at deliberations.**
- 14 Confirms that the decision has a medium level of significance as determined by the Council's Significance and Engagement Policy. Council has identified and assessed different options and considered community views as part of making the decision, in proportion to the level of significance.**

**Love/Crosby
CARRIED**

12.3 Setting of Rates 2018/19

The report provided the legally compliant process for Council to set rates for 2018/19. Council was informed that Kawerau District Council had made an amendment to their penalty dates, which would require an adjustment made to recommendation 21(iii) from 5 to 6 July 2018 and recommendation 21(iv) from 7 to 8 July 2019.

Advice provided from the previous two reports was reiterated that an unmodified audit opinion had been provided by Audit NZ for the LTP 2018-2028.

Staff were commended for their efforts and the manner in which they had worked through iterations of the LTP 2018-2028 Revenue and Financing Policy considerations and Funding Impact Statement in order to recommend the rates setting for 2018/19.

Resolved

That the Regional Council:

- 1 **Receives the report, Setting of Rates 2018/19;**
- 2 **Confirms that the rates for the financial year 1 July 2018 to 30 June 2019 are set and assessed in accordance with the Local Government (Rating) Act 2002.**
- 3 **Confirms that the significance of the decision has been assessed as MEDIUM, and under Section 79 of the Local Government Act 2002 (LGA) confirms the written record of the manner in which section 77 and section 78 matters have been addressed.**
- 4 **Notes that, as required by the Local Government Act 2002, Council followed the special consultative procedure on the funding impact statement that was part of the Long Term Plan 2018-2028 process.**
- 5 **Confirms that the amounts of the rate specified in the rate tables of the resolution, for the financial year commencing 1 July 2018 to 30 June 2019, includes the Council's Goods and Services Tax component.**
- 6 **Sets a general rate based on land value, calculated as a rate in the dollar of the rateable land value of each rateable rating unit in the region. The rate in the dollar is different according to the location of the land within each district and city council as land values are equalised.**

General Rates Land Value	\$13,931,618
Constituent Authority	Rates expressed as cents per dollar of rateable land value
Kawerau	0.074703
Ōpōtiki	0.032654
Rotorua (Pt)	0.027733
Taupo (Pt)	0.029039
Tauranga	0.039307
Western Bay of Plenty	0.031204
Whakatāne	0.032989
Offshore Islands	0.131789

- 7 **Sets a uniform annual general charge as a fixed amount per rating unit on all rateable land in the region.**

Uniform Annual General Charge	\$15,895,289
Fixed amount per rating unit	\$124.66

- 8 **Sets targeted rates for Kaituna Catchment Control Scheme. These rates are set differentially for all rateable land situated in the Kaituna Catchment**

Control Scheme within the Tauranga, Western Bay of Plenty and Rotorua constituent districts.

The two targeted rates are set as follows;

- (i) Where the land is situated and calculated using the area of land within the rating unit,
- (ii) Where the land is situated and calculated using the extent of provision of service to the rating unit.

Kaituna Catchment Control Scheme targeted rates

Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1P	216.44	216.44	430,768
A2P	173.15	194.80	26,071
A3P	129.86	173.15	22,035
A4P	86.58	151.51	23,979
A1	173.15	162.33	107,976
A2	140.69	140.69	50,369
A3	108.22	140.69	50,714
A4	75.75	140.69	29,277
A5	64.93	140.69	51,392
A6	54.11	119.04	20,668
A7	38.96	108.22	21,428
A8	25.97	0.00	2,871
A9	8.66	0.00	746
A10	4.33	0.00	721
A11	2.16	0.00	457
B1	25.97	64.93	22,172
B2	19.48	54.11	7,035
B3	10.82	43.29	20,018
B4	6.49	32.47	33,853
B5	4.33	32.47	46,885
C1	6.49	32.47	6,522
C2	3.79	32.47	107,822
C3	2.60	32.47	30,089
C4	2.16	0.00	4,620
C6R	1.30	0.00	1,372
C8	0.87	21.64	6,206
C5	2.60	21.64	110,231
C6	1.52	17.32	16,925
C7	0.87	64.93	2,299
C9	0.65	17.32	4,349
R01	43.29	86.58	21,682
R02	0.00	64.93	67,891
R03	32.47	27.05	652,191
TP1	21.64	32.47	94,849
Total			2,096,483

- 9 Sets a targeted rate for the Rangitaiki-Tarawera Rivers Scheme. The rate is set differentially for all rateable land situated in the Rangitaiki-Tarawera Rivers Scheme catchment within the Whakatane, Kawerau, Rotorua and Taupo constituent districts.
The targeted rate is set as follows;

- (i) Where the land is situated and calculated using the area of land within the rating unit.

Rangitaiki-Tarawera Rivers Scheme targeted rate

Category	Rate per hectare \$	Revenue sought \$
A1	138.36	1,113,613
A2	98.01	153,773
A3	74.95	137,041
A4	57.65	64,615
A5	49.00	337,960
A6	17.30	2,797
B1	86.48	183,376
B2	69.18	33,577
B3	51.89	36,820
B4	40.36	346,329
B5	28.83	46,204
B6	10.38	384
B7	8.07	1,450
C1	7.49	60,008
C2	5.19	268,330
C3	1.73	163,994
C4	1.15	72,300
C5	0.86	18,771
U1	4,410.23	176,432
U2	4,150.81	235,393
U3	749.45	18,803
U4	490.03	381,571
U5	345.90	35,229
Total		3,888,770

- 10 Sets targeted rates for Whakatane-Tauranga Rivers Scheme. These rates are set differentially for all rateable land situated in the Whakatane-Tauranga Rivers Scheme catchment within the Whakatane constituent district.

The two targeted rates are set as follows;

- (i) Where the land is situated and calculated using the area of land within the rating unit,
(ii) Where the land is situated and calculated using the extent of provision of service to the rating unit.

Whakatane-Tauranga Rivers Scheme targeted rates

Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1	156.51	156.51	115,660
A2	132.43	132.43	52,600
A3	108.35	114.37	172,890
A4	90.29	102.33	274,617
A5	66.22	0.00	15,990
A6	48.16	84.28	20,928
A7	36.12	72.24	26,946

A8	24.08	66.22	58,333
A9	12.04	0.00	1,555
B1	54.18	0.00	119,462
B2	30.10	54.18	84,655
B3	24.08	36.12	43,596
B4	18.06	30.10	7,959
B5	2.41	0.00	1,089
C1	7.22	60.20	31,467
C2	4.82	24.08	47,753
C3	3.61	24.08	34,116
C4	2.41	6.02	5,654
C5	1.20	6.02	28,732
U1	541.77	162.53	433,977
U2	397.30	126.41	124,720
U3	210.69	84.28	195,986
U4	132.43	72.24	94,898
U5	12.04	0.00	8
Total			1,993,591

11 Sets targeted rates for the Waioeka-Otara Rivers Scheme. The rates are set differentially for all rateable land situated in the Waioeka-Otara Rivers Scheme catchment within the Opotiki constituent district.

The two targeted rates are set as follows;

- (i) Where the land is situated and calculated using the area of land within the rating unit,
- (ii) Where the land is situated and calculated using the extent of provision of service to the rating unit.

Waioeka-Otara Rivers Scheme targeted rates

Category	Rate per hectare \$	Site component \$	Revenue sought \$
A1A	316.15	364.78	22,012
A2	170.23	267.51	23,188
A2A	243.19	303.99	10,988
A3	145.91	218.87	110,103
A3A	194.55	267.51	5,586
A4	121.59	170.23	65,596
A4A	158.07	218.87	4,517
A5	109.44	170.23	50,342
A6	85.12	170.23	774
A7	72.96	170.23	8,791
A8	60.80	170.23	79,205
B1	48.64	0.00	13,117
B2	7.30	0.00	124
C1	12.16	145.91	35,842
C2	7.30	145.91	12,390
C3	4.86	121.59	11,968
C4	3.65	48.64	17,321
C5	2.43	48.64	2,699
C6	0.97	48.64	8,721
R	2.43	0.00	231
U1AC	1,459.14	1,070.04	39,089

U1AR	729.57	535.02	60,954
U1C	1,167.31	875.48	131,362
U1R	583.66	437.74	367,939
U2AC	1,070.04	778.21	13,506
U2AR	535.02	389.10	44,631
U2C	778.21	680.93	8,812
U2R	389.10	340.47	104,944
U3R	97.28	194.55	80,889
Total			1,335,641

- 12 Sets a targeted rate for the Rangitaiki Drainage Rating Area. The rate is set differentially for all rateable land situated in the defined Rangitaiki Drainage Rating Area situated on the Rangitaiki Plains within the Whakatane constituent district.**

The targeted rate is set as follows;

- (i) Where the land is situated and calculated using the area of land within the rating unit.

Rangitaiki Drainage targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	60.01	464,189
B	54.01	59,993
C	50.41	72,727
D	43.81	267,454
E	36.01	95,648
F	27.00	66,357
G	20.40	76,123
H	15.00	1,673
I	7.20	5,257
U1	120.02	42,717
U2	60.01	3,773
Total		1,155,911

- 13 Sets a targeted rate for Passenger Transport. The rate is set differentially as an amount per rating unit on all rateable properties within the defined boundaries of Tauranga City, Urban Rotorua, Western Bay District and Whakatane District.**

The passenger transport targeted rate is set as follows;

- (i) Where the rateable unit is situated.

Passenger Transport targeted rate		
Category	Rate per rating unit \$	Revenue sought \$
Tauranga City	137.13	7,711,940
Rotorua Urban	63.93	1,405,531
Western Bay District	14.39	312,773
Whakatane District	15.93	235,820
Total		9,666,064

- 14 Sets a targeted rate for the Rotorua Lakes Programme. The rate is set differentially as an amount per rating unit on all rateable properties within the Rotorua constituent district.**

The Rotorua Lakes programme targeted rate is set as follows;

- (i) Area of land within the rating unit.

Rotorua Lakes Programme targeted rate		
Category - All Properties	Rate per rating unit \$	Revenue sought \$
0 - 1.9999ha	112.13	2,847,509
2 - 9.9999ha	234.90	167,246
10ha and over	750.24	589,687
Total		3,604,442

- 15 Sets a targeted rate for Rotorua Air Action Plan Implementation. The rate is set differentially as a fixed amount per rating unit on all rateable properties within the defined boundary of Urban Rotorua.**

The Council sets the Rotorua Air Action Plan Implementation targeted rate as follows;

- (i) Where the rateable unit is situated.

Rotorua Air Action Plan Implementation targeted rate		
Category	Rate per rating unit \$	Revenue sought \$
Rotorua Urban	27.72	609,390

- 16 Sets a targeted rate for Civil Defence Emergency Management. The rate is set differentially as an amount per rating unit on all rateable properties within the Kawerau, Opotiki, Rotorua, Tauranga, Western Bay of Plenty and Whakatane constituent districts.**

The Civil Defence Emergency Management targeted rate is set as follows;

- (i) Where the rateable unit is situated.

Civil Defence Emergency Management targeted rate		
Category - All Properties	Rate per rating unit \$	Revenue sought \$
Kawerau	22.18	63,640
Opotiki	21.44	105,258
Rotorua	21.31	572,084
Tauranga	20.42	1,148,198
Western Bay of Plenty	20.05	435,815
Whakatane	22.46	332,505
Total		2,657,500

- 17 Sets a targeted rate for Rotorua Air Clean Heat Conversion. The rate is set differentially as an amount per rating unit within the defined boundary of Rotorua Airshed Area with liability to Council.**

The Council sets the Rotorua Air Clean Heat Conversion targeted rate as follows;

- (i) Where the rateable unit is situated, and calculated based on the extent of loans provided by Council under the Clean Heat Conversion scheme.

Rotorua Air Clean Heat Conversion targeted rate		
Category	Rate \$	Revenue sought \$
CH001	680.00	40,800
CH002	660.00	13,200
CH003	640.00	16,640
CH004	620.00	16,740
CH005	600.00	10,200
CH006	580.00	5,800
CH007	560.00	8,400
CH008	540.00	4,860
CH009	520.00	2,080
CH010	500.00	2,000
CH011	480.00	1,920
CH1	460.00	148,580
CH2	455.00	24,115
CH3	450.00	19,350
CH4	445.00	12,460
CH5	440.00	23,320
CH6	435.00	14,355
CH7	430.00	22,790
CH8	425.00	13,600
CH9	420.00	9,240
CH10	415.00	14,940
CH11	410.00	9,840
CH12	405.00	8,505
CH13	400.00	8,000
CH14	395.00	17,380
CH15	390.00	13,650
CH16	385.00	16,170
CH17	380.00	4,940
CH18	375.00	9,750
CH19	370.00	10,730
CH20	365.00	6,205
CH21	360.00	6,480
CH22	355.00	2,130
CH23	350.00	4,900
CH24	345.00	9,660
CH25	340.00	4,080
CH26	335.00	4,355
CH27	330.00	9,240
CH28	325.00	13,000
CH29	320.00	4,800
CH30	315.00	4,410
CH31	310.00	3,100

CH32	305.00	1,830
CH33	300.00	6,000
CH34	295.00	4,425
CH35	290.00	4,350
CH36	285.00	1,995
CH37	280.00	4,200
CH38	275.00	2,200
CH39	270.00	5,670
CH40	265.00	795
CH41	260.00	780
CH42	255.00	1,530
CH43	250.00	1,500
CH44	245.00	980
CH45	240.00	1,440
CH46	235.00	940
CH47	230.00	1,380
CH48	225.00	2,700
Total		639,430

18 Sets targeted rates for the minor rivers and drainage scheme. The rates are set differentially for all rateable land situated in the defined communal pumped drainage and defined minor river and drainage schemes areas.

The Council sets one targeted rate for each scheme as follows;

(i) Where the land is situated and calculated using the area of land within the rating unit.

Waiotahi River District targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	147.87	16,060
B	118.30	19,236
C	88.72	16,963
D	49.29	2,506
E	29.57	2,245
F	14.79	2,791
Total		59,801

Huntress Creek Drainage District targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	57.10	12,028
B	43.78	3,473
C	28.55	2,072
D	19.03	1,014
E	13.32	436
F	5.71	1,905
Total		20,928

Waiotahi Drainage District targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	40.59	3,466
B	33.82	7,029
C	27.06	1,708
D	20.29	912
E	13.53	58
F	6.76	1,547
Total		14,720

Omeheu West Communal Pumped Drainage Scheme targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	483.01	16,883
B	429.34	7,296
C	107.34	4,570
Total		28,749

Awaiti West Pumped Drainage Scheme targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	29.53	372
B	13.59	2,000
C	5.91	1,166
D	2.95	143
Total		3,681

Withy Communal Pumped Drainage Scheme targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	543.48	35,848
B	326.09	15,176
C	108.70	4,751
Total		55,775

Omeheu Adjunct Communal Pumped Drainage Scheme targeted rate

Category	Rate per hectare \$	Revenue sought \$
A	34.44	354
B	25.83	2,070

C	18.94	1,055
D	10.33	902
E	5.17	280
F	1.72	40
URBAN	91.25	3,924
Total		8,625

**Lawrence Communal Pumped Drainage Scheme
targeted rate**

Category	Rate per hectare \$	Revenue sought \$
A	1,090.03	30,739
B	872.03	4,011
C	545.02	3,860
D	272.51	3,940
Total		42,550

- 19 Sets targeted rates uniformly for all rateable land situated in the defined drainage and defined minor river and drainage schemes areas.**

The rates are set as follows;

- (i) Where the land is situated and calculated using the land area of each scheme.

Minor Drainage Schemes targeted uniform rates

Category	Rate per hectare \$	Revenue sought \$
Angle Road	42.10	9,660
Awakeri	158.73	45,310
Baird-Miller	98.61	13,570
Foubister	87.67	9,200
Gordon	602.08	59,225
Greigs Road	47.54	33,925
Halls	265.96	64,400
Hyland-Ballie	380.70	89,700
Riverslea Road	198.26	6,095
Kuhanui	27.72	2,300
Longview-Richlands	272.81	31,625
Luxton	331.14	72,450
Martin	30.11	4,025
Massey	97.05	41,400
Mexted-Withy	80.61	22,425
Nicholas	168.81	48,875
Noord-Vierboon	137.74	16,100
Omeheu East	30.17	12,650
Pedersen - Topp	7.04	805
Platts	109.25	40,250
Reynolds	205.50	26,450
Robins Road	473.73	88,550
Robinsons	93.96	6,900
Thompson-Ernest	164.23	89,125

Travurzas	69.69	13,800
Wylids	67.35	12,650
Poplar Lane	81.80	4,600
Awaiti East	383.32	54,625
Total		920,690

20 Sets the following instalment due dates for all rates other than the Minor River and Drainage Scheme rates as set out below. The due dates for each territorial constituent area are for an equal amount of the rates.

(i) The respective instalment due dates are as follows;

Kawerau District	
Instalment One	24 August 2018
Instalment Two	23 November 2018
Instalment Three	22 February 2019
Instalment Four	24 May 2019
Opotiki District	
Instalment One	24 August 2018
Instalment Two	23 November 2018
Instalment Three	22 February 2019
Instalment Four	24 May 2019
Rotorua District	
Instalment One	20 August 2018
Instalment Two	20 November 2018
Instalment Three	20 February 2019
Instalment Four	20 May 2019
Taupo District	
Instalment One	20 August 2018
Instalment Two	20 November 2018
Instalment Three	20 February 2019
Instalment Four	20 May 2019
Tauranga City	
Instalment One	31 August 2018
Instalment Two	28 February 2019
Western Bay of Plenty District	
Instalment One	21 September 2018
Instalment Two	28 February 2019
Whakatane District	
Instalment One	24 August 2018
Instalment Two	23 November 2018
Instalment Three	22 February 2019
Instalment Four	24 May 2019

21. Sets the following penalties regime for all rates other than the Minor River and Drainage Scheme rates;

(i) Pursuant to sections 57 and 58(1)(a) of the Local Government (Rating) Act 2002, with respect to rates assessed in the 2018/19 year, a penalty of 10% for all areas other than the Kawerau District and 5% for the Kawerau District will be added to the amount of any instalment that has been

assessed after 1 July 2018 and which is unpaid after the relevant due date set out in section 20.

(ii) The respective instalment penalty dates are as follows;

Kawerau District	
Instalment One	27 August 2018
Instalment Two	26 November 2018
Instalment Three	25 February 2019
Instalment Four	27 May 2019
Opotiki District	
Instalment One	29 August 2018
Instalment Two	28 November 2018
Instalment Three	27 February 2019
Instalment Four	29 May 2019
Rotorua District	
Instalment One	21 August 2018
Instalment Two	21 November 2018
Instalment Three	21 February 2019
Instalment Four	21 May 2019
Taupo District	
Instalment One	27 August 2018
Instalment Two	27 November 2018
Instalment Three	27 February 2019
Instalment Four	27 May 2019
Tauranga City	
Instalment One	6 September 2018
Instalment Two	7 March 2019
Western Bay of Plenty District	
Instalment One	26 October 2018
Instalment Two	22 March 2019
Whakatane District	
Instalment One	31 August 2018
Instalment Two	30 November 2018
Instalment Three	28 February 2019
Instalment Four	31 May 2019

(iii) Pursuant to sections 57 and 58(1)(b) of the Local Government (Rating) Act 2002, with respect to rates assessed before 1 July 2018, a penalty of 10% for all areas other than the Kawerau District and 5% for the Kawerau District will be added to any rates unpaid on 6 July 2018. The penalty will be added on the date shown below.

The respective additional penalty dates are as follows;

	Penalty assessed date	Penalty application date
Kawerau District	6 July 2018	6 July 2018
Rotorua District	6 July 2018	6 July 2018
Taupo District	5 July 2018	5 July 2018

Tauranga City	5 July 2018	6 July 2018
Western Bay of Plenty District	5 July 2018	5 July 2018
Whakatane District	1 October 2018	1 October 2018

- (iv) Pursuant to sections 57 and 58(1)(c) of the Local Government (Rating) Act 2002, with respect to rates assessed in previous financial years, a further penalty of 10% for all areas other than the Kawerau District and 5% for the Kawerau District will be added on any rates to which a penalty has been added under 21(ii) if the rates remain unpaid six months after the previous penalty was added.

The respective additional penalty dates are as follows;

	Penalty application date
Kawerau District	8 January 2019
Rotorua District	8 January 2019
Tauranga City	7 January 2019
Western Bay of Plenty District	7 January 2019

- 22 Set that Minor River and Drainage Scheme rates shall be payable at the office of the Bay of Plenty Regional Council, Quay Street, P O Box 364, Whakatane in one instalment on or by 20 January 2019.
- 23 Set the following penalties regime for the Minor River and Drainage Scheme rates:
- (i) Pursuant to sections 57 and 58(1)(a) of the Local Government (Rating) Act 2002, with respect to the Minor River and Drainage Scheme rates assessed in the 2018/19 year, a penalty of 10% will be added to the amount that remains unpaid after the date stated above, on 20 February 2019.
- (ii) Pursuant to sections 57 and 58(1)(b) of the Local Government (Rating) Act 2002, with respect to Minor River and Drainage Scheme rates assessed before 1 July 2018, a penalty of 10% will be added on any rates that remain unpaid on 5 July 2018. The penalty will be added on 5 July 2018.
- (iii) Pursuant to sections 57 and 58(1)(c) of the Local Government (Rating) Act 2002, with respect to Minor River and Drainage Scheme rates, a further penalty of 10% will be added on any rates to which a penalty has been added under (ii) if the rates remain unpaid six months after the previous penalty was added. The penalty will be added on 20 February 2019.
- 24 Pursuant to section 27(7) of the Local Government (Rating) Act 2002, the Council delegates' authority to the constituent district and city councils of the Bay of Plenty region to keep and maintain the rating information database for those areas on its behalf.
- 25 Appoints in accordance with section 53 of the Local Government (Rating) Act 2002 the constituent district and city councils of the Bay of Plenty region, i.e. Kawerau District Council, Ōpōtiki District Council, Rotorua District Council, Taupo District Council, Tauranga City Council, Western Bay of Plenty District Council, Whakatane District Council, to collect the rates assessed by Bay of Plenty Regional Council, excluding Minor River and Drainage Scheme targeted rates.

- 26 Agrees that in respect of the Minor River and Drainage Scheme targeted rates which are collected directly by the Bay of Plenty Regional Council, where the total amount of rates payable, in respect of any property is \$9.99 or less, pursuant to Section 54 of the Local Government (Rating) Act 2002, the rates payable in respect of the property will not be collected.**
- 27 Confirms that the decision has a medium level of significance as determined by the Council's Significance and Engagement Policy. Council has identified and assessed different options and considered community views as part of making the decision, in proportion to the level of significance.**

**Love/Nees
CARRIED**

12.4 Bay of Plenty Regional Land Transport Plan 2018

The report sought Council approval of the Regional Land Transport Plan (RLTP). The Regional Transport Committee Chair highlighted points from the RLTP review process.

Key points outlined:

- Acknowledged staff's efforts in developing the RLTP during a challenging and disruptive environment with the change in Government and acknowledged the significant number of submissions that had been received.
- The RLTP would evolve as a result of a shift in the Government Policy Statement on Land Transport (GPS) and signals of a further GPS for rail, coastal shipping and rapid transport.
- The RLTP would be populated with figures from the various project owners, as Councils adopted their Long Term Plans. It would be submitted to the Transport Agency for moderation followed by the National Land Transport Programme's release in August 2018.
- Significant issues lay ahead for the region, particularly in regard to resilience; and considered at this point in time, the RLTP was a very good document that told the region's story and provided the necessary information and tools.

In response to Questions:

- Stock truck effluent activity was included in the RLTP however, would require Transport Agency investment and a collaborative approach. A strategic business case would be reported to the next Regional Transport Committee meeting, followed by development of a detailed business case. Four areas had been flagged as preferred sites: the lower Kaimai, Paengaroa, Awakeri East and South Rotorua.
- The LGNZ Transport Special Interest Group had received advice that there was a low risk of mycoplasma bovis in relation to stock truck effluent stops. There was one stock truck effluent stop within the Bay of Plenty region at Waiōtahe.
- The Tauranga Northern Arterial was listed in the RLTP as a committed project however, had not been prioritised.

The Chairman and councillors noted their appreciation to Councillors Stuart Crosby, Jane Nees and staff for their efforts throughout the submission and hearing process.

Resolved

That the Regional Council:

- 1 **Receives the report, Bay of Plenty Regional Land Transport Plan 2018.**
- 2 **Notes that the Regional Transport Committee has prepared the draft Bay of Plenty Regional Land Transport Plan 2018 on the Regional Council's behalf in accordance with the Land Transport Management Act 2003.**
- 3 **Approves the Bay of Plenty Regional Land Transport Plan 2018.**
- 4 **Notes that future changes to the GPS and/or FAR rates, the Provincial Growth Fund and any other future Local or Central Government direction will require further amendments to the Regional Land Transport Plan.**
- 5 **Notes that further financial data with regards to the projects will also be added to the RLTP by the Project Owner, when available.**

**Crosby/Nees
CARRIED**

12.5 **Appointment of Chief Executive as Director of Council Controlled Organisations**

The report sought the appointment of Fiona McTavish as Director to the Board of BOPLASS Limited and Quayside Holdings Limited.

The resignation of the current Chief Executive from the respective Council Controlled Organisations was noted.

Resolved

That the Regional Council:

- 1 **Receives the report, Appointment of Chief Executive as Director of Council Controlled Organisations;**
- 2 **Notes the resignation of the current Chief Executive Mary-Anne Macleod as Council's Shareholder representative and Director of BoPLASS Limited and as a Director of Quayside Holdings Limited, effective as of 29 June 2018.**
- 3 **Appoints Fiona McTavish, who will begin her role as Chief Executive of the Regional Council from 30 June 2018, as the Council's Shareholder representative and Director of BoPLASS Limited effective 30 June 2018.**
- 4 **Appoints Fiona McTavish, who will begin her role as Chief Executive of the Regional Council from 30 June 2018, as Director of Quayside Holdings Limited effective 30 June 2018.**

**Thompson/Tahana
CARRIED**

12.6 **Health & Safety Audit Review**

General Manager Corporate Solutions James Graham and Health & Safety Manager Chris Woods informed Council of key findings and management response from the recently completed Health & Safety Internal Audit.

Key points outlined:

- Overall feedback from KPMG recognised the organisation had made good progress around key criteria of leadership, worker engagement and risk management that could be attributed to organisational and leadership commitment.
- The WorkSafe SafePlus Onsite Assessment model was the most robust standard currently available that would provide a comprehensive view into the organisation.
- Management had undertaken to address three main areas of focus and a list of related actions over the next 6 to 12 months, as identified in section 4 and Appendix 1 of the report.

In response to Questions:

- Regarding levels of trade-off between process efficiencies and raising safety performance, these would be considered as part of the management actions.
- It was clarified that the Health & Safety requirements associated with volunteer workers, casual volunteers and contractors were covered under the Act and implemented by the organisation through its due diligence policies and practice.

Resolved**That the Regional Council:**

- 1 Receives the report, Health & Safety Audit Review;**
- 2 Notes that it has received the reports from the health and safety review: Health and Safety Progress – Feb 2016 to March 2018 (Appendix 1); and the SafePlus Onsite Assessment and Advice Report (Appendix 2);**
- 3 Notes the management response to the review.**

**Leeder/Cronin
CARRIED**

Adjournment

The meeting adjourned at 10.36 am and reconvened at 10:58 am.

Order of Business

With the leave of Council, the Chairman advised that Agenda Item 13.5, 'Quayside Holdings Limited - 2018/19 Statement of Intent' would be taken next to accommodate the arrival of presenters from Quayside Holdings Limited.

13 Public Excluded Section**Resolved****Resolution to exclude the public**

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

The general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
Quayside Holdings Limited - 2018/19 Statement of Intent	To carry out commercial activities	Good reason for withholding exists under Section 48(1)(a)

Leeder/Thompson
CARRIED

14 Presentation

14.1 Toi-EDA – Update on Current and Future Work Projects

Refer PowerPoint Presentation and Tabled Document 3 (Objective IDs A2917550, A2907759).

Toi-EDA – Eastern Bay Economic Development Agency General Manager Francis Pauwels and Workforce Development Manager Barbara McLennan provided an update on economic development for the Eastern Bay of Plenty.

Key points outlined:

- Emerging opportunities for growth were positive, with a number of priority projects anticipated to increase job creation in the areas of eco-cultural tourism, innovation, transport logistics, aquaculture, kiwifruit and Māori land development;
- Priority projects had potential to be supported by new Government opportunities, such as the Provincial Growth Fund, which would have the support of the Eastern Bay Leaders Group and Toi-EDA to assist with bridging the gaps and sharing the economic development story for the Eastern Bay of Plenty;
- Challenges still existed with deprivation and inter-generational unemployment issues across towns that needed to be overcome;
- Toi-EDA was focused on growing good jobs, supporting cross-sector efforts and engaging with mana whenua to develop opportunities and pathways to employment using a place-based approach. Success was highlighted with the implementation of the LinkUp EBOP and License to Work programmes, which aligned with Toi-EDA key outcomes of growing aspirations, aligning education and training initiatives and connecting schools with industry.
- Acknowledged Regional Council's support and the support of Bay of Connections' Toi Moana Economic Development Strategy.

In response to Questions

- Mr Pauwels acknowledged the need for a coordinated approach in terms of leadership, transport logistics and potential impacts on the sub-regional transport network;

- The need for integration with the transport logistic study, regional rail study and spatial planning was noted.

15 Public Excluded Section

Resolved

Resolution to exclude the public

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

The general subject 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(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General Subject of Matter to be Considered	Reason for passing this resolution in relation to this matter	Grounds under Section 48(1) LGOIMA 1987 for passing this resolution
13.1 Public Excluded Regional Council Minutes - 10 May 2018	Please refer to the Public Excluded section of the open meeting minutes.	Good reason for withholding exists under Section 48(1)(a).
13.2 Public Excluded Regional Council Minutes - 22 May 2018	To carry out commercial activities; and commercial and industrial negotiations.	Good reason for withholding exists under Section 48(1)(a).
13.3 Public Excluded Regional Council Extraordinary Minutes - 1 June 2018	To protect the privacy of an individual.	Good reason for withholding exists under Section 48(1)(a).
13.4 Public Excluded Rangitāiki River Forum Minutes – 8 June 2018	To maintain legal professional privilege.	Disclosing the information may constitute contempt of Court.
13.6 Update on Rotorua Review - April 2018 Flood Event	To protect this information so it doesn't damage public interest.	Good reason for withholding exists under Section 48(1)(a).
General Business - Update on University of Waikato Coastal Marine Field Station	To carry out commercial and industrial negotiations.	Good reason for withholding exists under Section 48(1)(a).

**Leeder/Winters
CARRIED**

16 Chairman's Announcement

On behalf of Council, the Chairman presented Chief Executive Mary-Anne Macleod with a bouquet of flowers to mark her tenure and forthcoming departure from Council the following day, noting that councillors had extended their acknowledgements and gratitude to her at a farewell the day before.

The meeting closed at 1:30 pm.

Confirmed

Chairman Bay of Plenty Regional Council

Date

Statutory Committee Minutes

Minutes of the Regional Transport Committee Meeting held in Mauao Rooms, Bay of Plenty Regional Council Building, 87 First Avenue, Tauranga on Friday, 15 June 2018 commencing at 9.30 a.m.

Present:

Chairman: S Crosby (Bay of Plenty Regional Council)

Deputy Chairman: J Nees (Bay of Plenty Regional Council)

Members: Mayor J Forbes (Opotiki District Council), Deputy Mayor D Donaldson (Alternate, Rotorua Lakes Council), Councillor R Curach (Tauranga City Council), Councillor B Julian (Alternate, Kawerau District Council), Councillor A Iles (Alternate, Whakatāne District Council), Councillor D Thwaites (Western Bay of Plenty District Council), Councillor J Palmer (Alternate, Western Bay of Plenty District Council), A Talbot (Alternate, New Zealand Transport Agency)

In Attendance:

Bay of Plenty Regional Council

N Poutasi (General Manager, Strategy & Science – Acting) G Maloney (Transport Policy Manager), B Healey (Senior Transport Planner), Nic Newman (Principal Advisor), T Nerdrum-Smith (Committee Advisor)

Councillors

D Love (Bay of Plenty Regional Council)

Other

John Galbraith (Freight Advisor), Mark Haseley (Principal Transport Planner, New Zealand Transport Agency), Dan Kneebone (Port of Tauranga), Martin Parkes and Clare Cassidy (Tauranga City Council), Carole Gordon, Heidi Hughes and, David Harte (Public Forum speakers)

Apologies:

Mayor Campbell, Mayor A Bonne (Whakatāne District Council), Cr T Molloy (Alternate, Tauranga City Council, Mayor S Chadwick (Rotorua Lakes Council), P McLean (Regional Director Waikato/BOP, New Zealand Transport Agency), Cr L Thurston (Alternate, Bay of Plenty Regional Council), Cr K Young (Alternate, Opōtiki District Council), Inspector Brent Crowe (Safety Advisor, NZ Police)

1 Apologies

Resolved

That the Regional Transport Committee:

- 1 **Accepts the following apologies tendered at the meeting: Mayor Campbell, Mayor A Bonne (Whakatāne District Council), Cr T Molloy (Alternate, Tauranga City Council), Mayor S Chadwick (Rotorua Lakes Council), P McLean (Regional Director Waikato/BOP, New Zealand Transport Agency), Cr L Thurston (Alternate, Bay of Plenty Regional Council), Cr K Young (Ōpōtiki District Council) and Inspector Brent Crowe (Safety Advisor, NZ Police).**

Iles/Curach
CARRIED

2 Public Forum

Carole Gordon

Refer PowerPoint Presentation – Objective ID A2900954

Points of Presentation

- Crisis – Declining PT Patronage
 - *Concerned how increased patronage will be achieved*
 - *sites for park and ride access to bus route services queried*
- Ease of use and access to public transport made a strategic difference
- Bold efficient vision
- Park and ride needed to be further encouraged.

Staff Follow-Up

- Respond to presenter regarding strategies for increased public transport patronage.

Heidi Hughes – Greater Tauranga

Points of Presentation

- Expressed concerns regarding the interaction with Council as part of the RLTP consultation process
- It was challenging to engage with Council in an effective manner
- Concerned that the public transport/bus service had been deprioritised in the final draft RLTP
- Sought a ‘modern, quick and easy’ bus service
- Greater Tauranga represented almost 1000 people
- Outlined key points of submission to the Public Transport Blueprint
- Views of Greater Tauranga did not appear to be well represented in the Public Transport section of the RLTP.

In Response to Questions

- Considered wording used in the RLTP did not represent a real change in the current thinking.

Staff in Response to Questions

- The Regional Public Transport Plan was an operational, rather than strategic document and as such, wider public consultation (beyond the legal requirements) was not proposed.

David Harte

Key Points

- Wanted to be a committed public transport user, but found it challenging due to lack of access/convenience, delays etc

- Queried the amount BOPRC was seeking from Central Government towards Public Transport vs what was contributed by the Bay of Plenty region
- Concerned that the amounts being sought were significantly lower than what should be requested.

Staff Follow-up

- Provide indicative answer on the contribution by the Bay of Plenty region, noting that the LTAs would not approve their Long Term Plans 2018-28 until the end of June 2018.

3 **Acceptance of Late Items**

Resolved

That the Regional Transport Committee:

- 1 **Considers, pursuant to section 46A of the Local Government Official Information and Meetings Act 1987, the following items at this meeting:**
- 2 **Late report: Regional Land Transport Plan Variation - Western Bay of Plenty District Council - Omokoroa Road Corridor;**
- 3 **Reason for lateness: Approval is required from the Regional Transport Committee to meet the NZTA's timeframes for application.**

Iles/Nees
CARRIED

4 **General Business**

Nil

5 **Declaration of Conflicts of Interest**

Noted the declaration of interest from Deputy Mayor Donaldson and Cr Crosby on any discussion and decision making relating to Rotorua Airport.

6 **Previous Minutes**

6.1 **Regional Land Transport Plan Hearings Subcommittee Minutes - 25 May 2018**

Resolved

That the Regional Transport Committee:

- 1 **Confirms the Regional Land Transport Plan Hearings Subcommittee minutes - 25 May 2018 with some minor spelling amendments.**

Nees/Donaldson
CARRIED

7 **Reports**

7.1 Update from Committee Members and Advisors

Key Points

Rotorua:

- Urban Scion-Redwood cycle link had been completed and was well used
- Draft Spatial Plan had been recommended by Rotorua Strategy Group to Rotorua Lakes Council
- Fully funded Tarawera Road intersection upgrade and four-laning was progressing.

Western Bay of Plenty

- Recognised the late report seeking NZTA contribution for WBOPDC
- Northern cycleway link was progressing well
- Seal extension was welcomed by rural ratepayers.

Ōpōtiki

- Noted the decision by Central Government to not fund the Ōpōtiki Harbour improvement project
- Ōpōtiki had enjoyed hosting the NZTA Board
- Interested to see if the increased use of E-bikes would have an impact on bus patronage.

Kawerau

- Kawerau was in clean-up mode after the recent storm event
- Progressing Kawerau Container Terminal project and associated roading upgrades as potential opportunities under the Provincial Growth Fund.

Whakatāne

- A second traffic bridge and a pedestrian bridge were being flagged through the Long Term Plan 2018-28
- SH1/29 East Coast Main Trunk Line governance meeting had been postponed until August 2018.

Tauranga

- TCC LTP deliberation had been completed
- Cancellation of cycleway trial at Pilot Bay had generated public commentary
- Interchange discussions for Bayfair and the CBD
- Noted the free student bus service trial in Welcome Bay, planned to commence in February 2019.

Port of Tauranga

- Driver Action Group was working with Toi-Ohomai to develop cadetships for professional road users
- Trade volumes continued to be strong at the Port of Tauranga
- Before committing funding to rail studies, it was important to understand the impact of commuter vs freight trains and the Port of Tauranga had gathered data that would be of assistance.

Resolved

That the Regional Transport Committee under its delegated authority:

- 1 Receives the report, Update from Committee Members and Advisors.**

**Crosby/Julian
CARRIED**

7.2 New Zealand Transport Agency Update

Alistair Talbot, NZTA, updated the Committee on current New Zealand Transport Agency national and regional initiatives.

Refer PowerPoint Presentation – Objective ID A2897362

Points of Presentation

- 30 June 2018 – RLTP developments and final Government Policy Statement (GPS) release date
- Draft Agency Investment Proposal (TAIP)
- Partnering with Local Government
- Update on Bay of Plenty projects
- The next steps for Tauranga Northern Link was being discussed as project re-scoping was flagged to align with the new GPS
- Proposed speed limit adjustments always involved consultation with the local community
- Re-evaluation of projects to align with the new GPS was expected to take 3-6 months, with the main focus being on SH2 and SH29
- Baypark to Bayfair (B2B) and urban works projects were not part of the re-evaluation.

Resolved

That the Regional Transport Committee under its delegated authority:

- 1 Receives the report, New Zealand Transport Agency Update.**

**Mayor Forbes/Cr Julian
CARRIED**

Adjournment

The meeting adjourned at 10.33am and reconvened at 10.53am.

7.3 Bay of Plenty Regional Land Transport Plan 2018

Refer PowerPoint Presentation – Objective ID A2897109

G Maloney, Transport Policy Manager, B Healey, Senior Transport Planner and N Newman, Principal Advisor provided an outline of the Regional Land Transport Plan (RLTP) process.

Key Point of Presentation

- Timeline of consultation period
- Submissions
 - Number received
 - Key themes
 - Hearings
 - Deliberations

- Recommended changes to the Plan
- Recommendations to Agencies
- Recommendations on process/outputs.

Key Points - Staff

- Case study for SH2 North was 'work in progress' and would be included in the final published RLTP
- Staff would work with Western Bay of Plenty District Council and NZTA in the development of the case study
- Further amendments to the RLTP were expected once the GPS had been adopted at the end of June 2018.

Key Points - Members

- The Regional Transport Subcommittee had considered all submissions received and the draft Plan had been amended as a result
- Noted that the RLTP had to be adopted by 30 June 2018
- The WBOPDC member was concerned there was no funding allocated to the SH2-Ōmokoroa Road intersection project and sought increased priority of this project
- Noted the significant work of the Subcommittee in developing the recommendations for the Committee to consider
- The priority and responsibility of the Public Transport National Ticketing Programme was not clearly identified.

Noted that Deputy Mayor Donaldson and Cr Crosby would not participate in the discussion and vote of matters relating to Rotorua Airport (Prioritised Activity 14), due to a conflict of interest.

Amendments to the Draft Plan (Supporting Document to Agenda):

- Add 'largest' in front of 'Container Port'
- Pg. 19 – Rail: Add 'North Island Main Trunk Rail Line'
- Pg. 54 – Rail network - Investment in rail: Include reference to electrification
- Pg. 65 – Question marks in the table should be 'ticks'
- Maps - Katikati – commitment vs allocation: (staff noted that maps in the Plan were still to be updated and that activities identified as 'committed' had implementation/construction phases committed)
- Pg. 96 – Local road improvements – Priority 3: correct the date from '2-18-20' to '2018-20'
- Pg. 107 – Other funding: Include tolls
- Pg. 140 of Plan swap priorities: SH29 Tauriko West Network Connections with SH2/Ōmokoroa Road Intersection Upgrade.

Staff Follow-up

- PowerPoint presentation to be made available to the public as part of the meeting record
- Obtain road closure data from NZTA that is more recent than 2016 (pg. 44 of Plan).

Resolved

That the Regional Transport Committee under its delegated authority:

- 1 Receives the report, Bay of Plenty Regional Land Transport Plan 2018.**
- 2 Approves the Regional Land Transport Plan Subcommittee's recommendations in the appended deliberation's papers and notes the associated resolutions in the Minutes of the Subcommittee's deliberations meeting on 25 May 2018:**

- a. Policy Framework;
 - b. Regional Programme and Prioritised Activities;
 - c. Road Network;
 - d. Public Transport;
 - e. Rail;
 - f. Walking and Cycling; and
 - g. General and Other Matters.
- 3 Endorses the Bay of Plenty Regional Land Transport Plan 2018 as appended to the report, Bay of Plenty Regional Land Transport Plan 2018 including any amendments arising from discussion of this report;
 - 4 Notes that it is satisfied that the draft Bay of Plenty Regional Land Transport Plan 2018 meets the requirements of Section 14 of the Land Transport Management Act 2003 (Core requirements of regional land transport plans);
 - 5 Delegates to the Committee Chair the authority to make minor changes, to the draft Bay of Plenty Regional Land Transport Plan 2018 prior to its approval by the Bay of Plenty Regional Council.

Crosby/Iles
CARRIED

Cr Thwaites opposed the motion.

That the Regional Transport Committee recommends that the Regional Council:

- 6 Receives the report, Bay of Plenty Regional Land Transport Plan 2018.
- 7 Notes that the Regional Transport Committee has prepared the draft Bay of Plenty Regional Land Transport Plan 2018 on the Regional Council's behalf in accordance with the Land Transport Management Act 2003;
- 8 Approves the Bay of Plenty Regional Land Transport Plan 2018.

Crosby/Donaldson
CARRIED

- 9 Notes that future changes to the GPS and /or FAR rates, the Provincial Growth Fund and any other future Local or Central Government direction will require further amendments to the Regional Land Transport Plan;
- 10 Notes that further financial data with regards to the projects will also be added to the RLTP by the Project Owner, when available.

Crosby/Mayor Forbes
CARRIED

7.4 Draft Regional Public Transport Plan

Garry Maloney, Transport Policy Manager provided an outline of the report.

Key Points - Staff

- All comments received on the Regional Public Transport Plan would be presented to the Public Transport Committee for consideration and reported back to the Regional Transport Committee.

Key Points - Members

- Recognised that some of Council's stakeholders may require further understanding with regards to the level of public engagement in operational vs strategic plans.

Staff Follow-up

- Amendment: Point 145: Promote public transport as the preferred add 'vehicular' mode for travel in urban centres.

Resolved

That the Regional Transport Committee under its delegated authority:

- 1 Receives the report, Regional Public Transport Plan.**
- 2 Notes that it has been consulted on the review of the Regional Public Transport Plan and that the Draft Plan is well aligned with the Draft Regional Land Transport Plan.**

**Crosby/Nees
CARRIED**

7.5 Regional Land Transport Plan Variation - Tauranga City Council Eastern and Western Corridor Local Transport Improvements

Clare Cassidy, Tauranga City Council: The variation would require being 'pulled through' as the RLTP progressed and there might be some adjustment.

In Response to Questions

- The identified stormwater projects were road related.
- Incomplete projects with retrospective approval came under the umbrella of the Eastern Corridor Growth Projects and Western Corridor Growth Projects, and it might be necessary to separate out some projects or adjust budgets over time as the business case stages for other projects in those corridors evolved.

Resolved

That the Regional Transport Committee under its delegated authority:

- 1 Receives the report, Regional Land Transport Plan Variation - Tauranga City Council Eastern and Western Corridor Local Transport Improvements.**
- 2 Adds 'Tauranga City Council Eastern and Western Corridor local transport improvements 2015-18' to the Bay of Plenty Regional Land Transport Plan 2015-45.**
- 3 Determines that the variation is not significant for the purposes of public consultation.**

**Curach/Crosby
CARRIED**

8 **Discussion of Late Item**

8.1 **Regional Land Transport Plan Variation - Western Bay of Plenty District Council - Ōmokoroa Road Corridor**

Resolved

That the Regional Transport Committee under its delegated authority:

- 1 **Receives the report, Regional Land Transport Plan Variation - Western Bay of Plenty District Council - Ōmokoroa Road Corridor.**
- 2 **Adds 'Western Bay of Plenty District Council Ōmokoroa Road Corridor' to the Bay of Plenty Regional Land Transport Plan 2015-45.**
- 3 **Determines that the variation is not significant for the purposes of public consultation.**

**Thwaites/Mayor Forbes
CARRIED**

The meeting closed at 11.52 am.

Confirmed

Cr Stuart Crosby
Chairperson, Regional Transport Committee

Date

Minutes of the Rotorua Te Arawa Lakes Strategy Group Meeting held in Committee Room 1, Rotorua Lakes Council, Civic Administration Building, 1061 Haupapa Street, Rotorua on Friday, 15 June 2018 commencing at 10.30 a.m.

Present:

Deputy Chairman: Mayor S Chadwick (Rotorua Lakes Council)

Appointees: Councillor K Hunt (Rotorua Lakes Council), Chairman D Leeder (Bay of Plenty Regional Council), Councillor T Marr (Alternate, Bay of Plenty Regional Council), Councillor K Winters (Bay of Plenty Regional Council), R Meha (Te Arawa Lakes Trust)

In Attendance: Ministry for the Environment: S Lewis (Director, Mana Honohono – Investments and Partnerships), Te Arawa Lakes Trust: K Vercoe (Chief Executive), N Douglas (Manager - Environment), Bay of Plenty Regional Council – Toi Moana: Councillor Bruning, C Ingle (General Manager, Integrated Catchments), H Creagh (Rotorua Catchments Manager), A Grayling (Rotorua Catchments Principal Advisor), S Grayling (Biosecurity Team Leader), R Cross (Land Management Team Leader), L Mason (Integrated Catchments Programme Manager), Y Tatton (Governance Manager), T White (Incentives Negotiator), J Pani (Incentives Board Support, Rotorua Catchments); Rotorua Lakes Council: G Williams (Chief Executive) in part, JP Gaston ((Group Manager Strategy and Partnerships) in part, S Michael (Infrastructure Manager) in part, G Rangi (,C Sutton (Rotorua Lakes Rural Board), P Thomas (Chair Rotorua Lakes Community Board)

Apologies: Sir T Curtis (Chairman Te Arawa Lakes Trust)

In the absence of the Chairman, Mayor Chadwick assumed the chair.

1 **Karakia**

Councillor Marr opened the meeting with a karakia.

2 **Apologies**

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 **Accepts the apology from Sir Toby Curtis tendered at the meeting.**

**Chadwick/Hunt
CARRIED**

3 **Acceptance of Late Items**

Members were advised Item 8.1 Te Arawa Lakes Trust Update Report and an additional item, Te Arawa Lakes Trust Report on Nature Conservancy, were distributed under separate cover.

The reason why the Late Item, Te Arawa Lakes Trust Report on Nature Conservancy was not on the agenda was that it had just come to hand. The reason why it could not be delayed was to provide an update to members while the matter was current and no decision was required.

Resolved

That pursuant to section 46A of the Local Government Official Information and Meetings Act 1987 the following item be considered at this meeting:

- 1) **Late Item, Te Arawa Lakes Trust Report on Nature Conservancy**

**Winters/Hunt
CARRIED**

Change to the Order of Business

It was proposed Te Arawa Lakes Trust Report on Nature Conservancy be dealt with after item 8.1 Rotorua Te Arawa Lakes Trust Update Report.

4 **General Business**

Nil

5 **Confidential Business to be Transferred Into Open**

Nil

6 **Declaration of Conflicts of Interest**

Nil

7 **Previous Minutes**

7.1 **Rotorua Te Arawa Lakes Strategy Group Minutes - 09 March 2018**

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 **Confirms the Rotorua Te Arawa Lakes Strategy Group Minutes - 09 March 2018 as a true and correct record.**

**Winters/Hunt
CARRIED**

8 Reports

8.1 Te Arawa Lakes Trust Update Report

Ms N Douglas, Environment Manager, Te Arawa Lakes Trust (TALT) provided members with a status update and summarised the progress of key projects and activities outlined in the report.

Key Points:

- Reference to the correct spelling of Thomas Malcolm (Puna Consultants) in the report was noted
- A discussion document as part of the Te Arawa /Rotorua Lakes Iwi Management Plan was currently out for consultation
- Acknowledged the Regional Council's support to enable a Community Action Coordinator to be appointed to increase efforts in reducing catfish migration and numbers
- TALT and Scion's joint application to the Ministry of Research, Science and Innovation to develop a Climate Change Research Plan and Strategy had been successfully funded
- TALT and Ngati Tarawahi had been successful in securing funding to undertake research and monitoring of taonga species in Lake Okataina.

In Response to Questions:

- Members would be informed when the Community Action Coordinator was in place, expected late July/ mid-August
- It was anticipated the first report on the Climate Change Research Project would be presented to the Strategy Group in a year's time.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 Receives the report, Te Arawa Lakes Trust Update Report.**

Hunt/Meha
CARRIED

8.2 Te Arawa Lakes Trust Report on Nature Conservancy Visit

Ms N Douglas, Environment Manager, Te Arawa Lakes Trust (TALT) provided members with a summary of a recent visit from the Nature Conservancy.

Key Points:

- Nature Conservancy was a global, nature capital investment organisation investing in large scale, green infrastructure projects focused on the restoration of complex and significant ecosystems
- Investment included supporting communities, relationships and capacity building to enable continuity and cultural overlay
- Lake Tarawera was considered a significant lake restoration project.

In Response to Questions:

- Ministry for the Environment (MfE) and Department of Conservation (DoC) had engaged with the Nature Conservancy over the past two years with a DoC staff member seconded to assist the Nature Conservancy work in New Zealand
- A joint workshop was to be held with the Nature Conservancy, MfE and DoC on Freshwater Improvement funding and investing in New Zealand.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 **Receives the report, Te Arawa Lakes Trust Report on Nature Conservancy Visit.**

**Hunt/Meha
CARRIED**

8.3 Rotorua Lakes Council Update Report

Mr G Williams, Rotorua Lakes Council (RLC) Chief Executive, Mr JP Gaston, Group Manager Strategy and Partnerships and Mr S Michael, Infrastructure Manager presented the report.

Key Points:

- The wastewater treatment plant construction was progressing well with an expected completion date of April 2019
- RLC had met with Minister Parker (MfE) regarding alternative approaches to Plan Change 10 and Incentives Funding
- Improving the Lake Rotorua frontage was a major project in the RLC Long Term Plan 2018-28.

In Response to Questions:

- A correction to the report - 4. bp 2 noted the two kilometres of sewer trunk main was to link Lake Rotoma not Lake Rotorua to the wastewater treatment plant as incorrectly stated in the report
- While there were outstanding issues with some hapu regarding the Rotorua Wastewater Treatment Plan resource consent renewal, extensive consultation had been undertaken and any outstanding matters would be considered through the renewal application process
- An estimated \$15-19M was required to finance the Tarawera Sewerage Scheme and a working party was assessing the optimal funding mix
- RTALSG members had resolved at the September 2017 meeting to support in principle the reticulation of sewage from the Lake Rotoehu community to the Rotomā-Eastern Rotoiti sewage scheme, subject to appropriate funding.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 **Receives the report, Rotorua Lakes Council Update Report.**

**Leeder/Hunt
CARRIED**

8.4 Ministry for the Environment Update Report

Mr S Lewis, Director, Mana Honohono – Investments and Partnerships, MfE, provided an overview of the report.

Key Points:

- Waste minimisation transition towards a circular economy was progressing well
- A stakeholder taskforce had been established to address waste minimisation, particularly recycling
- MfE were developing a detailed work plan to improve the synergies between freshwater, land use intensification and contamination and climate change impact.

In Response to Questions:

- It was noted bp 4, urban development, should read 'affordable housing' not 'the Housing Commission' as incorrectly stated in the report
- The long term waste minimisation programme was moving towards a circular economy, eliminating the need to send any waste offshore
- Key initiatives included increasing the waste levy; expanding the levy to more landfill types; increasing resource efficiency initiatives; improving the waste data framework; prudent investing of funding from increased levy; increasing onshore waste processing and decreasing the toxic impact from waste packaging
- It was clarified that the impact of Climate Change on Rotorua Lakes was included in the Rotorua Lakes Council work streams.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 Receives the report, Ministry for the Environment Update Report.**

**Chadwick/Hunt
CARRIED**

8.5 Rotorua Te Arawa Lakes Strategy Group Terms of Reference Review

Key points:

- Members discussed the need for the Strategy Group's Terms of Reference and membership to remain relevant to the changing needs of the partnership and issues of environmental concern.
- While the Strategy Group acknowledged the principles of the Terms of Reference membership, it had not adhered to the requirement of annual rotation of the Chair and felt it appropriate to amend the Terms of Reference and membership to meet current needs and priorities.
- Further inclusion of scope for the Strategy Group included: climate change impacts, lake related biosecurity matters, fisheries bylaw enforcement, Lake Tarawera as a Deed funded lake.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 Receives the report, Rotorua Te Arawa Lakes Strategy Group Terms of Reference Review.

Hunt/Leeder
CARRIED

- 2 Recognises the need to ensure the Rotorua Te Arawa Lakes Strategy Group membership is effective and supports Te Arawa Lakes Trust's request to amend the membership of the Rotorua Te Arawa Lakes Strategy Group to allow for the appointment of an Independent Chairperson without voting rights.
- 3 Recognises that the current membership restrictions of the three parties will require amending accordingly.
- 4 Requests that Sir Toby Curtis be approached to undertake the position of Independent Chairperson for a term of three years.
- 5 Acknowledges a vacancy arising from the appointment of Sir Toby Curtis as Independent Chairperson and requests that Te Arawa Lakes Trust appoint a further member to the Strategy Group.
- 6 Staff from the three partners to undertake a further review of the Terms of Reference to reflect the need to respond to changes in the governance structure and changing environmental priorities, and bring back to the Strategy Group for discussion.

Leeder/Chadwick
CARRIED

8.6 Brown Bullhead Catfish Incursion Project Update

PowerPoint Presentation Objective ID A2900921

Ms H Creagh, Rotorua Catchments Manager and Mr S Grayling, Biosecurity Team Leader updated the Strategy Group on action taken in response to the Catfish incursion in Lake Rotoiti.

In Response to Questions:

- Catch rates were still high in Te Weta Bay
- Biological control may not be effective
- Electronic DNA testing was specific to each species
- BOPRC biosecurity budget had significant increases over the coming years.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 Receives the report, Brown Bullhead Catfish Incursion Project Update.

Hunt/Winters
CARRIED

8.7 Programme Status Update, Three Year Plan and Annual Work Programme

PowerPoint Presentation Objective ID A2900919

Ms H Creagh, Rotorua Catchments Manager, Ms A Grayling, Rotorua Catchments Principal Advisor provided an update on progress and submitted the Three Year Plan and Annual Work Programme for approval, as provided for in the Deed of Funding with the Crown.

In Response to Questions:

- Members would receive an invitation to attend the Low Nitrogen Use Fund launch to be held in July 2018
- While the Ohau Chanel diversion corrosion control was not Deed funded it could be reconsidered after further discussions with MfE
- Trialling alternative materials regarding corrosion control would require technical engineering input
- Forestry conversion plans needed to identify setbacks from waterways in order to comply with Regional Council's land use requirements and harvesting and conversion needed to be in accordance with Resource Management Act requirements including Regional Plans.
- Te Tuapapa o ngā wai o Te Arawa was expected to be embedded across the two councils through staff training sessions.

In response to an invitation to update members on the Lake Rotorua Incentives Scheme, Councillor Bruning, Chair of the Lake Rotorua Incentives Committee advised the Incentives Scheme was tracking well against targets.

In response to an invitation to address members, Mr P Thomas, Chair of the Rotorua Lakes Community Board acknowledged Te Arawa Lakes Trust and the progress and management of the various projects undertaken. Catfish incursion had been highlighted as an issue of concern to the Community Board.

Staff Follow-up:

- Rotorua Lakes Council staff to report back to the Strategy Group on the Lake Rotorua sewage reticulation connection to ensure the project was completed and all properties connected
- Achievements against nutrient removal goals and targets to be included in future Programme Status Reports
- An update from the Chair of Lake and Freshwater Science be included in the RTALSG agenda as a standing item on a 6 monthly basis
- Staff report back on any long term affects of the recent floods on Lake Rotorua and in particular any occurrence of silting.

On behalf of Rotorua Lakes Council, Mayor Chadwick acknowledged the Regional Council's contribution to the Mayoral Manaakitanga Relief Fund established following the Rotorua April 2018 Flood event.

Resolved

That the Rotorua Te Arawa Lakes Strategy Group under its delegated authority:

- 1 Receives the report: Programme Status Update, Three Year Plan and Annual Work Programme.
- 2 Approves the Three Year Plan (2018/2019-2020/2021) and Annual Work Programme 2018-2019 for submission to the Minister for the Environment in accordance with the Deed of Funding for the Programme.

Winters/Hunt
CARRIED

9 Karakia

Councillor Marr closed the meeting with a karakia.

The meeting closed at 12:25 pm

Confirmed

Chairperson

Date

Minutes of the Civil Defence Emergency Management Group Joint Committee Meeting held in the Council Chamber, Rotorua Lakes Council, Civic Administration Building, 1061 Haupapa Street, Rotorua on Friday, 22 June 2018 commencing at 10.00 a.m.

Present:

Chairman: Mayor G Brownless (Tauranga City Council - TCC)

Deputy Chairman: Councillor D Love (Bay of Plenty Regional Council - BOPRC)

Appointees: Mayor J Forbes (Ōpotiki District Council - ODC), Mayor M Campbell (Kawerau District Council - KDC), Deputy Mayor F Tunui (Alternate, KDC), Mayor S Chadwick (Rotorua Lakes Council - RLC), Mayor A Bonne (Whakatāne District Council - WDC), Deputy Mayor J Turner (Alternate - WDC) and Deputy Mayor M Williams (Alternate, Western Bay of Plenty District Council - WBOPDC).

In Attendance: Clinton Naude (Director, Emergency Management Bay of Plenty - EMBOP), Chris Ingle (General Manager Integrated Catchments, BOPRC) Matthew Harrex (Manager Planning and Development, EMBOP), Russell George (Chief Executive Officer, KDC), Bridget Vercoe (Ministry of Civil Defence & Emergency Management), Garry Poole (Chair of Coordinating Executive Group & Chief Executive, TCC), Marty Grenfell (Deputy Chair of Coordinating Executive Group & Chief Executive Officer, WDC), Miriam Taris (Chief Executive Officer, WBOPDC), Clare Ward (Team Lead, TAG Implications Project: Department of the Prime Minister and Cabinet), Gerard McCormack (Planning and Regulatory Group Manager – ODC), Andy Dixon (Management Accountant Team Leader, BOPRC), Angela Reade (Manager, Community Resilience, EMBOP), Andrea Thompson (PA to Director Emergency Management Bay of Plenty), Julian Reweti (Built Environment Team Lead and Project Manager, WDC) and Merinda Pansegrouw (Committee Advisor, BOPRC).

Apologies: Mayor G Webber (WBOPDC)

1 Apologies

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 Accepts the apologies of Hon Kris Faafoi, Minister for Civil Defence, Mayor G Webber, Aileen Lawrie and Geoff Williams and for lateness, Deputy Mayor M Williams, as tendered at the meeting.**

Love/Campbell
CARRIED

2 **Public Forum**

Nil

3 **Acceptance of Late Items**

Nil

4 **General Business**

The following item was raised under General Business:

Rotorua Lakes Manaakitanga Mayoral Relief Fund

Mayor Steve Chadwick, on behalf of Rotorua Lakes Council, thanked Whakatāne District Council and Bay of Plenty Regional Council for their contributions to the Rotorua Lakes Manaakitanga Mayoral Relief aimed at helping families affected by recent flooding following a severe weather event in Rotorua on 29 April 2018.

5 **Confidential Business to be Transferred into the Open**

Nil

6 **Declaration on Conflicts of Interests**

Nil

7 **Previous Minutes**

7.1 **Civil Defence Emergency Management Group Joint Committee minutes - 04 December 2017**

The Chair advised that the Minutes of the meeting of 4th December 2017, Open and Public Excluded, could not be confirmed as only one member was present who had attended the meeting and therefore this item would lie on the table for the following meeting.

7.2 **Civil Defence Emergency Management Group Joint Committee minutes - 23 March 2018**

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 Confirms the Civil Defence Emergency Management Group Joint Committee minutes of 23 March 2018 as a true and correct record.**

Love/Turner
CARRIED

8 Reports

8.1 Bay of Plenty Civil Defence Emergency Management Group Local Controller Amendments

Clinton Naude, Director: Emergency Management Bay of Plenty provided an outline of the report and responded to questions.

Key Points

- It was a legislative requirement for the Bay of Plenty Civil Defence Emergency Management Group Joint Committee to appoint Local Controllers in terms of s27 of the Civil Defence Emergency Management Act 2002.

Resolved

That the Civil Defence Emergency Management Group Joint Committee under its statutory authority:

- 1 Receives the report, Bay of Plenty Civil Defence Emergency Management Group Local Controller Amendments;**
- 2 Appoints Suzanne Craig, Information Services Manager, Rotorua Lakes Council, to act as Local Controller for the Bay of Plenty Civil Defence Emergency Management Group, Rotorua Lakes Council as defined under s27 of the Civil Defence Emergency Management Act 2002, effective 22 June 2018.**
- 3 Appoints Regan Fraser, Infrastructure Business Manager, Rotorua Lakes Council, to act as Local Controller for the Bay of Plenty Civil Defence Emergency Management Group, Rotorua Lakes Council as defined under s27 of the Civil Defence Emergency Management Act 2002, effective 22 June 2018.**
- 4 Appoints Richard Horn, Inner City Manager, Rotorua Lakes Council, to act as Local Controller for the Bay of Plenty Civil Defence Emergency Management Group, Rotorua Lakes Council as defined under s27 of the Civil Defence Emergency Management Act 2002, effective 22 June 2018.**
- 5 Rescinds the authority of Marcus Goldsbury to act as Local Controller for the Bay of Plenty Civil Defence Emergency Management Group, Rotorua Lakes Council, as defined under s27 of the Civil Defence Emergency Management Act 2002.**

Forbes/Bonne
CARRIED

8.2 Bay of Plenty Civil Defence Emergency Management Group Service Delivery Review 2018 - Update

Clinton Naude, Director: Emergency Management Bay of Plenty provided an outline of the report:

Key Points

- Report provided an update on the Bay of Plenty Civil Defence Emergency Management Group's Service Delivery Review that was currently underway
- The main outcome of the review would be to clarify roles and responsibilities for the delivery of Civil Defence Emergency Management by all member local authorities and the Group Emergency Management Office
- The Ministerial Review "*Better Responses to Natural Disasters and Other Emergencies in New Zealand*", released on 18 January 2018, would also be considered as part of the Service Delivery Review
- Final delivery date of the report would be 7 December 2018.

Resolved

That the Civil Defence Emergency Management Group Joint Committee under its statutory authority:

- 1 Receives the report, Bay of Plenty Civil Defence Emergency Management Group Service Delivery Review 2018 – Update.

Forbes/Love
CARRIED

8.3 2018-2028 Long Term Plan Update

Clinton Naude, Director: Emergency Management Bay of Plenty presented the report, outlining the following:

Key Points

- Bay of Plenty Regional Council (BOPRC) had included a question in their 2018 - 2028 Long Term Plan (LTP) Consultation document on establishing a targeted rate for regional-wide Civil Defence Emergency Management (CDEM) following which the majority of submissions received, supported the option of establishing a targeted rate
- BOPRC had directed staff to proceed with the establishment of a targeted rate for region-wide CDEM services as part of deliberations for the LTP 2018 - 2028
- As a result the Bay of Plenty CDEM Group would no longer invoice member councils for their group contributions; these would be collected through a BOPRC CDEM Targeted Rate
- Adoption of the LTP 2018 - 2028 had been scheduled for consideration on 28 June 2018
- The following key matters, highlighted by the community during the LTP submission process, were currently being attended to:
 - Appropriately resourcing communities in order to be effective in the event of an emergency
 - Māori to be more involved at all levels in CDEM
 - New Zealand Response Teams - funding/support with training and health and safety equipment.

Members' Comments

- Noted that the outcome of the National Review to be released on 7 December 2018 could possibly impact on future rating arrangements
- There was a national need to involve multi-cultural societies to ensure adequate provision for the specific needs of international students/immigrants.

In Response to Questions

- A Diverse Response Seminar had been scheduled for 27 June 2018. The purpose of the seminar would be to highlight the importance of understanding the increasingly diverse communities in the Bay of Plenty Region and to enable the Bay of Plenty Civil Defence Emergency Management Group to effectively support them in an emergency. A variety of guest speakers had been invited to explain how their cultural differences would impact on how they would respond and how their communities could be supported during an emergency.

Resolved

That the Civil Defence Emergency Management Group Joint Committee under its statutory authority:

- 1 Receives the report, 2018-2028 Long Term Plan Update.**

**Love/Bonne
CARRIED**

8.4 Whakatane District Recovery Debrief and Toolbox

Julian Reweti, Built Environment Team Lead and Project Manager, Whakatāne District Council outlined the report and responded to questions.

Key points

Highlighted three key learnings

- Recovery should be managed from one centralised venue
- Navigators were a vital source of data/information
- Keeping an eye on social media to identify key issues was critical.

Members' Comments

- A key learning from the recent weather events in Tauranga, Edgecumbe and Rotorua had been that the accountability for Navigators costs needed to be clarified with the Ministry of Civil Defence & Emergency Management as it was considered this should not be a cost to the ratepayer
- The Whakatāne District Recovery Debrief and Toolbox, as a guideline to help during future recovery efforts, should be a dynamic document
- The involvement of the Ministry of Social Development, to support with all aspects related to social grants / psychosocial matters, was important
- Having a Mayoral Relief Trust Fund to support the community during a recovery phase played a significant role. Since the practice had ceased, the reestablishment of Mayoral Relief Trust Funds should be reconsidered.

Actions for Mayors

- Further discussion by Mayors at the next Zone 2 meeting on the resurrection of Mayoral Relief Trust Funds to support communities during a recovery phase following disasters.

Attendance

Deputy Mayor M Williams entered the meeting at 10:40 am.

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 Receives the report, Whakatāne District Recovery Debrief and Toolbox

Chadwick/Bonne
CARRIED

- 2 Requests the Bay of Plenty Civil Defence Emergency Management Group Recovery Manager, through the Regional Recovery Forum, to review recent events and build on the Whakatāne District Recovery Debrief and Toolbox with the view of developing a dynamic document/living guide, a final version of the document to be submitted to the CDEMG for possible future referral to the Ministry of Civil Defence & Emergency Management

Chadwick/Bonne
CARRIED

- 3 Formally congratulates the Whakatāne District Recovery Project Team for receiving a Ministerial Award from the Ministry of Civil Defence & Emergency Management for the outstanding work done during the Whakatāne Recovery.

Brownless/Turner
CARRIED

8.5 Mycoplasma bovis update

Clinton Naude, Director: Emergency Management Bay of Plenty presented the report and responded to questions.

In Response to Questions

- To maintain consistent communication, the Ministry of Primary Industry, as the lead agency, would oversee and administer all communications.

Resolved

That the Civil Defence Emergency Management Group Joint Committee:

- 1 Receives the report, Mycoplasma bovis update.

Forbes/Bonne
CARRIED

8.6 Taiohi Taiao Youth Jam 2018

Video clips - Refer Objective ref: zA221446

Angela Reade, Manager: Community Resilience, Emergency Management Bay of Plenty, provided background to the report and displayed two videos:

1. A message from the Minister for Civil Defence, Hon Kris Faafoi
2. Taiohi Taiao Youth Jam 2018

Key Points:

- The Taiohi Taiao Youth Jam was held on 15 - 17 May 2018 at Ōhope Beach and welcomed over 40 students from 16 secondary schools across the Bay of Plenty
- Objectives of the event were:
 - To train Youth Civil Defence Ambassadors
 - To increase knowledge of natural hazards
 - To explore the 4 R's of Emergency Response
 - To network and have fun
- Positive Outcomes from the Youth Jam thus far:
 - A tsunami evacuation drill at Pāpāmoa College
 - Te Kura Kaupapa o Te Koutu students presented in Te Reo Māori to Komiti Māori on their experiences and plans to build resilience in their kura
 - Otumoetai College students had requested Tauranga City Council for the use of Bellevue Park and an alternate assembly point in case their primary point was unsafe to use
 - Students at John Paul College had met with the Health and Safety representative of their Board of Trustees.

Students from John Paul College: Areta Pakinga, Kiera Davidson and Megan Hughes outlined the positive outcomes/key learnings from the Youth Jam, the practical steps they have since implemented at their school and the awareness they had raised amongst peers.

Next steps

- Following the success of the pilot event, Emergency Management Bay of Plenty would host the Civil Defence Youth Ambassadors as an annual event
- The Ambassador Programme would improve knowledge/skills and provide resources to the youth ambassadors that would assist in building key relationships.

Resolved

That the Civil Defence Emergency Management Group Joint Committee under its statutory authority:

- 1 Receives the report, Taiohi Taiao Youth Jam 2018.**

**Love/Forbes
CARRIED**

9 Presentations

9.1 Clare Ward - Team Lead, TAG Implications Project: Department of the Prime Minister and Cabinet

Clare Ward, Team Lead, Technical Advisory Group (TAG) Implications Project: Department of the Prime Minister and Cabinet, provided a verbal update on progress with the development of a government response to the Ministerial Review - *'Better Responses to Natural Disasters and other Emergencies in New Zealand'*, released in January 2018.

Key Points

- Civil Defence Minister Hon Kris Faafoi had met with a number of local authorities, iwi and other groups over the past few months to consider the recommendations by TAG; having an understanding of what was happening at ground level was critical
- The TAG report mainly focussed on the most appropriate operational and legislative mechanisms to support effective responses to natural disasters and other emergencies, and communities and their resilience/ ability to help themselves
- Although the current emergency management system worked well, it required strengthening to allow stronger national-level leadership, direction and standards
- Continuous learning from events should take place to ensure that communities benefitted from consistently increased public safety and property protection
- In considering the TAG Recommendations, the following five areas would be the points of focus:
 - People and the well-being of local communities to remain at the heart of the system
 - Strengthening national leadership systems
 - Building capabilities
 - Improving the intelligence system/incorporating science advice/communications (public and strategic)
 - Clarifying roles and responsibilities

Key Points on the Regional Structures/roles and responsibility

- Mayors to have primary authority for declaring states of local emergency under the CDEM Act
- There needs to be a clear distinction between an incident and an emergency; Controllers' authorities to be aligned accordingly
- Authority to coordinate response to an emergency under the CDEM Act needed to be clarified.

Members' Comments

- Highlighted the importance of having very clear directions to guide Mayors with their authority to declare states of local emergency under the CDEM Act. Mayors needed to be briefed on the importance of their role in emergencies and mayoral training should strongly be encouraged
- Needed to tighten up on the distinction between Regional Council staff members and Group staff members and the authority/response plans, roles/responsibilities and communication channels. This needed to happen as part of the preparedness process/service agreement, outside of an event
- Communication flow around events needed to be further refined
- In defining the roles and responsibility of the Local Controller, the importance of the Mayor's involvement/inclusion, as a link with the community and as spokesperson, needed to be taken into consideration: Local Controller/Mayor/CE roles to be unambiguously clarified
- Assistance by central government agencies in the recovery phase should be simplified and the pay-back of grants should not be expected. Noted that the TAG

report had recommended that MSD be specified as lead agency across the 4Rs with the responsibility for coordinating welfare services and sub-functions of registration and needs assessments

- Reiterated that the responsibility for the payment of the welfare function should rest with MSD and not with relevant local authority
- The role of Navigators, having specialised skills, would add value when forming part of a regional centre of expertise and should be included as part of readiness training.

Key Points – Staff Members

- The review on the response to the recent Rotorua flooding event (April 2018) would provide valuable information to assist with key learnings going forward
- Since each event offered unique challenges, the importance of the readiness phase should never be undervalued. Response should be seen as the final exam, with preparedness as an opportunity to continuously focus on key learnings and relationship building.

10 Consideration of General Business

10.1 CDEMG Workshop: 28 September 2018

Clinton Naude, Director: Emergency Management Bay of Plenty, reminded members that the next meeting of the committee, scheduled for 28 September 2018, would include a workshop session. He invited possible topics for inclusion on the workshop agenda.

Proposed items for Workshop Agenda

- Welfare function in disaster situations on a local level in rural areas (iwi/marae/schools)
- Role/responsibility of Navigators
- A perspective on insurance
- Resurrection of Mayoral Relief Trust Funds.

The meeting closed at 12:10 pm

Confirmed

Chairman, Civil Defence Emergency Management
Group Joint Committee

Date

Minutes of the Te Maru o Kaituna River Authority Meeting held in Ngāti Moko Marae, 314 Te Puke Highway, Te Puke on Friday, 22 June 2018 commencing at 10.30 a.m.

Present:

Chairman: D Flavell (Tapuika Iwi Authority Trust)

Deputy Chairman: Councillor A Tahana (Bay of Plenty Regional Council)

Appointees: Councillor S Morris (Tauranga City Council), R Pou Poasa (Alternate, Te Komiti Nui o Ngati Whakaue), Councillor T Tapsell (Rotorua Lakes Council), Councillor J Nees (Bay of Plenty Regional Council), M Horne (Te Komiti Nui o Ngati Whakaue), N Chater (Rotorua Lakes Community Board), Dr B Kihirini (Alternate, Tapuika Iwi Authority), Councillor M McDonald (Alternate, Bay of Plenty Regional Council), R Hancock (Te Tāhuhu o Tawakeheimoa Trust)

In Attendance: Councillor T Marr (Bay of Plenty Regional Council), Mayor Garry Webber (Western Bay of Plenty District Council), Fiona McTavish (Chief Executive Designate), Namouta Poutasi (General Manager: Strategy and Sciences - Acting), Sarah Omundsen (General Manager, Regulatory Services - Acting), Kataraina O'Brien (Strategic Engagement Manager), Anaru Vercoe (Māori Policy Team Leader), Jo Watts (Senior Planner - Water Policy), Rawiri Bhana (Maori Policy Advisor), Ruth Keber (Marketing and Communications Advisor), T Nerdrum-Smith (Committee Advisor)

Apologies: Councillor T Molloy (Alternate, Tauranga City Council), Councillor J Scrimgeour (Alternate, Western Bay of Plenty District Council), P Thomas (Alternate, Te Pumautanga o Te Arawa), Councillor K Marsh (Western Bay of Plenty District Council) Councillor K Marsh (Western Bay of Plenty District Council) and N Douglas (Alternate, Te Tahuhu o Tawakeheimoa Trust)

1 **Opening Karakia**

Manu Wihapi opened the meeting with a Karakia.

2 **Apologies**

That the Te Maru o Kaituna River Authority:

- 1 **Accepts the following apologies tendered at the meeting: Councillor T Molloy (Alternate, Tauranga City Council), Councillor J Scrimgeour (Alternate, Western Bay of Plenty District Council), P Thomas (Alternate, Te Pumautanga o Te Arawa), N Douglas (Alternate, Te Tahuhu o Tawakeheimoa Trust) and Councillor K Marsh (Western Bay of Plenty District Council).**

Tahana/Horne

CARRIED**3 Public Forum**

Nil

4 Acceptance of Late Items

Noted that the following updated reports had been circulated separately to the main agenda:

- The Kaituna River Document Communications Plan Approval
- Approval of He Taonga Tuku Iho - A Treasure Handed Down: Te Maru o Kaituna River Document.

5 General Business

Nil

6 Declaration of Conflicts of Interest

Nil

7 Previous Minutes**7.1 Te Maru o Kaituna River Authority Minutes - 27 April 2018****Resolved**

That the Te Maru o Kaituna River Authority:

- 1 Confirms the Te Maru o Kaituna River Authority Minutes - 27 April 2018.

Nees/Horne
CARRIED

8 Reports**8.1 Membership Update – Te Pumautanga o Te Arawa Trust**

As P Thomas, who would be speaking to this item, but was not in attendance, the matter was deferred to the next meeting.

Staff Follow-up

- Include this item in the agenda for the next meeting, scheduled for 24 August 2018.

8.2 The Kaituna River Document Communications Plan Approval

Ruth Keber, Marketing and Communications Advisor provided an outline of the report.

Resolved

That the Te Maru o Kaituna River Authority under its delegated authority:

- 1 Receives the report, Approval of the Kaituna River Document Communications Plan;**
- 2 Approves the Kaituna River Document Communications Plan 2018 attached as Appendix 1 to the paper.**

**Horne/Nees
CARRIED**

8.3 Update on the Public Celebration of the Kaituna River Document

The Chairperson provided a verbal update as follows:

Key Points

- The public celebration would be postponed until September 2018, which would allow for more socialising of the document and better weather for a celebration
- A report regarding the public celebration would be provided at the next meeting, scheduled for 24 August 2018.

Staff Follow-up

- Staff to contact the Bay Waka publication, who wanted to run a feature on the Kaituna River document.

8.4 Approval of He Taonga Tuku Iho - A Treasure Handed Down: Te Maru o Kaituna River Document

Jo Watts, Senior Planner - Water Policy provided an outline of the report.

Key Points

- All submitters would be contacted regarding the approval of the document as follows:
 - A formal letter or email
 - Summary document
 - Advice on how to access the document on line
 - Opportunity to request hardcopy of the document.
- Each TMoK appointing organisations would be provided with the complete document, supported by information packs, for additional distribution.

Staff Follow-up

- Following a request from the floor, ensure Mere Balsom (Tapuika Iwi Authority) be kept informed by inclusion on TMoK's interested parties email list and provided with a copy of the document and summary.

Resolved

That the Te Maru o Kaituna River Authority:

- 1 Receives the report, Approval of He Taonga Tuku Iho - A Treasure Handed Down: Te Maru o Kaituna River Document;**

- 2 Confirms the 'Decisions on Submissions Report' (including appendices) reflect the Hearing Panel decisions;
- 3 Directs staff to publicly notify approval of the document and release of decisions on submissions in mid-July with 1 August 2018 as the date the river document will take effect;
- 4 Authorises the Chairman of Te Maru o Kaituna River Authority to make minor editorial and formatting changes to the 'Decisions on Submissions Report' (including appendices) for the purpose of preparing the material for public notification.

Tahana/Hancock
CARRIED


9 Closing Karakia

Dean Flavell closed the meeting with a Karakia.

The meeting closed at 11.00 a.m.

Joint Committee Minutes

Minutes - Eastern Bay of Plenty Joint Committee 3 July 2018

	Details of Meeting:	EASTERN BAY OF PLENTY JOINT COMMITTEE MEETING HELD IN THE COUNCIL CHAMBERS, CIVIC CENTRE, WHAKATĀNE ON TUESDAY, 3 JULY 2018 COMMENCING AT 1.00 PM
	Present:	Deputy Mayor J A Turner (Chairperson) and Mayor A A Bonne (Whakatane District Council), Mayor M Campbell (Kawerau District Council), Councillors N Bruning and W Clark (Bay of Plenty Regional Council), Mayor J Forbes and Councillor L Riesterer (Opotiki District Council)
	In Attendance:	A Lawrie (Opotiki District Council), R George (Kawerau District Council), S Lamb and I Morton (Bay of Plenty Regional Council), M Grenfell, J Gardyne J Farrell, C Ball, M Houghton and H J Storey (Whakatāne District Council)
	Visitors:	B MacLennan (ToiEDA)
	Apologies:	Chairperson D Leeder - Bay of Plenty Regional Council

1 CONFLICTS OF INTEREST

No conflicts of interest were noted.

2 CONFIRMATION OF MINUTES: 28 MARCH 2018

Refer to pages 8-12 of the agenda.

RESOLVED:

THAT the minutes of the EBOP Joint Committee meeting held on Wednesday, 28 March 2018 be confirmed as a true and correct record.

Clark/Forbes

CARRIED

Attendance: Mayor Bonne, M Grenfell and J Gardyne entered the meeting at 1.05 pm and Councillor Riesterer entered the meeting at 1.13 pm

3 REPORTS

3.1 Awatarariki Stream Debris low Risk Management Update

Refer to pages 30 of the agenda and pages 30a- d of the tabled items.

The Manager Strategic Projects gave a power point presentation outlining points raised in the report.

RESOLVED:

THAT the Awatarariki Stream Debris low Risk Management Update report be received.

Turner/Campbell
CARRIED

4 PRESENTATIONS

4.1 Climate Change and Freshwater Futures

Refer to pages 13c-e of the tabled items.

Mr Lamb provided a power point presentation outlining the Zero Carbon Bill noting that

- the targets set in the bill may not be achievable – some of what was considered easy targets would still be hard to achieve
- public meetings were to be held in various locations
- submissions were being drafted by Whakatane District Council and Bay of Plenty Regional Council
- four key questions and proposals were the role of the Climate Change Commission, how should emissions budgets work, how to set targets and which 2050 target to use
- Climate Change and Local Government Forum 21-22 June was sold out with a range of staff attending and key messages being around adaptation planning
- Would local government be liable and do they have a duty of care
- Issue was taxing all with the number of events occurring
- Local government required central government support and other funding mechanisms to manage the change

RESOLVED:

THAT the Climate Change Presentation be received.

Mayor Forbes/Riesterer

CARRIED

4.2 Freshwater Futures – Ian Morton

Refer to pages 13a-b of the tabled items.

Mr Morton provided a power point presentation on the freshwater futures and noted the national context with regards to legislation and national direction, funding and incentives available, ongoing work programmes in progress and future changes including

- A Ministerial task force had been set up to drive improvements with degradation of land and there was an opportunity for local authorities to suggest issues for consideration including imposing bigger fines.
- Changes were being proposed in the three waters area and it was noted that there was an average of 60% compliance within NZ water supplies which reduced to 40% compliance with smaller suppliers.
- The Freshwater Strategy was to be updated in 2020 and would include nitrogen levels with hotspots being noted
- There was an opportunity to plant Manuka on steeper slopes along the East Coast for honey production which may be more significant towards solving the downstream effect in that area

The Bay of Plenty Regional Council's role was to manage water, discharges and use of land and implement the National Policy Statement for Freshwater Management by 2030 by setting objectives, limits and methods for freshwater quality and quantity. This included the use of the rivers, treaty

settlement issues relating to the water ways, installation of water meters for agricultural use, the monitoring of plantation forestry and the damage to property and fresh water.

Attendance: Mayor Forbes left the meeting at 2.02 pm

Key achievements and actions were noted throughout the Bay of Plenty including:

- Rangitāiki – co-governance with the Rangitāiki River Forum, Regional Growth Strategy including irrigation opportunities and changes to the Regional Policy Statement were underway
- Whakatāne, Waioeka and East Coast – Regional Growth Strategy with horticulture and business opportunities and the Kopeopeo canal remediation
- Ōhiwa Harbour and Waiotahi – sediment problem had been addressed, the strategy completed, a community action group established and stock excluded from 95% of waterways

4.3 Barbara McLennan – Toi EDA Workforce

Refer to pages 18-22 of the agenda and pages 22a-j of the tabled items.

Ms MacLennan provided a power point presentation and noted that the mission of ToiEDA was cross sector effort to grow the workforce for good jobs in the Eastern Bay of Plenty. The following points were noted:

- Over 5,000 people were on work benefits with a percentage of these being young people
- Workforce opportunities were being provided with programmes within the schools including drivers licencing for all students and a big focus on work readiness
- Youth Neet with funding provided by M<BIE and supporting innovations place by place within communities in the region. Ōpōtiki initially, with proposals commencing for Kawerau, Murupara and Whakatane
- Link Up – a survey link to school age students in conjunction with the EMA and Chamber of Commerce to understand young people in industry
- Working with the EMA, Comet and Auckland City who were operating in 200 schools throughout New Zealand – locally three schools and 65 students were involved and Department of Corrections will integrate into their programmes
- Key was to provide real opportunities to work in a workplace and learn about the world of work in a real setting
- LinkUp Excellence Awards – want Councils to apply and to work with young people – want Councils to provide work placements, personnel to talk to people on the course and Mayors to assist with licence to work ceremonies

RESOLVED:

THAT the Toi EDA Workforce Development Programme Update report be received; and

Campbell/Riesterer

CARRIED

In response to a query as to whether there was duplication of services being provided by other tertiary providers, Ms MacLennan advised that they all worked in partnership and connected as much as possible. She said that they were seeking the support of the Mayors and asked that Mayors bring ideas forward. Mayor Campbell advised that the centralisation of drivers licencing to Whakatāne posed problems for youth in the communities to be able to get to the licencing office. He also noted that there was a shortage of welders in the region and employers were recruiting tradesmen from overseas, especially within the boat building industry.

Ms MacLennan advised that some exciting news would soon be announced for the Eastern Bay of Plenty. She noted that they were seeking more of a commitment for drivers licencing being committed into the school leaver's certificate and schools be required to teach work ready skills and financial literacy.

Attendance: Ms MacLennan left the meeting at 2.44 pm

5 REPORTS CONTINUED

5.1 Regional Growth Leadership Group Update

Refer to pages 14-17 of the agenda.

RESOLVED:

THAT the Regional Growth Leadership Group Update report be received.

Campbell/Riesterer

CARRIED

5.2 Whakatāne Ki Mua Cross-sector Forum – Drug and Alcohol Addiction

Refer to pages 26-29 of the agenda.

RESOLVED:

1. **THAT** the Whakatāne ki Mua Cross-Sector Forum – Drug and Alcohol Addiction report be received; and
2. **THAT** the Committee signal a desire for the Cross-Sector Drug and Alcohol Project to be an Eastern Bay of Plenty wide collaboration; and
3. **THAT** the Committee recommended to the Kawerau and Ōpōtiki District Councils that they formally request to the Cross-Sector Forum that the Drug and Alcohol Project be expanded to include the wider Eastern Bay of Plenty.

Campbell/Bonne

CARRIED

5.3 Mōtū Trails Cycle Trail Extension

Refer to pages 23-25 of the agenda.

RESOLVED:

THAT the Mōtū Trails Cycle Trail Extension report be received.

Riesterer/Clark

CARRIED

THE MEETING FINISHED AT 3.07 PM

Confirmed this	day of
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CHAIRPERSON

Chairman's Report



Receives Only – No Decisions

Report To: Regional Council

Meeting Date: 02 August 2018

Report From: Douglas Leeder, Council Chairman

Chairman's Report

Executive Summary

Since the preparation of the previous Chairman's Report (for the 28 June 2018 Council meeting) I have attended and participated in a number of meetings and engagements as Chairman on behalf of the Bay of Plenty Regional Council.

This report sets out those meetings and engagements and highlights key matters of interest that I wish to bring to Councillors' attention.

Recommendations

That the Regional Council:

- 1 Receives the report, Chairman's Report.**

1 Purpose

The purpose of this report is to update Council on meetings and engagements I have attended and participated in as Chairman and to highlight key matters that will be of interest to Councillors.

The following section summarises these meetings and engagements. I will provide further detail at the meeting in response to any questions you may have.

2 Meetings and Engagements

Date	Meeting/Engagement	Comment
22 June	Bay of Plenty Export Awards 2018 – <i>Mount Maunganui</i>	The awards recognised local exporters' success in 2018, with awards for the following categories: Best Emerging Business, Best Medium – Large Business, Excellence in Innovation, Export Achievement and Service to Export.
25 June	SmartGrowth Meeting– <i>Tauranga</i>	Briefing on stage one of the Centre for Transport work.
26 June	Rangitaiki/Tarawera ratepayers meeting - <i>Edgecumbe</i>	Councillor Clark also attended.
2 July	On-site farm visit at Kaituna Road – <i>Paengaroa</i>	Attended.
	Powhiri for new Chief Executive, Fiona McTavish – <i>Tauranga</i>	An opportunity to formally welcome Fiona McTavish to her new role as Chief Executive.
3 July	Meeting with Hon. David Parker – <i>Wellington</i>	Also in attendance was Councillor Crosby, regional sector Elected Members and a few regional sector Chief Executives. Discussed freshwater implementation.
6 July	Bay of Connections Governance Group meeting – <i>Tauranga</i>	Attended.
12 July to 14 July	Regional Sector Pre-Conference Tour - <i>Christchurch</i>	Attended.
15 July	National Council meeting – <i>Christchurch</i>	Attended.
	Local Government New Zealand Annual General Meeting - <i>Christchurch</i>	This is covered in more detail in the following section.
	Regional Sector meeting - <i>Christchurch</i>	This is covered in more detail in the following section.
16 to 17 July	Local Government New Zealand Conference - <i>Christchurch</i>	This is covered in more detail in the following section.
18 July	SmartGrowth Leadership Group Workshop – <i>Tauranga</i>	Attended.

Date	Meeting/Engagement	Comment
19 July	Western Bay Local Government Iwi Leaders hui - <i>Tauranga</i>	Attended.
20 July	Bay of Plenty Triennial Agreement meeting – <i>Rotorua</i>	This is covered in more detail in the following section.
23 July	Iwi Chairs Fresh Water Hui - <i>Rotorua</i>	Attended.

3 Matters of Potential Interest

3.1 Local Government New Zealand Annual General Meeting

The Local Government New Zealand Annual General Meeting (LGNZ AGM) was held on 15 July 2018.

There were 12 remits considered at the LGNZ AGM. The following remits were supported: Rural roads policy for heavy commercial vehicles, Heritage buildings, Climate change adaptation fund, Drug testing in the community, Local alcohol policies which reflect community preferences, Supporting the use of biofuels as alternative low carbon fuels, Walking the talk – single use plastics, Reducing the waste stream, Tyres stewardship, A mandatory register of cooling towers and Copper in brake pads – impact on the environment. The remit on climate change advocacy to banks to transition to low- or zero-carbon investments was not supported.

Bay of Plenty Regional Council's registered delegates to vote on our behalf were Deputy Chair Jane Nees, Councillor Stuart Crosby and I.

3.2 Regional Sector Meeting

The RSG meeting for regional/unitary council Chairs/Mayors and Chief Executives, was held just prior to the start of the Local Government New Zealand Conference during the afternoon of 15 July 2018. It was a relatively short and informal meeting which included verbal updates covering water and biodiversity and a discussion about recent engagement with the Government.

3.3 Local Government New Zealand Conference

The two day conference over 16 and 17 July 2018 included a number of presentations and speakers on various topics with the overall theme of "*We are firmly focused on the future: Future-proofing for a prosperous and vibrant New Zealand*". The theme had a strong focus on leadership and addressing the big challenges and opportunities facing New Zealand and its communities.

The conference was attended by over 550 delegates including Mayors, Chairs, Chief Executives, Councillors and senior management from across New Zealand's councils. There were also attendees from the private and business sectors, and government and non-government agencies.

The presentation videos are available on the Local Government New Zealand website.

3.4 Bay of Plenty Triennial Agreement Meeting

The triennial meeting was held in Rotorua on 20 July 2018. The following were the main topics covered:

- Bay of Connections and Provincial Growth Fund Update – The Triennial group was the first group to be consulted in the Bay of Connections / Regional Growth Study review which began in July 2018. The purpose of the review is to ensure Bay of Connections / Regional Growth Study continue to evolve and effort is put into the right sectors and focus areas.

A high level summary of projects within the Bay of Plenty that are business case ready or anticipated to be ready in the next 6 months, for the Provincial Growth Fund was provided.

- Tour of Te Aka Mauri Library and Children's Health Hub. Rotorua Lakes Council recently received the Local Government New Zealand EXCELLENCE Best Practice in Service Delivery and Asset Management Award for this facility.

The draft minutes for the triennial meeting will be provided in Stellar Library as soon as they are available.

4 Funding Infrastructure for Growth

Following the adoption of Long Term Plans for 2018-2028, Bay of Plenty Regional Council, Tauranga City Council and Western Bay of Plenty District Council are continuing discussions on financial, funding and delivery matters relating to infrastructure in the growth area of the western Bay of Plenty sub-region.

A 'problem definition' workshop will be held in August 2018, facilitated by John Hutchings of HenleyHutchings. Around three representatives from each Council will attend the workshop (it will not make any decisions). Depending on the outcomes of this initial workshop, Council will need to consider scope and membership for future workshops and meetings.

5 Other Matters

As interim Chair of Trout New Zealand Association Incorporated (Trout NZ), I will be presenting to the Primary Production Select Committee in late August/September 2018. Trout NZ is supporting a private petition to review the legislation that prohibits commercial farming of trout in New Zealand.

Doug Leeder
Council Chairman

24 July 2018

Chief Executive's Reports



Report To: Regional Council

Meeting Date: 02 August 2018

Report From: Mat Taylor, General Manager, Corporate Performance

Review of the representation arrangements for the 2019 local elections - hearing and deliberations

Executive Summary

At its meeting on 10 May 2018 Council decided its initial representation review proposal for the 2019 local authority triennial election. Under the requirements of the Local Electoral Act 2001, this initial proposal was subject to a public consultation and submission process. Submissions closed on 30 June 2018 and a total of three submissions were received with two submitters speaking to their submissions.

Council is asked to consider the written and verbal submissions received and deliberate and decide its final representation proposal.

Recommendations

That the Regional Council:

- 1 Receives the report, Review of the representation arrangements for the 2019 local elections - hearing and deliberations;**
- 2 Receives and considers the representation review submissions from Tauranga City Council, Bay of Plenty Federated Farmers and John Howard.**
- 3 Resolves, in accordance with the provisions of the Local Electoral Act 2001 and following its consideration of the public submissions received to its 2018 review of representation arrangements, to adopt/amend its initial proposal as its final proposal for the 2019 Bay of Plenty Regional Council triennial elections being:**

General Constituencies

Eastern Bay of Plenty	_ Elected Members
Rotorua	_ Elected Members
Tauranga	_ Elected Members
Western Bay of Plenty	_ Elected Members

Maori Constituencies

Mauao	1 Elected Member
Kōhī	1 Elected Member
Ōkurei	1 Elected Member
Total	14 Elected Members

- 4 Notes that in considering matters raised by submitters, the total number of councillors is proposed to remain at 14 to provide effective representation to the regions' residents and ratepayers, and the number of members to be elected by the electors of the proposed constituencies will receive fair representation having regard to the population and communities of interest of each constituency in the region.**
- 5 Notes that its Final Representation Proposal does not comply with section 19(V)(2) of the Local Electoral Act 2001. The proposal must therefore be treated as an appeal under section 19(V)(5) of the Local Electoral Act 2001 and be referred to the Local Government Commission for its determination following the appeal/objection period.**
- 6 Notes that the above Final Representation Proposal will be publically notified on 11 August 2018 providing the opportunity for appeals and objections to be lodged in the period 11 August to 11 September 2018.**
- 7 Agree that the wording of the reasons for the Council's decision, and its acceptance or rejection of submissions received on the Council's initial proposal, as required under section 19N(2) of the Local Electoral Act 2001, be approved by the Chairman in conjunction with the Interim Governance Manager.**

1 Statutory Requirements

Council is required to undertake a representation review at least once every 6 years. The last review undertaken by the Bay of Plenty Regional Council was in 2012 which remained in place for the 2013 and 2016 local authority triennial election. Council is therefore required to undertake a review this year, in time for the 2019 triennial election.

A representation review must be conducted in accordance with the Local Electoral Act 2001 (LEA), and the Local Government Act 2002 (LGA).

2 Representation Review Process

Territorial Authorities in the region were invited to provide initial input to inform a representation review workshop held on 23 April 2018 that presented Council with various options, and investigated possible representation scenarios.

2.1 The initial proposal

At its meeting held on 10 May 2018, Council considered the options presented at the workshop and resolved its initial representation proposal for public consultation and submissions. The initial proposal included four General constituencies comprising eleven elected members, and three Māori constituencies comprising three elected

members. This initial proposal recommended no change to the current representation arrangement on the basis that the current boundaries were a good reflection of the current sub-region, aligned with the region's territorial authorities' boundaries and did not compromise the natural occurrence of communities of interests based on geographical and social associations.

In summary Council's Initial Representation Proposal was:

Constituencies	Members
General constituencies	
Eastern Bay of Plenty	2
Rotorua	2
Tauranga	5
Western Bay of Plenty	2
Māori constituencies	
Kōhi	1
Mauāo	1
Ōkurei	1

In recommending the status quo Council noted that its initial proposal did not fully comply with section 19(V)(2) of the Local Electoral Act 2001 (the +/-10% rule). Further, Council was advised that any non-compliant representation proposal must be forwarded to the Local Government Commission for decision.

The initial proposal was publicly notified in the region's leading newspapers and also forwarded to key stakeholders and regional local authorities calling for submissions. The submission period was open from 17 May to 30 June 2018.

2.2 Submissions received

A total of three submissions were received on the initial proposal with two submitters wishing to be heard. A summary of submissions is outlined in the table below. Full copies of each submission are appended to this report.

Sub No.	Submitter	Summary of submission	Oppose/Support	Decision sought
1	Tauranga City Council	<ul style="list-style-type: none"> Suggests that using Stats NZ population estimates as at 30 June 2017 as the basis for member per population ratio will not adequately represent projected population growth for Tauranga City prior to another review being undertaken in six years' time. 	Oppose	<ul style="list-style-type: none"> Revise the proposed representation arrangements by increasing the number of members allocated to the Tauranga Constituency; <p>Or</p>

		<ul style="list-style-type: none"> Concerned that Tauranga Constituency electors will be disadvantaged by maintaining the current arrangement and thereby not receive fair representation during the period up to a further review being undertaken in six years' time. 		<ul style="list-style-type: none"> Undertake a further review (after the 2019 elections) to account for expected Tauranga Constituency population growth
2	John Howard	<ul style="list-style-type: none"> Recommends increasing the members for Eastern Bay of Plenty General Constituency to three, based on the following considerations: <ul style="list-style-type: none"> Geographical land area as that is the basis used for collection of rates Environmental and asset management issues experienced in the constituency Portion of wealth produced within the Eastern Bay constituency Lower socio economic population would benefit from better representation Supports the rest of the General Constituencies remain with the status quo number of members. 	Oppose and Support	<ul style="list-style-type: none"> Increase the member per population from 2 to 3 members for the Eastern BOP General Constituency Retain the number of members in all other General Constituencies as identified in the initial proposal
3	Bay of Plenty Federated Farmers	<ul style="list-style-type: none"> Concerned representation is imbalanced in Bay of Plenty in favour of Tauranga City. Eastern BOP Constituency is an extensive geographic area with isolated communities requiring reasonable representation. Recommends further adjustment to the representation numbers for the Eastern Bay of Plenty General Constituency is necessary to achieve a reasonable balance of representation across the region and a reasonable voice for more isolated communities in the management of Council's finances, community assets and environmental programmes. Suggests balance could be achieved by reducing representation for the Tauranga General Constituency as, while populated, is geographically small. 	Support and Oppose	<ul style="list-style-type: none"> Supports First Past the Post Electoral System Supports the existing General Constituency boundaries Supports non-compliance with the +/- 10% member per population rule to achieve fair representation , particularly geographically extensive but more isolated rural communities Support Council's noncompliance with the +/- 10% rule in the status quo Supports an additional member for the Eastern Bay of Plenty

				<p>General Constituency increasing the member representatives to 3 members</p> <ul style="list-style-type: none"> • Supports reducing the Tauranga General Constituency from five to four members in order to retain maximum representation at 14 members
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2.3 Submissions and Final Representation Proposal

Council is now required to consider the submissions received and either adopt the initial proposal as its final proposal or amend it.

All three submissions received propose changes to the number of members in either the Tauranga or Eastern Bay of Plenty constituency. Tauranga City Council's submission proposes Regional Council increase its number of Tauranga constituency members from five to six based on a projected population increase. However, under S19X of the Local Electoral Act 2001, Regional Council is required to use the 2013 census or the latest ordinary resident population as estimated by the Department of Statistics, as at 30 June 2017 as used in this case.

Two submitters proposed to increase the Eastern Bay of Plenty constituency members from two to three based on reasons summarised above. While representation of isolated communities is important, increasing the number of members per population ratio to three would result in a -50.29% deviation from the +/-10% member per population ratio (currently proposed at -25.43%) or a significant shifting of current local communities of interests and boundaries. As suggested by one submitter this requires an alteration to the representation in Tauranga Constituency from five to four (the total number of Councillors must remain at no more than 14) resulting in this constituency no longer complying with the fair representation requirements (would result in -32.98 %).

As the public notice must state reasons for the Council's decision and its acceptance or rejection of submissions received on the Council's initial proposal, it is recommended the wording for these reasons arising from the meeting, be approved by the Chairman in conjunction with the Interim Governance Manager.

2.4 Appeals Process

Confirmation of the initial proposal:

Only those who made a submission can appeal against it, if they are not satisfied with the Council's confirmed Final Representation Proposal.

Amendment of the initial proposal:

If a person who made a submission is not satisfied with the Council's amended final proposal they can appeal against it. Any person (including the submitters) may object to the Final Representation Proposal.

If Council receives any objection or if the final proposal does not comply with the +/- 10% rule it must refer the whole representation review to the Local Government Commission. It must do this no later than 15 January 2019 being the year of the election.

The Commission has a quasi-judicial role to determine the best representation arrangements for that local authority. It takes into account the original Council decisions, the submissions, appeals and objections. It must issue its decision no later than 11 April 2019.

3 Implications for Māori

The initial proposal recommended no change to the current representation arrangements for either the General or the Māori constituencies. No submissions were received in relation to the Māori constituencies, and under the final proposal all constituencies remain unchanged.

4 Council's Accountability Framework

4.1 Community Outcomes

This project/proposal directly contributes to the Vibrant Region Community Outcome in the council's Long Term Plan 2018-2028.

4.2 Long Term Plan Alignment

This work is planned under the Governance Activity in the Long Term Plan 2018-2028.

Current Budget Implications

This work is being undertaken within the current budget for the Governance Activity in Year 1 of the Long Term Plan 2018-2028.

Future Budget Implications

Future work on Representation Reviews is provided for in Council's Long Term Plan 2018-2028.

Yvonne Tatton
Interim Governance Manager

for General Manager, Corporate Performance

26 July 2018

APPENDIX 1

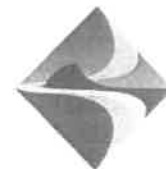
Initial Proposal Submissions Received



Office of the Mayor

21 June 2018

Submission: 1



Tauranga City

Chairman Doug Leeder
Bay of Plenty Regional Council
P O Box 364
Whakatane 3158

Email: Representation.review@boprc.govt.nz

Dear Doug

Bay of Plenty Regional Council Representation Review

Thank you for your letter of 18 May 2018 advising of the consultation process for Bay of Plenty Regional Council's Representation Review.

Tauranga City Council notes that the Bay of Plenty Regional Council notified its Representation Review Initial Proposal on 24 May 2018; with no change proposed to the current representation arrangements with 14 members, and to continue with the Tauranga General Constituency representation at 5 members.

The Local Electoral Act (LEA) 2001 requires that the population each member in a General Constituency must represent is in a certain range based on regional and constituency population. The Regional Council has calculated that range to be 19,914 to 24,340 based on Stats NZ population estimates as of 30 June 2017. The representation figure for the Tauranga Constituency members is currently very close to the upper level of that range at 23,540, based on a population of 117,700 for the Tauranga constituency.

Tauranga City is experiencing continual steady population growth, with Stats NZ Subnational Population Projections 2013-2043 indicating a projected population for the Tauranga City territorial authority area of 134,600 at 30 June 2018 and 145,800 in 2023. The current Stats NZ population estimate for the Tauranga City territorial authority area as at 30 June 2017 is 131,500.

Given that Bay of Plenty Regional Council will not be required to undertake another representation review for six years; Tauranga City Council is concerned that the electors in the Regional Council Tauranga constituency will be disadvantaged by maintaining the current representation arrangements. The Regional Council has a duty under s19V of the LEA 2001 to ensure that the electors of a constituency receive fair representation; and it would seem short-sighted to put in place representation arrangements that will almost immediately result in the "10% greater or smaller" ratio required by s19V(2) LEA 2001 being exceeded.

MAYOR GREG BROWNLESS
Tauranga City Council

91 Willow Street, Private Bag 12022, Tauranga 3143, New Zealand

Phone 07 577 7016 Email greg.brownless@tauranga.govt.nz www.tauranga.govt.nz

Tauranga City Council encourages Bay of Plenty Regional Council to consider revising its proposed representation arrangements by increasing the number of members allocated to its Tauranga General Constituency or, alternatively, undertakes to carry out its next representation review well within the maximum allowed 6-year period to account for expected population growth.

Yours sincerely

A handwritten signature in black ink, appearing to be 'G. Brownless', with a long horizontal flourish extending to the right.

Greg Brownless
Mayor of Tauranga

SUBMISSION

TELEPHONE 0800 327 646 | WEBSITE WWW.FEDFARM.ORG.NZ



To: Bay of Plenty Regional Council

Submission on: Initial Proposal for Representation Arrangements for the 2019 Local Elections

Date: 30 June, 2018

Submission by: Bay of Plenty Federated Farmers
Darryl Jensen
PRESIDENT
215 Black Road
RD 9
TE PUKE 3189
M 021 332 216
E waione@xtra.co.nz

Address for service: Nigel Billings
SENIOR POLICY ADVISOR
Federated Farmers of New Zealand
PO Box 13531, Tauranga 3141
P 027 543 0834
E nbillings@fedfarm.org.nz

1. INTRODUCTION

Bay of Plenty Federated Farmers appreciates this opportunity to comment on this Representation Review.

Federated Farmers has a long history of engagement with the Bay of Plenty Regional Council, at all levels. We participate in the development of environmental policy through regional planning processes, we engage on annual and long term plan consultations, and our members are involved with council at a variety of levels on core business such a flood protection, and waterway and soil conservation.

Our membership is particularly concerned that representation is imbalanced in the Bay of Plenty in favour of Tauranga City. This is no doubt on account of the influence of the Local Electoral Act 2001, and its overarching emphasis on population in determining what is effective representation.

It is for this reason that we are making this submission. We are aware that our suggestions will be 'non-compliant', but seek consideration of the issues that we raise.

2. EASTERN BAY OF PLENTY CONSTITUENCY

We have been very concerned at the impact on rural representation that arises from the +/- 10% population rule in section 19V(2) of the Local Electoral Act 2001. In our view over time the representation of interests such as farming in local government has declined, despite farming being a considerable source of revenue and regulatory transactions.

The situation of Eastern Bay of Plenty constituency is an example of this. Despite its extensive geographic area, it being the location of extensive regional council flood protection and drainage works, and the extensive farming carried out in the Eastern Bay, were the population rule rigorously applied we would be in the ridiculous situation of having only one councillor to represent this constituency.

While the population rule allows for variation to achieve effective representation, particularly in the case of regional councils, it is still evident that population is the starting point for any review of representation under the LEA 2001. This is reflected in the councils' consideration of options to transfer parts of the Western Bay and/or Rotorua constituencies into the East in an effort to achieve compliance.

It is noted that in the Bay of Plenty the 19V(2) rule has been somewhat relaxed to allow for two councillors to represent the Eastern Bay constituency (and a variation for Rotorua also allowed for). This is reflected in the Local Government Commission's Determination for the 2013 local elections, where Council's proposed non-compliance reflected "... *acceptable variations to the fair representation requirement in the circumstances.*"

This, in the case of the Eastern Bay of Plenty at least, is an understatement.

We contend that further adjustment to the representation numbers for the Eastern Bay of Plenty constituency is necessary to achieve a reasonable balance of representation across the region, and a reasonable voice for more isolated communities in the management of council's finances, community assets, and environmental programmes.

As Council, when including the Maori constituencies, is already at the legislated limit of 14 councillors, we suggest balance could be further achieved by reducing representation for the populous but geographically small Tauranga constituency.

3. OUR SUBMISSIONS: GENERAL CONSTITUENCIES

Our submissions are as follows:

1. That the existing general constituency boundaries are appropriate;

2. That non-compliance with the +/- population rule is an absolute necessity to achieving fair representation for the region's communities, particularly geographically extensive but more isolated rural communities;

3. We support Council's non-compliance with the +/- 10% rule in the status quo;

4. That the addition of a further councillor for the Eastern Bay of Plenty general constituency, extending the fair representation principle as grounds for additional non-compliance with the +/- 10% rule, be considered. The Eastern Bay of Plenty should be represented by 3 councillors;

5. That the number of councillors in the Tauranga constituency be reduced from 5 to 4, in the interests of fair and balanced representation for the region.

6. The Council, in terms of its General Constituencies, should comprise the following;

General Constituencies	
Eastern Bay of Plenty	3 Elected members
Rotorua	2 Elected members
Tauranga	4 Elected members
Western Bay of Plenty	2 Elected members
Total	11 Elected members

7. We support the First Past the Post Electoral System.

THANK YOU

Submission from John Howard on Representation review of the Bay of Plenty Regional Council

I would like to submit on the current representation proposal of all the wards for the Bay of Plenty Regional Council. In the Eastern Bay ward I believe that an additional councillor is necessary taking the current number of 2 councillors up to 3 councillors. I believe the representation in the rest of the wards is appropriate and should stay as the status quo meaning that an extra councillor seat would be required.

My justification for suggesting an extra councillor for the Eastern Bay ward is that representation should be based on land area as that is how rates are collected. I can appreciate that on a population basis the Eastern Bay could be said to be over-represented with the 2 current members but based on land area it would definitely justify having 3 councillors.

Also, given the ward is the most prone to natural adverse events due to the topography, land area and land usage and has the most water ways and flood assets,. Greater representation would allow for these items to be addressed proactively rather than reactively going into the future. Especially where increasingly the focus needs to be on the environment, the effect of climate change and its impact on humans.

Also, a very large portion of product that is exported through the Port of Tauranga comes from the Eastern ward means much of that wealth is created from this ward. It also has the highest population that is classified as being in the lower socio economic group classification which would greatly benefit from better representation.

From John Howard

776 S.H.30 Awakeri,

R.D.3

Whakatane 3193

Phone 0210309703

Email jlbm.howard@gmail.com

Presentation

Chief Executive's Reports (Continued)



Receives Only – No Decisions

Report To: Regional Council

Meeting Date: 02 August 2018

Report From: Chris Ingle, General Manager, Integrated Catchments

April 2017 Flood Recovery Project - Update

Executive Summary

The purpose of this report is to update Council on the Council's Flood Recovery Project following the April 2017 Cyclone Debbie event. This report provides a summary of work delivered in the 2017/18 financial year and what is planned for the current 2018/19 year.

The major rivers and drainage schemes of the Bay of Plenty suffered severe riverbank damage as a result of ex-tropical Cyclone Debbie and Cyclone Cook in April 2017. This project involves the repair of 520 damaged sites on our rivers and waterways across the region along with gaining funding to support that work.

The majority of the damage occurred in the Eastern Bay of Plenty with the Rangitaiki-Tarawera Rivers Scheme being the worst affected. The full project is expected to take 4 years with completion programmed for 2021. At the end of year one 119 (23%) of the highest priority sites are complete. A further 145 sites are planned for completion in year two (2018/19) including the College Road, Edgecumbe stopbank realignment.

For the 2017/18 financial year expenditure was \$1,120,642 ahead of budget due to the repair works progressing ahead of the original programme schedule. This will be offset by a reduction in Long Term Plan (LTP) funding for the project.

Materials supply and weather conditions continue to be the main risk factors for the project. While materials supply has been variable the project work programme has been agile enough to adjust in the short term and refocus where materials have been more secure.

The project is well supported by Council's internal services, communications, procurement, and finance teams. Communication and engagement continues to be a major focus.

Revenue recovery to support the project is underway. Insurance progress payments for the material damage and infrastructure policy areas are imminent. Ministry of Civil Defence and Emergency Management (MCDEM) Claims 2 and 3 are also underway.

Recommendations

That the Regional Council:

- 1 Receives the report, April 2017 Flood Recovery Project - Update;**

1 Background

In early April 2017 the Eastern Bay of Plenty was hit by ex-tropical cyclone Debbie. The cyclone brought with it prolonged torrential rain resulting in record high river levels and flows across many of the rivers and waterways in the region.

On Thursday 6 April 2017, the Rangitāiki River breached the flood wall at College Road, Edgcumbe causing extensive flooding across the town and the surrounding area. A local state of emergency was declared and the town of Edgcumbe was evacuated. A second adverse weather event, cyclone cook, struck the district a week later bringing with it further rain and strong winds. The two events resulted in significant damage to river and drainage networks and assets across the region. A total of 520 sites across the region, with a repair estimate in excess of \$45m have been identified in the project programme.

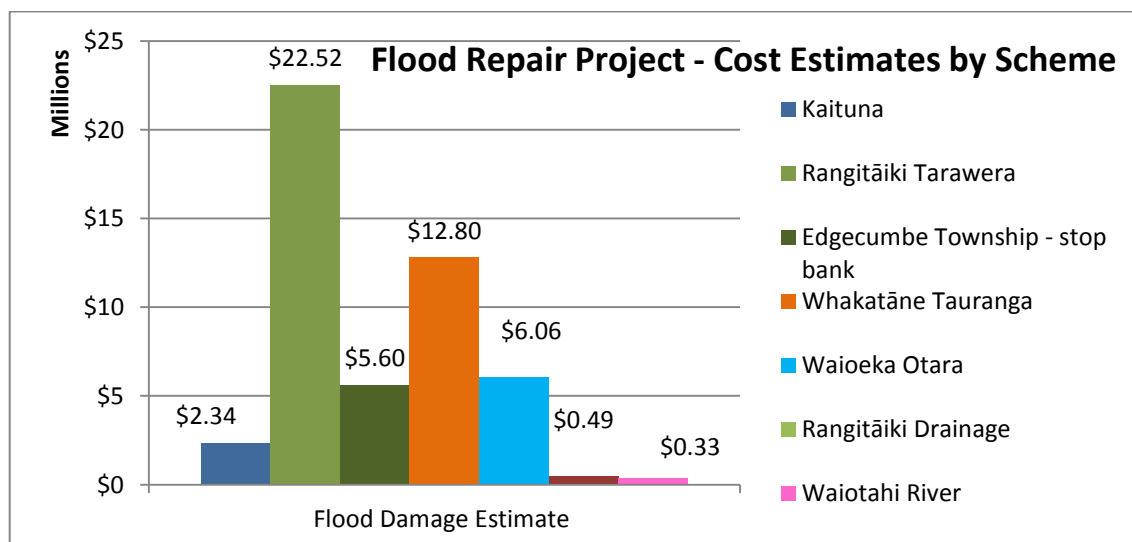
Year one of the project is now complete and Council has approved the sum of \$34,820,271 over the first 3 years of the LTP to deliver the remainder of the project. This will be funded through mix of targeted rates, insurance and central government recoveries, investment income, loans and general rates.

2 Project Programme

The flood recovery project has two physical works facets, the major project involving the repair works (repair of damaged assets and eroded sites) and the geotechnical work (investigation into sites/assets that may have been damaged in the event or have been highlighted as possible risk). The geotechnical work is discussed separately in this report.

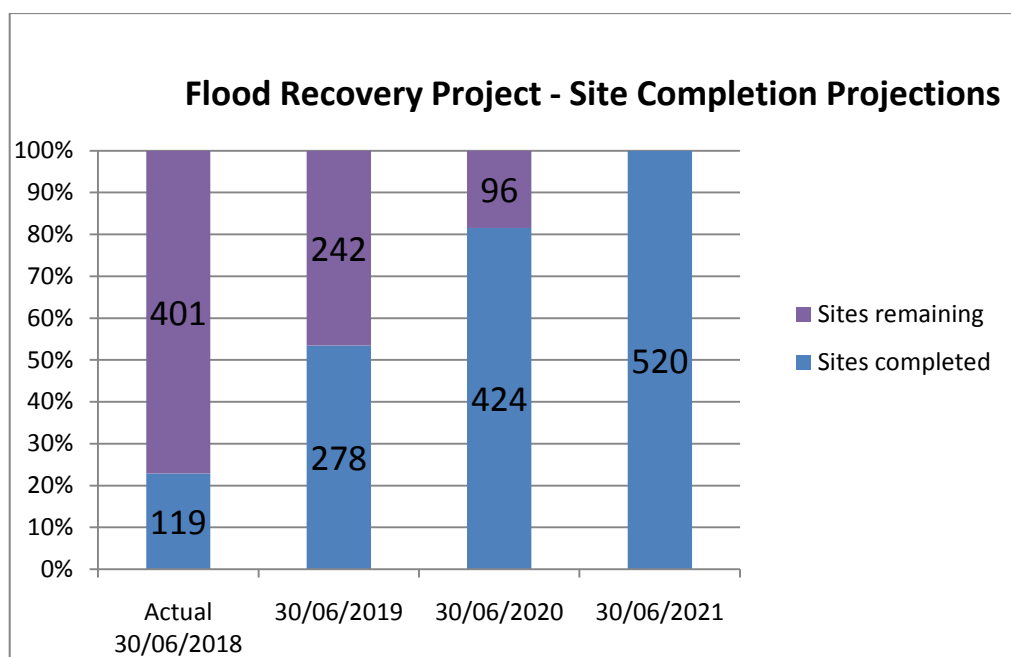
2.1 Project Scale

The majority of the damage occurred in the Eastern Bay of Plenty. The Rangitaiki-Tarawera Rivers Scheme was the worst scheme affected accounting for over 55% of the repair cost which includes the College Road stopbank realignment. The full project is expected to take 4 years and completion is programmed for 2021. The total project is split across the various rivers and drainage schemes as follows;



2.2 Project Delivery 2017/18

Work over the past 12 months (year 1) has concentrated on the highest priority sites. Priority has been based on risk to the community, the consequence of further damage and the practicability of completing the work. The current winter conditions have required a change in focus to softer engineering work and stockpiling materials in preparation for the summer construction season. Staff are actively monitoring contractor progress on site. Support from Councils engineering team is informing the design and methodology of the more complex work sites.



As at 30 June 119 sites had been completed (approx. 23%). This result is pleasing as almost all are high priority sites and inherently more difficult and vulnerable to changes in conditions.

2.2.1 Project Budget vs Expenditure 2017/18

The flood repair budget for 2017/18 was \$10,000,000 and the total spend for the 2017/18 financial was \$11,120,642 (a variance of \$1,120,642). This is in keeping with the March report to Council anticipating an over spend due to the project being ahead of programme. The variance will be provided for by bringing funding forward from the LTP.

2017/18 Budget (capital and operating)	2017/18 Actual (draft)	Variance	Comment
\$10,000,000	\$11,120,642	\$1,120,642	Overspend programme ahead of budget
2017/18 estimate of work delivered	2017/18 Actual (draft)	Variance	Comment
\$12,497,000	\$11,120,642	\$1,376,358	Projects completed under programme estimates

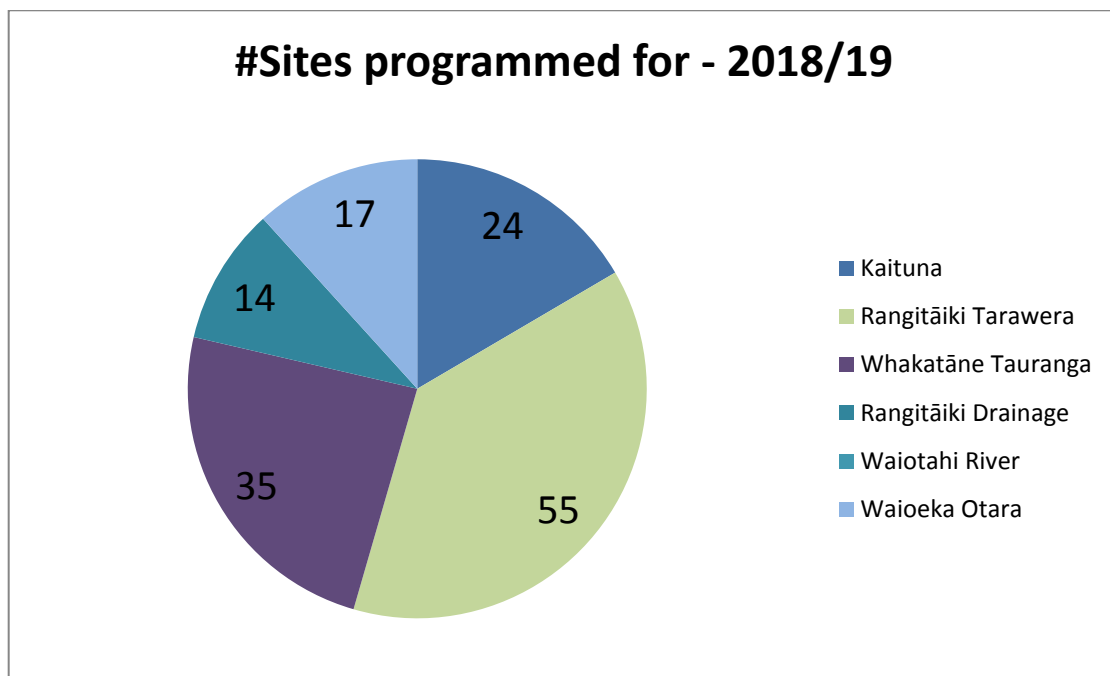
The original estimate for the work delivered in 2017/18 was approximately \$12,497,000 against the actual cost of that work which was \$11,120,642.

Over the entire four year programme the works estimate exceeds the existing budget. Additional funding is not suggested at this time as actual costs will be variable depending on weather and ground conditions. It is noted that work delivered to date is below original estimates.

Activity: Rivers and Drainage					
Flood Recovery Project	2017-18 AP	2018-19 LTP Year 1	2019-20 LTP Year 2	2020-21 LTP Year 3	All years
Expenditure Budget (capital and operating)	\$10,000,000	\$11,470,000	\$11,716,400	\$11,633,871	\$44,820,271

2.2.2 Project Planning 2018/19

The target for 2018/19 is 145 completed sites as follows;



Of those sites planned for 2018/19, 78% are high priority works. The project team is continuing to plan for and deliver the work as quickly as reasonably practicable. If the programme continues at the current rate the project will continue to track ahead of the original schedule.

2.2.3 Project Steering Group

The newly formed Project Steering Group (PSG) met in July to consider the project brief, project business case, PSG Terms of Reference and draft quarterly report to Ministry of Civil Defence and Emergency Management (MCDEM).

2.2.4 Geotechnical Work

Investigation work is now complete and the analysis is underway to determine what if any work is required to strength/stabilise the various concrete flood wall and seepage sites highlighted in the April 2017 event and emphasised in the Rangitāiki River Scheme Review. Council will be kept informed on proposed works for the various identified sites.

2.2.5 Implications for Maori

Eastern Bay of Plenty Iwi have a strong interest in the long term management of our rivers. The emergency work encompassed by this project is fundamentally of interest to Māori as Kaitiaki as it involves the use of natural resources in or near our rivers. Māori are also owners of land affected by flood erosion.

Staff are working with reference to the Māori Engagement Charter, Te Kawa Tuhura - Discovery Protocols and relevant Iwi Management Plans. The project team is regularly engaging with a number of Iwi and Hapū groups and those discussions cover the project as a whole along with individual site works. (Waimana Kaaku, Ōhinemataroa River Committee, Te Rūnanga o Ngāi Tūhoe staff, Te Rūnanga o Ngāti Awa staff and many land trusts/owners).

2.2.6 Procurement

The repair project is made of up multiple smaller projects/jobs and these have been delivered utilising the Rivers and Drainage Panel Supplier contract agreements as provided for in Council Procurement Strategy. This panel was established in early 2016 to enable the efficient delivery of operational maintenance works on request. The panel is made up of suitably qualified and experienced contractors with the necessary plant, equipment and experience to carry out planned work across the various Rivers and Drainage work categories required. The panel approval process ensures contractors hold the necessary health and safety accreditations and insurance certificates for Council's work. The number of contractors on the panel provides some contestability across the work required.

The College Road, Edgecumbe stopbank realignment has been procured through a public tender process. Due to the detailed scope and nature of the work this provides a reduced risk option for both council and the contractor.

Much of the high priority repair work is critically dependent on access to resources (materials and contractors). Access to suitably graded rock within an acceptable distance to site is essential for much of the work being undertaken in the early part of the programme.

While this has been sustained by procuring rock material from Matawai for the Ōpōtiki works, it has been hindered by recent interruptions of supply from the Matahina Quarry (Rangitāiki-Tarawera River Scheme) and Blue Rock Quarry (Whakatāne River). The Blue Rock Quarry is now fully productive again however there has been a price increase of 14% for the graded rock material required for the Council's work. Staff are considering options to ensure cost effective sourcing of rock material.

2.3 Health and Safety

For the College Road work, health and safety protocols have involved the input of the local Rangitaiki Community Board. Projects are managed and delivered in keeping with the Council's Health and Safety policies, processes and contractor requirements. On-site health and safety site audits are standard practice for commissioned works. There have been no reported health and safety incidents to date.

3 Communication and engagement

Communication and engagement continues to be an area of focus for the project, especially in regard to the College Road works. Recent additional communications resource has been provided. A drop-in information session for the Galatea rural community was held in May and was well attended. A similar session is planned for the lower Rangitāiki area in early August. Staff have also had the opportunity to meet and discuss work with the Ōhinemataroa River Committee (Ngai Tūhoe) and the Waimana Kaaku River Committee.

Staff have been developing a project page for the Council website which is about to be launched.

River Advisory Groups will meeting again in September and will consider more detailed reporting on the recovery works.

4 Risk and Mitigations

<i>Risk/Issue</i>	<i>Description</i>	<i>Action/management</i>	<i>Owner</i>
Ground conditions	Winter conditions restrict work programme	Undertake soft engineering works and rock stockpile work Defer remaining drain bank repairs till summer	BOPRC
Weather	Future weather events will exacerbate damaged sites	Complete site works in priority order as this factors in risk and consequence	BOPRC MCDEM Insurer
Weather	Severe weather event may cause new damage	Review works programme against new works project	BOPRC MCDEM Insurer
Rock material availability	Suitably graded rock supply is restricted and the operating environment is variable	Working with new rock sources to supply suitable material for works in Ōpōtiki (Rakauroa Quarry in Matawai) and Rangitaiki (Ywari Quarry in Manawahe) Encourage new rock sources to enter Council's prequalified panel supplier schedule Investigate opportunities to support new quarries in the Eastern Bay of Plenty	BOPRC

Resource	Staff resource is limited for oversight of on-site works	Additional in-house resource seconded to supervise some sites, additional contract resource for rock grading/audits and works completion asset capture	BOPRC
Programme length	Property owners want works associated with their property undertaken first	Implement communications and engagement plan Direct communication with property owners	BOPRC
Insurance	Claim limits for individual works are not known	Aon insurance specialist supporting claim process	BOPRC Aon
Cost	Cost exceeds budget	Work closely with MCDEM and Insurers, maximize contributions from other stakeholders	BOPRC Aon Insurer MCDEM

5 Project Recoveries

Revenue Recovery will include mainly Insurance and Central Government (MCDEM) contributions along with lesser support from some other organisations. The total budget for recoveries within the LTP is \$16,107,027.

<i>Activity: Rivers and Drainage</i>				
<i>Flood Recovery Project</i>	<i>2018-19 LTP Year 1</i>	<i>2019-20 LTP Year 2</i>	<i>2020-21 LTP Year 3</i>	<i>All years</i>
<i>Capital Recoveries</i>	<i>\$7,422,112</i>	<i>\$2,983,557</i>	<i>\$5,701,358</i>	<i>\$16,107,027</i>

5.1 Ministry of Civil Defence Emergency Management

Council's second claim is with MCDEM for consideration (Claim 2 approx. \$280,000). This includes the last of response costs and also includes project management costs from 1 July 2017 to 31 March 2018, but excludes infrastructure spend.

The process for accepting infrastructure projects into the MCDEM programme is agreed and underway. The first MCDEM infrastructure claim (Claim 3) is expected to be lodged in September.

It is anticipated that a special policy application will be lodged with MCDEM before the end of the year.

5.2 Insurance Details

5.2.1 Material Damage

A progress payment for material damage associated with pump station repairs has been offered (\$100,000) and is expected to be received within the next two weeks. At this point there are still two pump stations where repairs need to be finished. The repairs at the other 5 sites are complete and form part of the material damage claim (total claim estimate \$250,000).

5.2.2 Infrastructure

An Infrastructure claim submission to support a progress payment (of \$5,000,000) is about to be lodged. This will support council's cash flow situation as substantial repair works have already been completed.

5.2.3 Business Interruption

Council's insurance policy provides for claim preparation costs and increased cost of working. It is anticipated that additional costs associated with the delivery of the flood recovery project and councils flood response costs will be partly claimable under these sections of the policy.

5.3 Other Recovery Contributions

Other minor contributions are anticipated from other agencies and organisations e.g. TLA's, NZTA, and Trustpower.

6 Council's Accountability Framework

6.1 Community Outcomes

This project directly contributes to the Safe and Resilient Communities community outcome. Flood recovery and protection is a key project in the Council's Long Term Plan 2018-2028.

6.2 Long Term Plan Alignment

This work is planned under the Rivers and Drainage Activity, Flood Protection and Control; in the Long Term Plan 2018-2028 and is in keeping with the Levels of Service outlined in the 2018/28 Rivers and Drainage Asset Management Plan.

Current Budget Implications

This work is being undertaken within the current budget for the Rivers and Drainage Activity in Year 1 of the Long Term Plan 2018-2028.

Future Budget Implications

Future work on the Flood Recovery Project is provided for in Council's Long Term Plan 2018-2028.

Paula Chapman
Project Manager

for General Manager, Integrated Catchments

25 July 2018



Receives Only – No Decisions

Report To: Regional Council

Meeting Date: 02 August 2018

Report From: Mat Taylor, General Manager, Corporate Performance

Local Government Funding Agency (LGFA) Limited - Statement of Intent 2018/19

Executive Summary

This report is to present Council with the Local Government Funding Agency's Statement of Intent for 2018/19. The draft Statement of Intent (SOI) was presented for Council's review and consideration at the Council meeting on 29 March 2018.

This report is the conclusion of the process to formally receive the final SOI.

Recommendations

That the Regional Council:

- 1 **Receives the report, Local Government Funding Agency (LGFA) Limited - Statement of Intent 2018/19;**
- 2 **Notes the Statement of Intent 2018/19**

1 Background

The LGFA is a Council Controlled Organisation (CCO). Schedule 8 of the Local Government Act 2002 requires Council Controlled Organisations to deliver to shareholders a draft Statement of Intent for the coming financial year, by 1 March in the preceding financial year. Shareholders then have up to two months to make comments on the draft. The CCO Board must consider these comments and deliver a final Statement of Intent to shareholders before the beginning of the financial year.

2 2017/18 Statement of Intent

The LGFA draft Statement of Intent was reported at the 29 March 2018 meeting for review and consideration.

The LGFA's final Statement of Intent, as adopted by the Board, is attached to this report with the covering letter received, and is consistent with the draft Statement of Intent and feedback provided to the Board of the LGFA.

3 Council's Accountability Framework

3.1 Community Outcomes

This project indirectly contributes to all Community Outcomes in the Council's Long Term Plan 2018-2028. **Long Term Plan Alignment**

This work is planned under the Corporate Services Activity in the Long Term Plan 2018-2028.

Current Budget Implications

This work is being undertaken within the current budget for the Activity in the Long Term Plan 2018-2028. .

Future Budget Implications

Future work is provided for in Council's Long Term Plan 2018–2028.

Annabel Chappell
Property Manager

for General Manager, Corporate Performance

25 July 2018

APPENDIX 1

APPENDIX 1 LGFA Letter to shareholders to accompany 2018-19 SOI

22 June 2018

Dear Shareholder

Statement of Intent 2018/19

Please find attached the Statement of Intent (SOI) for the 2018/19 year.

LGFA remains focused on delivering strong results for our council borrowers and shareholders.

For our borrowing councils we seek to optimize funding terms and conditions by

- Achieving savings in borrowing costs
- Provide longer dated funding and
- Provide certainty of access to markets.

For our shareholders we are focused on

- Delivering a strong financial performance
- Monitoring asset quality and
- Enhancing our approach to treasury and risk management.

The following points regarding the 2018/19 SOI are worth noting

- The SOI performance targets are similar to the previous year's targets.
- There remains some uncertainty within the SOI forecasts relating to the amount of both council loans and LGFA bonds outstanding as this depends upon the timing of council borrowing. We are uncertain what impact the other infrastructure initiatives announced by Central Government will have on those eligible council's borrowing requirements over the forecast period. Because of these uncertainties, we have adopted a conservative approach to forecasting council borrowing demand.
- The timing and amount of refinancing of council loans maturing in March 2019 and the associated repayment of the LGFA March 2019 bonds might also have an impact on the SOI forecasts.
- We have standardised the base on-lending margin to 10 bps (0.10%) regardless of the term of borrowing. The previous on-lending margin was between 9 bps and 11 bps depending upon the loan term.
- LGFA will be undertaking a review of its debt covenant methodology and assessment of council financial position at group vs parent. LGFA will present these findings to councils at our LGFA Shareholder-Borrower Day on 24th July 2018.

The changes made to the Final SOI compared to the Draft SOI that you received in February 2018 for comment have been

- Net interest income has increased by \$140,000 in the 2018/19 year reflecting a higher level of assets (\$175 million) as the starting position.
- Expenses have increased by \$82,000 for the 2018/19 year reflecting savings from a lower forecast utilisation of the DMO standby facility but offset by increased legal, regulatory and personnel costs. These forecast legal costs are higher due to an increase in the number of councils joining LGFA and an increase in short-term borrowing activity. Personnel costs are higher than the Draft SOI forecast as we look to increase our headcount by one (to seven) reflecting the growing number of LGFA member councils and investor activity.

We can provide you with a tracked change version of the Draft and Final SOI documents if you wish.

Please feel free to contact me if you have any questions or require further clarification on anything relating to the SOI or LGFA in general.

Yours sincerely



Mark Butcher
Chief Executive

APPENDIX 2

APPENDIX 2 LGFA Statement of Intent 2018-19

Statement of Intent 2018/19

1. Introduction

This Statement of Intent (SOI) sets out the intentions and expectations of New Zealand Local Government Funding Agency Limited (LGFA).

The LGFA is enabled under the Local Government Borrowing Act 2011 and is a council-controlled organisation (CCO) for the purposes of the Local Government Act 2002.

The SOI is prepared in accordance with section 64(1) of the Local Government Act 2002.

2. Nature and scope of activities

LGFA will raise debt funding either domestically and/or offshore in either NZ dollars or foreign currency and provide debt funding to New Zealand local authorities, and may undertake any other activities considered by the Board of LGFA to be reasonably related or incidentally to, or in connection with, that business.

The LGFA will only lend to local authorities that enter into all the relevant arrangements with it (Participating Local Authorities) and comply with the LGFA's lending policies.

In lending to Participating Local Authorities, LGFA will:

- Operate in a manner to ensure LGFA is successful and sustainable in the long-term;
- Educate and inform Participating Local Authorities on matters within the scope of LGFA's operations;
- Provide excellent service to Participating Local Authorities;
- Ensure excellent communication exists and be professional in its dealings with all its stakeholders; and
- Ensure its products and services are delivered in a cost-effective manner.

3. Objectives

Principal Objectives

In accordance with the Local Government Act 2002, in carrying on its business, the principal objectives of LGFA will be to:

- Achieve the objectives and performance targets of the shareholders in LGFA (both commercial and non-commercial) as specified in this SOI;
- Be a good employer;
- Exhibit a sense of social and environmental responsibility by having regard to the interests of the community in which it operates and by endeavouring to accommodate or encourage these when able to do so; and
- Conduct its affairs in accordance with sound business practice.

Primary Objectives

LGFA will operate with the primary objective of optimising the debt funding terms and conditions for Participating Local Authorities. Among other things this includes:

- Providing savings in annual interest costs for all Participating Local Authorities on a relative basis to other sources of financing;
- Making longer-term borrowings available to Participating Local Authorities;
- Enhancing the certainty of access to debt markets for Participating Local Authorities, subject always to operating in accordance with sound business practice; and
- Offering more flexible lending terms to Participating Local Authorities.

LGFA will monitor the quality of the asset book so that it remains of a high standard by ensuring it understands each Participating Local Authority's financial position and the general issues confronting the Local Government sector. This includes

- LGFA will review each Participating Local Authority's financial position, its financial headroom under LGFA policies and endeavour to visit each Participating Local Authority on an annual basis;
- LGFA will analyse finances at the Council group level where appropriate;
- LGFA will review its debt covenant methodology and assessment of council financial position at group vs parent. LGFA will present its findings to councils at the LGFA Shareholder-Borrower Day, including a comparison of LGFA methodology to that of the credit rating agencies;
- LGFA will work closely with the Department of Internal Affairs (DIA), Office of the Auditor General (OAG) and Local Government New Zealand (LGNZ) on sector and individual council issues; and
- LGFA will take a proactive role to enhance the financial strength and depth of the local government debt market.

Additional objectives

LGFA has a number of additional objectives which complement the primary objective. These objectives will be measurable and achievable and the performance of the company in achieving its objectives will be reported annually. These additional objectives are to:

- Operate with a view to making a profit sufficient to pay a dividend in accordance with its stated Dividend Policy set out in section 6;
- Provide at least 50% of aggregate long-term debt funding to the Local Government sector;
- Ensure its products and services are delivered at a cost that does not exceed the forecast for issuance and operating expenses set out in section 4;
- Take appropriate steps to ensure compliance with the Health and Safety at Work Act 2015;
- Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency;
- Achieve the Financial Forecasts (excluding the impact of AIL) set out in section 4;
- Meet or exceed the Performance Targets outlined in section 5; and
- Comply with its Treasury Policy, as approved by the Board.

4. Financial forecasts

LGFA's financial forecasts for the three years to 30 June 2021 are:

FINANCIAL YEAR (\$M)	SOI FINAL		
	Jun-19	Jun-20	Jun-21
Comprehensive income			
Interest income	230.7	232.9	250.1
Interest expense	212.1	215.9	228.9
Net Interest income	18.6	17.0	21.2
Issuance and on-lending costs	2.3	2.4	2.4
Approved Issuer Levy	2.1	1.6	1.6
Operating expenses	3.3	3.4	3.6
Issuance and operating expenses	7.7	7.4	7.5
P&L	10.9	9.6	13.7
Financial position (\$m)	Jun-19	Jun-20	Jun-21
Capital	25.0	25.0	25.0
Retained earnings	49.2	57.5	69.7
Total equity	74.2	82.5	94.7
Shareholder funds + borrower notes / Total assets	2.4%	2.5%	2.6%
Dividend provision	1.4	1.5	1.5
Total assets (nominal)	8,345.9	8,616.6	8,606.4
Total LG loans - short term (nominal)	325.0	325.0	325.0
Total LG loans (nominal)	7,724.0	8,095.5	7,860.8
Total bills (nominal)	378.3	370.0	370.0
Total bonds (nominal) ex tsy stock	7,799.0	7,939.0	7,929.0
Total borrower notes (nominal)	123.6	129.5	125.8

Note that there is some forecast uncertainty around the timing of Net Interest Income, Profit and Loss, Total Assets, LG Loans, Bonds and Borrower Notes depending upon council decisions regarding the amount and timing of refinancing of their March 2019, April 2020 and May 2021 loans. LGFA will work with council borrowers to reduce this uncertainty.

5. Performance targets

LGFA has the following performance targets:

- The average margin above LGFA's cost of funds charged to the highest rated Participating Local Authorities for the period to:
 - 30 June 2019 will be no more than 0.10%.
 - 30 June 2020 will be no more than 0.10%.
 - 30 June 2021 will be no more than 0.10%.

The above indicators include both LGFA Bills and Bonds and short dated and long dated lending to councils.

- LGFA's annual issuance and operating expenses (excluding AIL) for the period to:
 - 30 June 2019 will be less than \$5.67 million.
 - 30 June 2020 will be less than \$5.80 million.
 - 30 June 2021 will be less than \$5.94 million.
- Total lending to Participating Local Authorities¹ at:
 - 30 June 2019 will be at least \$8,105 million.
 - 30 June 2020 will be at least \$8,477 million.
 - 30 June 2021 will be at least \$8,242 million.
- Savings on borrowing costs for council borrowers:
 - LGFA will demonstrate the savings to council borrowers on a relative basis to other sources of financing. This will be measured by maintaining or improving the prevailing secondary market spread between LGFA bonds and those bonds of a similar maturity issued by (i) registered banks and (ii) Auckland Council and Dunedin Council as a proxy for single name issuance of council financing.

6. Dividend policy

LGFA will seek to maximise benefits to Participating Local Authorities as Borrowers rather than Shareholders. Consequently, it is intended to pay a limited dividend to Shareholders.

¹ Subject to the forecasting uncertainty noted previously

The Board's policy is to pay a dividend that provides an annual rate of return to Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

At all times payment of any dividend will be discretionary and subject to the Board's legal obligations and views on appropriate capital structure.

7. Governance

Board

The Board is responsible for the strategic direction and control of LGFA's activities. The Board guides and monitors the business and affairs of LGFA, in accordance with the Companies Act 1993, the Local Government Act 2002, the Local Government Borrowing Act 2011, the Company's Constitution, the Shareholders' Agreement for LGFA and this SOI.

The Board comprises six directors with five being independent directors and one being a non-independent director.

The Board's approach to governance is to adopt best practice² with respect to:

- The operation of the Board.
- The performance of the Board.
- Managing the relationship with the Company's Chief Executive.
- Being accountable to all Shareholders.

All directors are required to comply with a formal Charter, to be reviewed from time to time in consultation with Shareholders.

The Board will meet on a regular basis and no fewer than 6 times each year.

Shareholders' Council

The Shareholders' Council is made up of between five and ten appointees of the Shareholders (including an appointee from the Crown). The role of the Shareholders' Council is to:

- Review the performance of LGFA and the Board, and report to Shareholders on that performance on a periodic basis.
- Make recommendations to Shareholders as to the appointment, removal, replacement and remuneration of directors.
- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.
- Ensure all Shareholders are fully informed on LGFA matters and to coordinate Shareholders on governance decisions.

² Best practice as per NZX and Institute of Directors guidelines

8. Information to be provided to Shareholders

The Board aims to ensure that Shareholders are informed of all major developments affecting LGFA's state of affairs, while at the same time recognising both LGFA's obligations under NZX Listing Rules and that commercial sensitivity may preclude certain information from being made public.

Annual Report

The LGFA's balance date is 30 June.

By 30 September each year, the Company will produce an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002, the Companies Act and Financial Reporting Act. The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

- Directors' Report.
- Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position, Statement of Cashflows, Statement of Accounting Policies and Notes to the Accounts.
- Comparison of the LGFA's performance with regard to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Auditor's Report on the financial statements and the performance targets.
- Any other information that the directors consider appropriate.

Half Yearly Report

By 28 February each year, the Company will produce a Half Yearly Report complying with Section 66 of the Local Government Act 2002. The Half Yearly Report will include the following information:

- Directors' commentary on operations for the relevant six-month period.
- Comparison of LGFA's performance with regard to the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Un-audited half-yearly Financial Statements incorporating a Statement of Financial Performance, Statement of Movements in Equity, Statement of Financial Position and Statement of Cashflows.

Quarterly Report

By 31 January, 30 April, 31 July, and 31 October each year, the Company will produce a Quarterly Report. The Quarterly Report will include the following information:

- Commentary on operations for the relevant quarter, including a summary of borrowing margins charged to Participating Local Authorities (in credit rating bands).
- Comparison of LGFA's performance with regard to the objectives and performance targets set out in the SOI, with an explanation of any material variances.

- Analysis of the weighted average maturity of LGFA bonds outstanding.
- In the December Quarterly Report only, commentary on the Net Debt/Total Revenue percentage for each Participating Local Authority that has borrowed from LGFA (as at the end of the preceding financial year).
- To the extent known by LGFA, details of all events of review in respect of any Participating Local Authority that occurred during the relevant quarter (including steps taken, or proposed to be taken, by LGFA in relation thereto).

Statement of Intent

By 1 March in each year the Company will deliver to the Shareholders its draft SOI for the following year in the form required by Clause 9(1) of Schedule 8 and Section 64(1) of the Local Government Act 2002.

Having considered any comments from the Shareholders received by 30 April, the Board will deliver the completed SOI to the Shareholders on or before 30 June each year.

Shareholder Meetings

The Board will hold an Annual General Meeting between 30 September and 30 November each year to present the Annual Report to all Shareholders.

The Company will hold a meeting with the Shareholders' Council approximately every six months – prior to the Annual General Meeting and after the Half Yearly Report has been submitted. Other meetings may be held by agreement between the Board and the Shareholders' Council.

9. Acquisition/divestment policy

LGFA will invest in securities in the ordinary course of business. It is expected that these securities will be debt securities. These investments will be governed by LGFA's lending and/or investment policies as approved by the Board and/or Shareholders.

Any subscription, purchase or acquisition by LGFA of shares in a company or organisation will, if not within those investment policies, require Shareholder approval other than as concerns the formation of wholly-owned subsidiaries and the subscription of shares in such wholly-owned subsidiaries.

10. Activities for which compensation is sought from Shareholders

At the request of Shareholders, LGFA may (at its discretion) undertake activities that are not consistent with its normal commercial objectives. Specific financial arrangements will be entered into to meet the full cost of providing such as activities.

Currently there are no activities for which compensation will be sought from Shareholders.

11. Commercial value of Shareholder's investment

LGFA will seek to maximise benefits to Participating Local Authorities as Borrowers rather than Shareholders.

Subject to the Board's views on the appropriate capital structure for LGFA, the Board's intention will be

to pay a dividend that provides an annual rate of return to Principal Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

As the Shareholders will have invested in the LGFA on the basis of this limited dividend, the Board considers that at establishment the commercial value of LGFA is equal to the face value of the Shareholders' paid up Principal Shares - \$25 million.

In the absence of any subsequent share transfers to the observed share transfers on 30 November 2012, the Board considers the current commercial value of LGFA is at least equal to the face value of the Shareholders' paid up Principal Shares - \$25 million.

12. Accounting policies

LGFA has adopted accounting policies that are in accordance with the New Zealand International Financial Reporting Standards and generally accepted accounting practice. A Statement of accounting policies is attached to this SOI.

The following statement is taken from the Financial Statements presented as part of LGFA's Annual Report 2017 (updated where necessary).

ATTACHMENT: Statement of accounting policies

a. Reporting Entity

The New Zealand Local Government Funding Agency Limited (LGFA) is a company registered under the Companies Act 1993 and is subject to the requirements of the Local Government Act 2002.

LGFA is controlled by participating local authorities and is a council-controlled organisation as defined under section 6 of the Local Government Act 2002. LGFA is a limited liability company incorporated and domiciled in New Zealand.

The primary objective of LGFA is to optimise the debt funding terms and conditions for participating local authorities.

The registered address of LGFA is Level 8, City Chambers, 142 Featherston Street, Wellington Central, Wellington 6011.

b. Statement of Compliance

LGFA is an FMC reporting entity under the Financial Markets Conduct Act 2013 (FMCA). These financial statements have been prepared in accordance with that Act and the Financial Reporting Act 2013. LGFA's bonds are quoted on the NZX Debt Market.

LGFA is a profit orientated entity as defined under the New Zealand Equivalents to International Financial Reporting Standards (NZ IFRS).

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and they comply with NZ IFRS and other applicable Financial Reporting Standard, as appropriate for Tier 1 for-profit entities. The financial statements also comply with International Financial Reporting Standards (IFRS).

c. Basis of Preparation

Measurement base

The financial statements have been prepared on a historical cost basis modified by the revaluation of certain assets and liabilities.

The financial statements are prepared on an accrual basis.

Functional and presentation currency

The financial statements are presented in New Zealand dollars rounded to the nearest thousand, unless separately identified. The functional currency of LGFA is New Zealand dollars.

Foreign currency conversions

Transactions denominated in foreign currency are translated into New Zealand dollars using exchange rates applied on the trade date of the transaction.

Changes in accounting policies

There have been no changes in accounting policies.

Early adoption standards and interpretations

NZ IFRS 9: Financial Instruments. The first two phases of this new standard were approved by the Accounting Standards Review Board in November 2009 and November 2010. These phases address the issues of classification and measurement of financial assets and financial liabilities.

Standards not yet adopted

LGFA does not consider any standards or interpretations in issue but not yet effective to have a significant impact on its financial statements. Those which may be relevant to LGFA are as follows:

NZ IFRS 9: Financial Instruments (2014) – Effective for periods beginning on or after 1 January 2018. This standard aligns hedge accounting more closely with the risk management activities of the entity and adds requirements relating to the accounting for an entity's expected credit losses on its financial assets and commitments to extend credit.

d. Financial instruments

Financial assets

Financial assets, other than derivatives, are recognised initially at fair value plus transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Cash and cash equivalents include cash on hand; cash in transit, bank accounts and deposits with an original maturity of no more than three months.

Purchases and sales of all financial assets are accounted for at trade date.

At each balance date an assessment is made whether a financial asset or group of financial assets is impaired. A financial asset or a group of financial assets is impaired when objective evidence

demonstrates that a loss event has occurred after the initial recognition of the asset(s), and that the loss event has an impact on the future cash flows of the asset(s) that can be estimated reliably.

Financial liabilities

Financial liabilities, other than derivatives, are recognised initially at fair value less transaction costs and subsequently measured at amortised cost using the effective interest rate method.

Derivatives

Derivative financial instruments are recognised both initially and subsequently at fair value. They are reported as either assets or liabilities depending on whether the derivative is in a net gain or net loss position respectively.

Fair value hedge

Where a derivative qualifies as a hedge of the exposure to changes in fair value of an asset or liability (fair value hedge) any gain or loss on the derivative is recognised in profit and loss together with any changes in the fair value of the hedged asset or liability.

The carrying amount of the hedged item is adjusted by the fair value gain or loss on the hedged item in respect of the risk being hedged. Effective parts of the hedge are recognised in the same area of profit and loss as the hedged item.

e. Other assets

Property, plant and equipment (PPE)

Items of property, plant and equipment are initially recorded at cost.

Depreciation is charged on a straight-line basis at rates calculated to allocate the cost or valuation of an item of property, plant and equipment, less any estimated residual value, over its remaining useful life.

Intangible Assets

Intangible assets comprise software and project costs incurred for the implementation of the treasury management system. Capitalised computer software costs are amortised on a straight line basis over the estimated useful life of the software (three to seven years). Costs associated with maintaining computer software are recognised as expenses.

f) Other liabilities

Employee entitlements

Employee entitlements to salaries and wages, annual leave and other similar benefits are recognised in the profit and loss when they accrue to employees.

g) Revenue and expenses

Revenue

Interest income

Interest income is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount. The method applies this rate to the principal outstanding to determine interest income each period.

Expenses

Expenses are recognised in the period to which they relate.

Interest expense

Interest expense is accrued using the effective interest rate method.

The effective interest rate exactly discounts estimated future cash payments through the expected life of the financial liability to that liability's net carrying amount. The method applies this rate to the principal outstanding to determine interest expense each period.

Income tax

LGFA is exempt from income tax under Section 14 of the Local Government Borrowing Act 2011.

Goods and services tax

All items in the financial statements are presented exclusive of goods and service tax (GST), except for receivables and payables, which are presented on a GST-inclusive basis. Where GST is not recoverable as input tax, then it is recognised as part of the related asset or expense.

The net amount of GST recoverable from, or payable to, the IRD is included as part of receivables or payables in the statement of financial position.

The net GST paid to, or received from the IRD, including the GST relating to investing and financing activities, is classified as a net operating cash flow in the statement of cash flows.

Commitments and contingencies are disclosed exclusive of GST.

h. Lease payments

Payments made under operating leases are recognised in profit or loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease.

i. Segment reporting

LGFA operates in one segment being funding of participating local authorities in New Zealand.

j. Judgements and estimations

The preparation of these financial statements requires judgements, estimates and assumptions that affect the application of policies and reported amounts of assets and liabilities, and income and expenses. For example, the present value of large cash flows that are predicted to occur a long time into the future depends critically on judgements regarding future cash flows, including inflation assumptions and the risk-free discount rate used to calculate present values. Refer note 2b for fair value determination for financial instruments.

The estimates and associated assumptions are based on historical experience and various other factors that are believed to be reasonable under the circumstances. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised, if the revision affects only that period, or in the period of the revision and future periods if the revision affects both current and future periods. Where these judgements significantly affect the amounts recognised in the financial statements they are described below and in the following notes.

Receives Only – No Decisions



Report To: Regional Council

Meeting Date: 02 August 2018

Report From: Mat Taylor, General Manager, Corporate Performance

Bay of Plenty Local Authority Shared Services (BoPLASS) Limited's Statement of Intent 2018-21

Executive Summary

This report is to present Council with the Bay of Plenty Local Authority Shared Services (BoPLASS) Limited's Statement of Intent 2018-21. The draft Statement of Intent was presented to Council on 29 March 2018 for review and consideration.

This report is the conclusion of the process to formally receive the final SOI.

Recommendations

That the Regional Council:

- 1 Receives the report, Bay of Plenty Local Authority Shared Services (BoPLASS) Limited's Statement of Intent 2018-21;**
- 2 Notes the Statement of Intent 2018-21**

1 Background

The Bay of Plenty Local Authority Shared Services Limited is a Council Controlled Organisation (CCO). Schedule 8 of the Local Government Act requires Council Controlled Organisations to deliver to shareholders a draft Statement of Intent for the coming financial year, by 1 March in the preceding financial year. Shareholders then have up to two months to make comments on the draft.

The CCO Board must consider these comments and deliver a final Statement of Intent to shareholders before the beginning of the financial year.

The draft Statement of Intent was reported at the 29 March 2018 Council meeting for review and consideration.

2 2018-21 Statement of Intent

The BoPLASS final Statement of Intent 201-21 as adopted by the BoPLASS Board, and is attached as Appendix 1 to this report. It is consistent with the draft Statement of Intent incorporating feedback on the draft received from Councils.

3 Council's Accountability Framework

3.1 Community Outcomes

This project contributes to Community Outcomes in the Council's Long Term Plan 2018-2028.

3.2 Long Term Plan Alignment

This work is planned under the Corporate Services Activity in the Long Term Plan 2018-2028.

Current Budget Implications

This work is being undertaken within the current budget for the Activity in the Annual Plan 2017/18 or Year 3 of the Long Term Plan 2018-2028.

Future Budget Implications

Future work on is provided for in Council's Long Term Plan 2018-2028

Annabel Chappell
Property Manager

for General Manager, Corporate Performance

25 July 2018

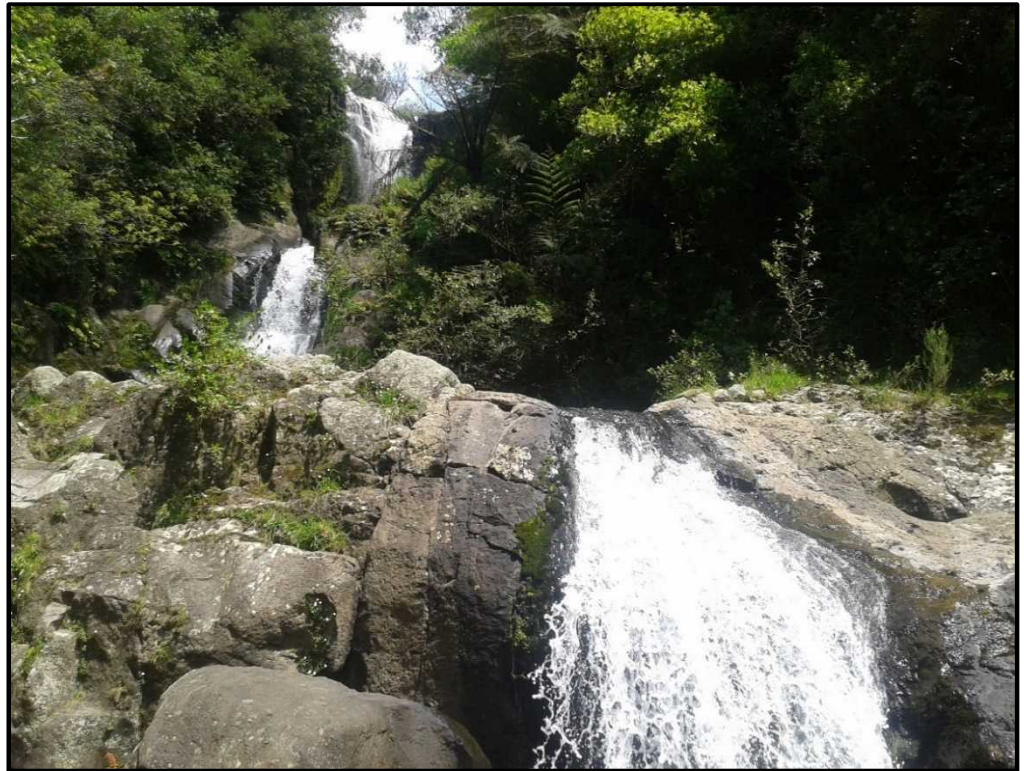
APPENDIX 1

APPENDIX 1 BOPLASS SOI 2018-2021



BOPLASS Ltd

STATEMENT OF INTENT FOR 2018-2021



June 2018

“COUNCILS PARTNERING FOR VALUE AND SERVICE”

1 Introduction

This Statement of Intent (SOI), developed under Schedule 8 of the Local Government Act 2002, is:

- A public declaration of the activities and intentions of BOPLASS Ltd and the objectives to which those activities will contribute.
- Provides an opportunity for the shareholders to influence the direction of BOPLASS Ltd, and
- Provides a basis for the accountability of the Directors to the Shareholders for the performance of BOPLASS Ltd.
- This Statement of Intent covers BOPLASS Ltd and any subsidiary company established in pursuance of the objectives herein.

2 Background

The councils that operate within the Bay of Plenty and Gisborne Regions have formed a CCO to investigate, develop and deliver Shared Services, Joint Procurement and communications where and when that can be done more effectively for any combination of some or all of the councils.

The expected benefits that can be achieved through Shared Services are:

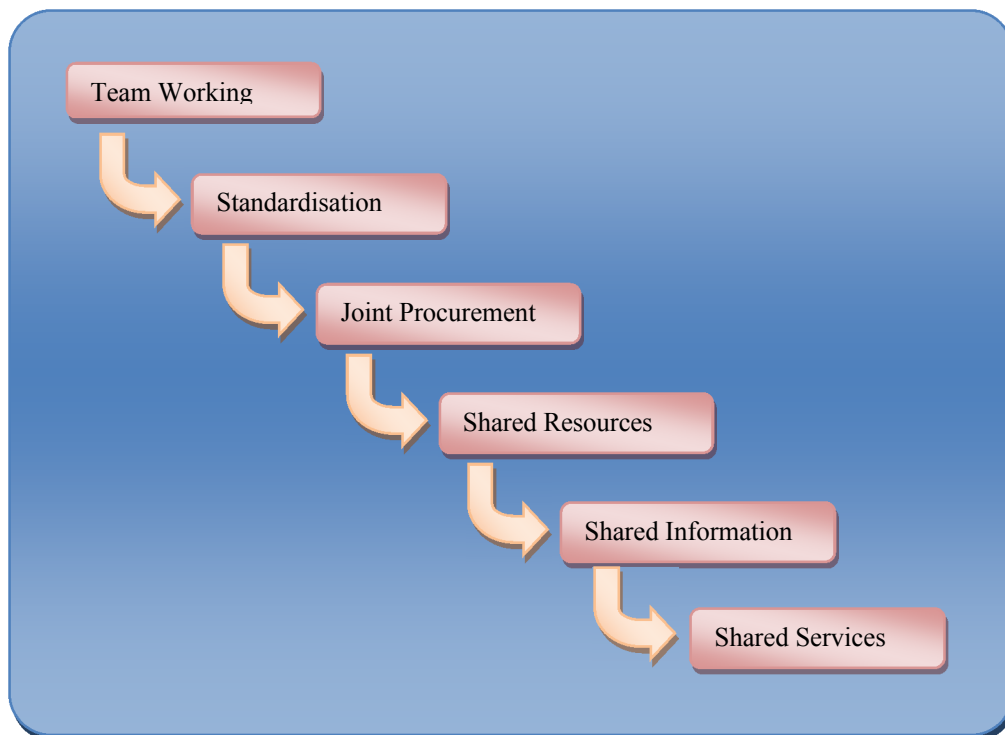
- improved levels and quality of service;
- a co-ordinated and consistent approach to the provision of services;
- reductions in the cost of support and administrative services;
- opportunities to develop new initiatives;
- economies of scale resulting from a single entity representing many councils in procurement;

These benefits and opportunities can apply to all councils irrespective of location or size.

Business processes, information architectures and functional tools differ in each council to varying degrees. It is not therefore possible to create Shared Service solutions instantly for these services. The BOPLASS strategies facilitate a journey of progressive development using the approach identified in the BOPLASS Strategy and Action Plan to:

- Enhance the capability to provide Shared Services,
- Encourage the elimination of barriers to collaborative action and
- Provide Shared Services that deliver viable business cases.

A generic sequence or stages of collaboration between multiple councils is followed to develop Shared Services, as shown in Figure 1.



Many of the BOPLASS Joint Procurement projects have supported the development of standard products, services or solutions across the councils. These standards assist in creating a foundation for the delivery of Shared Services within the councils.

Examples of procurement and projects to support the delivery of Shared Service have been:

- Establishment of 1GB fibre Inter Council Network (ICN)
- Information Services Strategic Plan
- GIS ESRI enterprise agreement
- GIS software standardisation
- Security and technology policies
- Data centre and hosting services
- Electronic purchasing
- Reprographic equipment

- Aerial photography
- Voice and data services
- Video conferencing
- IT applications and software
- Collaboration Portal
- Historic aerial imagery archiving
- After hours call management
- Health and Safety
- Internal audit services
- Solid waste services

3 Our Vision

“COUNCILS PARTNERING FOR VALUE AND SERVICE”

4 Objectives of BOPLASS Ltd

Working together with the full support and involvement of staff, we will provide benefit to councils and their stakeholders through improved levels of service, reduced costs, improved efficiency and/or increased value through innovation.

These will be achieved primarily through:

Joint Procurement

Being the procurement of services or products by two or more councils from an external provider regardless of whether the service is paid for through BOPLASS or individually by participating councils.

Shared Services

Being the participation of two or more councils in the provision of a common service which may be jointly or severally hosted.

5 Nature and Scope of Activities

The principle nature and scope of the activities of BOPLASS Ltd is to:

- Establish the underlying technology, framework, platform and policies to enable and support the delivery of Shared Services.
- Use Joint Procurement to add value to goods and services sourced for its constituent councils.

- Facilitate Shared Services that benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value.
- Pursue best practice in the management of all activities to obtain best value and minimise risk.
- Demonstrate fiduciary responsibility by ensuring that its activities are adequately funded from savings achieved, levies, council contributions, or Government funding where available.
- Allow other councils or organisations to participate in its activities where this will benefit its constituent councils directly or indirectly.
- Actively monitor and engage with Shared Service developments across the public sector to identify opportunities for further development and establishing best practice.
- Represent the collective views of its Shareholders in matters with which it is associated.

6 Governance

BOPLASS Ltd will conduct itself in accordance with its Constitution, its annual Statement of Intent, and the provisions of the Companies Act 1993 and the Local Government Act 2002.

The Company is governed by its Directors. To ensure total synergy between the Company's activities and its council shareholders' activities, nine Directors are also the current Chief Executives of their respective shareholding councils. The dual roles recognise the interdependence of BOPLASS and its councils in the undertaking of its activities.

The Board also includes an independent Chair, appointed with specific skills and knowledge to add incremental value. This appointment brings experience and specialist skills that are complementary to those held by the other Directors.

Shareholder	Appointed Director
Bay of Plenty Regional Council	Mary-Anne Macleod
Gisborne District Council	Nedine Thatcher Swann
Kawerau District Council	Russell George
Opotiki District Council	Aileen Lawrie
Rotorua Lakes Council	Geoff Williams
Taupo District Council	Gareth Green
Tauranga City Council	Garry Poole
Western Bay of Plenty District Council	Miriam Taris
Whakatane District Council	Marty Grenfell
Independent Director and Chair	Craig O'Connell

A sub-committee of council delegates has been established by the Directors as an Operations Committee to manage responsibility for regular monitoring and governance of operational aspects of BOPLASS projects, allowing the Board to primarily focus on supporting the strategic development of the organisation.

Each activity or project is managed by an Advisory Group, nominated by the shareholding councils in that particular service. The Board retains the right to approve nominations to the Advisory Groups and all of their material decisions – there is only one Board of Directors and that remains at the umbrella or holding company level.

The Board has established a principle that participation in each initiative is decided by individual councils on an 'opt in' basis.

Each Shared Service is subject to a formal service level agreement between BOPLASS Ltd and the participating councils, outlining the services and activities provided, where, when and how; and reflecting the capital and operational costs being met by each service shareholder.

Joint Procurement initiatives consistent with their nominated role may be undertaken by any advisory group as approved by the Operations Committee. In considering Joint Procurement initiatives the Company will take into account the opportunities available through All of Government (AoG) purchasing arrangements and, where there is demonstrated benefit to the Company or its constituent councils, support such initiatives. In assessing the benefits of a Joint Procurement initiative, opportunities for integration shall be considered. The Board has recognised that the availability of All of Government Procurement options has the potential to impact on BOPLASS' ability to provide procurement options in some categories.

Subject to the approval of shareholders in accordance with the shareholder agreement the Directors may decide that a particular activity is best managed as a subsidiary company and proceed accordingly. Any subsidiary company whose objectives are in accordance with the objectives set out in this Statement of Intent shall not be required to have a separate Statement of Intent.

7 Future Developments

BOPLASS Ltd will continue to work on business cases for Joint Procurement and Shared Services that may be provided in the region.

BOPLASS Joint Procurement opportunities will be actively pursued to ensure maximum savings and benefits continue to be delivered to the participating councils through existing and new contracts.

Joint Procurement initiatives will be considered by the Board and/or its advisory groups where there is demonstrated support from two or more member councils.

Identification of Shared Service opportunities and the development of existing services will continue as a priority, with councils participating on an opt-in basis. The Board will be looking for commitment from councils to participate in Shared Services and to provide a lead in the identification and management of Shared Services projects.

BOPLASS will also proactively explore opportunities to partner with other local authorities and Shared Services organisations within NZ where they are either developing or considering developing cost effective Shared Services or Joint Procurement initiatives involving products or services that are of value to the BOPLASS councils.

The Collaboration Portal, established by BOPLASS for the sharing of information on Shared Services or Joint Procurement opportunities, has been made available to the wider local government community to provide better visibility of common projects and to encourage further cross-regional collaboration. BOPLASS will continue to market the benefits of inter-region collaboration and assist other councils through providing support and access to the Collaboration Portal.

ICT Shared Services strategy:

BOPLASS has previously been involved in an information services strategy that included an intention to align the member councils' ICT back-office systems as one. This presented an opportunity for standardised in-house IT systems and processes. Although there is no Enterprise Application across all the BOPLASS councils, there has been a certain amount of alignment of systems. For example, eight of the nine BOPLASS councils now use Objective as their electronic document and records management system (EDRMS) system and all councils use ESRI ArcGIS as their GIS platform, along with various GIS add-on packages procured through BOPLASS.

The goal of one-system for all has not been able to be achieved for a number of reasons; primarily being the changes in technology, along with the impact and disruption to council business, plus the cost to change to one-system.

Taking the example of Auckland Council, one of the goals of the amalgamation was to bring all the ICT systems into one-system. However the cost to do this has increased greatly from what was originally estimated, and progress has proved difficult.

There are a number of avenues being explored by BOPLASS and the councils to provide a one-system solution without the need to overhaul all council systems. This can now be achieved through using "middleware" solutions that provide a link from the council application to a shared platform. For example, although councils may have the same GIS software, due to historic council naming schemas for infrastructure it is difficult to combine all council GIS systems. Through using middleware software that provides a "translation" of schemas the

information can be converted without councils needing to change their underlying technologies, which in turn can assist with the delivery of a single platform to the public and for inter-council sharing.

With the advent of cloud services, such as Infrastructure-as-a-Service (IaaS) and Office365, there is scope for councils' services to still be independent but use the same underlying infrastructure, which in turn has the potential to lead to the development of Shared Services.

The BOPLASS Collaboration Portal project is an example of this. The Regional Councils also have a similar project with similar requirements for their member councils. Both projects are delivering their respective solutions as independent services, but they are using the same underlying cloud solution on the Office365 platform and sharing the costs, administration, etc. As these separate instances are using the same platform, this also provides the potential for both of these projects to join in the future as one solution.

BOPLASS will continue to explore opportunities for councils to develop ICT solutions using middleware and cloud technologies that allow for future sharing and the development of Shared Services without the wholesale replacement of IT systems.

Where it is practicable, BOPLASS will work with other LASSes or councils in developing shared service ICT strategies and/or leverage off, or participate in services established by other collective local government groups.

8 Stakeholder Engagement

BOPLASS recognises the ambitious plans our constituent councils have for their communities and endeavours to support these aspirations through:

- Regular engagement at project, management and governance level
- Including councils' short, medium and long-term goals within BOPLASS planning
- Using quality information from councils to guide our decision-making
- Identifying and developing services that directly benefit councils and/or their communities
- Monitoring councils' future plans and remaining agile to change to include these aspirations in our own planning
- Regularly communicating to ensure stakeholders are aware of what we are doing and why we are doing it
- Involving councils in our decision-making and planning

9 Performance Targets

To ensure the Company continues to operate effectively in both governance and management terms over the next three years the targets are to:

Target	How	Measure
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration. (Current identified projects are listed in Appendix B.)	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Provide support to BOPLASS councils that are managing or investigating Shared Services projects.	BOPLASS to provide 0.25 FTE resource and expertise to assist councils in Shared Services developments and projects.	Quarterly satisfaction reviews with participating councils. Resource assignment measured from project job tracking.
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils.	Number of listed projects to increase by 20% per year. Number of Team Sites to increase by 20% per year. Portal is operational outside of the LASS groups with a minimum of ten additional councils or local government related organisations having utilised the portal.
Ensure appointed vendors remain competitive and continued best value is returned to shareholders.	Manage and/or renegotiate existing contracts.	Contracts due for renewal are tested for competitiveness in the marketplace. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
Review governance performance and structure to ensure it supports BOPLASS' strategic direction.	Perform review of BOPLASS governance.	Affirmative feedback received from shareholding councils at least annually.
Communicate with each shareholding council at appropriate levels.	Meeting with each Executive Leadership Team.	At least one meeting per year.
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

9 Balance Sheet Ratios

The Local Government Act 2002 Schedule 8 (9) requires the SOI to include the projected ratio of shareholders' funds to total assets within the Forecast Statement of Financial Position. As at 30 June 2017 the consolidated Shareholder funds comprised \$50,551 and the total assets were \$995,625. The resulting ratio is 5.1%.

As asset owning Shared Services are approved, the Board will, if appropriate, provide a mechanism for the recognition of each council's contribution.

10 Accounting Policies

10.1 Statement of Accounting Principles

The Company will adopt accounting practices that comply with NZ IFRS, the requirements of the LGA and the Financial Reporting Act 1993.

10.2 IPSAS Accounting Standards

As a Public Sector Public Benefit Entity (PS PBE), the Company has elected to report using International Public Sector Accounting Standards for Public Benefit Entities under Tier 3 PBE standards.

10.3 Measurement Basis

The Company will follow generally accepted international accounting principles for reporting of earnings and financial position.

10.4 Specific Accounting Principles

The following are principles which will have a significant effect on the measurement of financial position:

- Accounts Receivable are stated at their expected realisable value after writing off any known bad debts and providing for doubtful debts.
- Investments are valued at the prevailing market value.
- Fixed assets are recorded at cost, less accumulated depreciation.
- Any liability for overseas funding of equipment, systems or services is based on the prevailing exchange rate as at balance date.
- Where intangible assets are purchased, such as intellectual property, these are capitalised and written off on a straight line basis over their expected life, but no greater than four years.

- All assets are depreciated over their expected useful lives. Depreciation is provided on a diminishing value basis over the estimated useful life, at the same rate as is allowed by the Income Tax Act 1994.
- It is not envisaged that the Company will hold inventories, other than those that might relate to providing information services to a number of parties. They will be valued at net realisable value.
- Taxation will be provided as required in line with relevant legislation.
- In accordance with the Public Audit Act 2001 and the Local Government Act 2002, the office of the Auditor General will be responsible for the audit of the Company's financial statements.

11 Distributions to Shareholders

The Company is not expected to make profits that would ordinarily be distributed by way of dividends. Any surplus funds (after tax) remaining from an activity or the annual operations of the Company shall be carried forward to the ensuing year and may be used to reduce service costs, invest in further developing other services, and/or as the Directors may decide.

12 Information to be Provided to Shareholders

The Company will deliver the following statements to shareholders:

- On a three monthly basis the Financial Position and Cashflow.
- Within two months of the end of the first half of the financial year: Financial Performance and Financial Position.
- Within three months of the end of the financial year the following audited statements: Financial Position, Movements in Equity, Cashflows, Service Performance plus a summary of how the Company has tracked against its objectives and prospects for the next financial year, and a report on the Company's medium to long term plans.
- Six monthly summaries of project activities included in Half Yearly and Annual Reports.

13 Procedures for the Purchase and Acquisition of Shares

The Board will give approval before BOPLASS Ltd subscribes for, purchases or otherwise acquires shares in any company or other organisation, which is external to the group.

14 Activities for Which the Board Seeks Compensation

The ongoing activities to identify, develop, procure Shared Services will be budgeted for in advance, subject to a business case and either funded by individual councils without BOPLASS Ltd involvement, or agreed by the Board to be funded by BOPLASS Ltd with consequent recovery from participating councils.

Shareholding councils will make a contribution to the operational costs of the Company on an annually agreed basis.

The Company will also seek contributions by way of a levy or administration charges on services provided or administered. In determining an appropriate charge, the Directors may take into account the cost of running the Company, its future operational requirements, the nature and cost of the service provided, benefits achieved and councils' ability to pay.

The Company may provide services (at a cost recovery or a cost plus basis) to other non-shareholding councils within or beyond the region. Any surplus from such activity will be used to either reduce service costs and/or invest in further developing of that or other services, as agreed by the Advisory Group and by the Board.

15 Value of Shareholder's Investment

The Directors estimate that, at this stage, BOPLASS Ltd has little or no commercial value. As each shareholder's investment in BOPLASS Ltd is less than \$20,000, the Board believe that that fairly represents the value of their investment. The Directors will reassess the value of this shareholding on or about the 1st of March each year.

16 Financial Forecasts

The Forecast Financial Statements for the years 2018-2021 are included. The budget is not adjusted for inflation.

Core revenue includes the recovery of costs for BOPLASS salaried staff when seconded to individual council projects.

The Aerial Photography revenue/expenses reflects the flying programme determined by the participating councils which includes interim flying programmes and extensive region-wide flying programmes over the next five years.

A continued increase in Recoveries has been forecast to reflect the direct recovery of purchases made on behalf of councils through Joint Procurement projects.

It is the company's intention to always fully recover costs incurred on behalf of participating councils.

Appendix A

SOI Forecast 2018/21				
	Budget 2017/18	Forecast 2018/19	Forecast 2019/20	Forecast 2020/2021
REVENUE				
Revenue - Core	\$335,510	319,510	329,510	329,510
Bank Interest Received	\$2,000	1,000	1,000	1,000
Council Contribution	\$273,510	273,510	273,510	273,510
Sales of Service	\$60,000	45,000	55,000	55,000
Revenue - Projects	1,376,500	1,563,500	1,251,500	1,249,500
Aerial Photography Income	300,000	600,000	300,000	300,000
Bank Interest Received	16,500	16,500	16,500	16,500
Collaboration Portal	125,000	100,000	90,000	90,000
Lease Income - ICN	280,000	175,000	175,000	175,000
Lease Income - Video Confer.	13,000	13,000	13,000	13,000
Rebates	12,000	9,000	7,000	5,000
Recoveries	630,000	650,000	650,000	650,000
Total Operating Revenue	1,712,010	1,883,010	1,581,010	1,579,010
EXPENSES				
Expenditure - Core	460,300	440,400	438,400	436,400
ACC	1,500	1,500	1,500	1,500
Accommodation & Travel	1,500	1,500	1,500	1,500
Accounting & Audit	17,500	17,500	17,500	17,500
Administration	24,000	24,000	24,000	24,000
Amortisation	21,400	12,000	10,000	8,000
Bank Fees	400	400	400	400
Catering Expenses	2,000	2,000	2,000	2,000
Conferences	2,000	2,000	2,000	2,000
Depreciation	0	0	0	0
Directors costs	18,000	18,000	18,000	18,000
Fringe Benefit Tax	7,800	7,000	7,000	7,000
Health and Safety	1,000	1,000	1,000	1,000
Insurance	8,000	8,000	8,000	8,000
Interest Paid - TCC Loan	1,000	1,000	1,000	1,000
Legal	2,000	2,000	2,000	2,000
Salaries	325,000	325,000	325,000	325,000
Salaries - C'Portal Opex	0	-10,000	-10,000	-10,000
Staff Support Costs	20,000	20,000	20,000	20,000
Staff Training Costs	2,000	2,000	2,000	2,000
Subscriptions	700	1,000	1,000	1,000
Tax Advice	4,500	4,500	4,500	4,500
Expenditure - Projects	1,251,710	1,442,610	1,142,610	1,142,610
Aerial Photography Expense	300,000	600,000	300,000	300,000
Collaboration Portal Opex	69,100	40,000	40,000	40,000
Lease Expense - ICN	270,000	170,000	170,000	170,000
Lease Expense - Video Confer.	12,610	12,610	12,610	12,610
Projects - Recoveries	600,000	620,000	620,000	620,000
Total Operating Expenditure	1,712,010	1,883,010	1,581,010	1,579,010
Operational Surplus/ (Deficit) before Tax	0	0	0	0

Completed Joint Procurement Projects

Requiring ongoing management for performance, renewal or replacement

- × Office supplies
- × Banking
- × Postal services
- × Courier services
- × Fuel
- × Advertising services
- × Travel and accommodation services
- × Air travel
- × Insurance brokerage
- × Aerial photography
- × N3 / GSB
- × ESRI licences
- × GIS software
- × Health insurance
- × Security services
- × Antivirus software
- × Video conferencing
- × GPS vehicle tracking
- × Archaeological services
- × Telephony – voice, data, mobile
- × Reprographic – printers/copiers
- × Infrastructure insurance
- × Media monitoring services
- × EFTPOS services
- × Historical imagery digitisation
- × On-line services
- × Internal audit services
- × Health and safety training services
- × Risk management workshops
- × Additional infrastructure insurance
- × GIS collective training
- × EMA membership
- × Environmental insurance
- × Print Media Copyright Services

Identified Joint Procurement Projects

- × Civil works contracts
- × Civil works materials
- × Infrastructure valuation services
- × High volume print
- × Web services
- × Electronic document management
- × Archives
- × Document storage
- × Document scanning
- × Agenda management software
- × ICT security policies
- × Business continuity
- × IT applications
- × Web services
- × Rates collection
- × Property valuation services
- × Telephony platform
- × Chemicals
- × Digital signatures
- × Recruitment/candidate management
- × Surveys and research
- × CCTV monitoring
- × Media distribution services
- × CD emergency notifications
- × Fleet purchasing
- × Fleet Management

Shared Service Projects

Managed by BOPLASS or by one or more constituent councils

- × IT hosting / IaaS
- × Shared datacentre
- × Internal audit services
- × GIS web services
- × Project management office
- × Shared licence server
- × Contractor H&S prequalification
- × Radio telephony strategy
- × Collaboration portal
- × After hours call management
- × Archive service
- × Health and safety auditing
- × Inter-council network
- × Smart cities
- × Section 17A reviews – Joint service reviews, cost effectiveness reviews, identification of opportunities for collaboration in delivery of services in accordance with s17A LG Act 2002
- × Video conferencing
- × GIS imagery data storage
- × Waste licencing and data collection
- × Historic aerial imagery
- × Diversion of putrescible waste from landfill

Shared Service Projects for Consideration

- × Rates Collection
- × Geospatial services
- × Joint software support
- × Asset Management
- × Web services
- × Payroll
- × Telephony platform
- × Consents Processing
- × CCTV monitoring
- × Information Services
- × Debt management
- × Electronic Document and Records Management System
- × Business continuity planning
- × Infrastructure development codes
- × Inter-council H&S audits
- × Solid waste regional facilities strategy
- × Building consents
- × Accounts payable
- × Document digitalisation



Report To: Regional Council
Meeting Date: 02 August 2018
Report From: Fiona McTavish, Chief Executive

Chairman's Study Tour to Murray-Darling Basin, Australia

Executive Summary

This report seeks Council's endorsement for Chairman Doug Leeder to attend a Regional Sector Study Tour of Murray-Darling Basin, Australia from 7 to 11 October 2018.

Recommendations

That the Regional Council:

- 1 Receives the report, Chairman's Study Tour to Murray-Darling Basin, Australia;**
- 2 Endorses the Chairman's attendance at the Regional Sector Tour of Murray-Darling Basin, Australia in October 2018.**

1 Introduction

Chairman Doug Leeder wishes to attend the Regional Sector Study Tour of Murray-Darling Basin in Australia. The Murray-Darling Basin is in the "Eastern Seaboard" of Australia which is considered as "Domestic Travel" in the Council's Sensitive Expenditure Policy – Elected Members. While Council approval of the trip is therefore not required, Council endorsement for Chairman Leeder to attend the trip in his capacity as Council Chair is being sought. He will also be attending in his capacity as Regional Sector Chair.

Details of the purpose and costs of the trip are set out in this report.

2 Study Tour Details

Subject to the necessary level of registered interest, the Regional Sector Study Tour of the Murray-Darling will take place from 7 to 11 October 2018. The Study Tour is being organised by Local Government New Zealand. Attendees/invitees include Regional Sector Chairs/Mayors and Chief Executives. I will be attending this Study Tour also.

The Chairman's wife, Mrs Beth Leeder, will not be attending.

3 Purpose and Itinerary of the Study Tour

The purpose of the Study Tour is to look at the reform of water management in Australia over the last 15-20 years.

The proposed itinerary (subject to change) sees the tour commence in Canberra and finish in Melbourne. A trip to Albury will be included along with a visit to the Hume Dam and meeting with farmers and stakeholder groups to hear their perspective of the water reforms. The tour will include meeting with:

- Department of Agriculture and Water Resources (has oversight of Murray-Darling Basin Plan);
- Australian Bureau of Agricultural and Resource Economics and Services division (undertakes modelling and analysis of, water policy, the implementation of the Murray-Darling Basin Plan, data on water trading, irrigation technologies);
- Commonwealth Environmental Water Office (manages water entitlements with the aim of improving the environmental quality of rivers floodplains and wetlands);
- Goulburn Murray Water (manages Victoria's stored water resources, underground water supplies and is Australia's largest irrigation delivery network);
- Department of Environment, Land, Water & Planning (has oversight of Victorian planning, climate change and environment initiatives); and
- Water Victoria (Victorian Water Register).

4 Benefits

The Study Tour will be an invaluable opportunity to learn from our neighbours about how they have handled the reform of water management over the last two decades. The valuable learnings from the Australian organisations, site visits and farmers/stakeholder meetings will encourage discussion, and be applied to how we approach the management of water in New Zealand.

5 Costs

Below are the estimated costs in NZ Dollars for Chairman Leeder to attend this Study Tour:

FLIGHTS* (Tauranga to Canberra – Melbourne to Tauranga)	Approximately \$1,152
STUDY TOUR (including accommodation, meals and transfers)	Approximately \$2,000

* Plus a possible addition of a pre-return travel night of accommodation, subject to the time the Study Tour finishes on 11 October 2018.

6 Council's Accountability Framework

6.1 Community Outcomes

This Study Tour contributes to the Vibrant Region, Healthy Environment and Freshwater for Life Outcomes in the Council's Long Term Plan 2018-2028

6.2 Long Term Plan Alignment

The Study Tour fits within the Governance Services activity in the Long Term Plan 2018-2028.

Current Budget Implications

The Study Tour can be provided for from the Governance Services activity budget Year One (2018/19) of the current Long Term Plan.

Future Budget Implications

There are no future implications.

Fiona McTavish
Chief Executive

20 July 2018



Report To: Regional Council

Meeting Date: 2 August 2018

Report From: Sarah Omundsen, Acting General Manager, Regulatory Services

Processing consents on behalf of Council - Procurement Plan

Executive Summary

This paper seeks approval for the procurement plan for a panel of approved suppliers to process consents on behalf of the Council.

Currently Council relies on a number of consultants to process consents, however statutory timeframes are exceeded by consultants almost 50% of the time. Through the proposed competitive procurement process, approved suppliers included in the panel will be best suited to be able to deliver on high levels of customer service. Performance related agreements will result in efficient and cost effective professional services contributing to the Council fulfilling all of its statutory requirements.

The Consent Processing Services contract will be effective from September 2018 as a panel contract for three years and expenditure over this period will be \$1,275 million. The actual cost is however offset by on-charging all processing fees to applicants as per the Section 36 Charges Policy.

In order to facilitate an efficient process, it is proposed that Council delegate to the Chief Executive the ability to approve the award of contracts for the Consent Processing Services panel.

Recommendations

That the Regional Council:

- 1 Receives the report, Processing consents on behalf of Council - Procurement Plan;**
- 2 Approves the Procurement Plan for Consents Processing included as Appendix 1.**
- 3 Delegates to the Chief Executive, through acceptance of the procurement plan, the ability to approve the award of contracts for the Consent Processing Services supplier panel.**

1 Background

Currently there are 600 applications lodged and being processed by Council. Around 180 of these are with various consultants who process applications on behalf of Council. Since July 2017, consultants have picked up and processed approximately 40% of all the new applications received (373) and decisions made (274) by Council. This has become business as usual with an ever increasing reliance on consultants since 2015.

Of the 1070 consent applications approved by the Council since 2015, 242 were processed by consultants. However, processing timeframes for the 242 processed externally, have only been met 53% of the time. This is because of:

- Limited mechanisms to ensure better performance;
- Lack of motivation for consultants to comply with timeframes; and
- Inconsistency in approach.

It is proposed to set up a panel of approved suppliers following a competitive procurement process (open market, request for proposals – RfP). This will ensure the current poor performance of consultants is avoided through setting up performance related agreements, which will include:

- Specified timeframes and associated penalties for missing these;
- Requirement for consultants to pay any discounts as a result of late delivery of work;
- Minimum requirements for consultants processing consents (qualifications and experience); and
- Fixing hourly rates and key personnel involved.

2 Required Procurement

The Procurement Plan for Consents Processing is provided at Appendix 1. It describes:

- The proposed process with key milestones;
- Estimated costs;
- The mandatory and minimum requirements;
- The selection criteria; and
- Potential risks.

An open RfP process is proposed with the following key dates:

Approach market:	Monday, 6 th August 2018
Submissions closing date:	Friday 24 th August 2018
Suppliers selected by:	Friday 31 st August 2018 – shortlisted suppliers
Contract commencement by:	On completion of contract negotiations (circa November 2018)

An approved supplier panel will be set up for a period of three years and is seen as a key part in ensuring Council's statutory requirements are met.

3 Statutory Requirements

The Resource Consent Activity processes and makes decisions on resource consent applications under the Resource Management Act 1991 and rules in Council's regional plans. By doing so, the Council's statutory requirements are fulfilled as per Section 30 of the RMA and a fair process for decision making on regional natural resource use is followed.

The changes to the RMA in March 2015 and October 2017 further highlighted the importance of decision making being more customer focused with the introduction of procedural principles to ensure "Anyone who exercises a power or performs a function under the RMA must take all practicable steps to use processes that are timely, efficient, consistent, cost-effective, and proportionate to the power being exercised or function being performed."

The majority of consents processed on behalf of the Council are non-notified consents. The effects associated with these consents are considered minor, there are no affected parties and a hearing is not required. The timeframe for processing non-notified consents is 20 working days. These 20 working days can be extended for various reasons and/or processing days can stop based on whether more information is required from applicants.

Section 36 of the RMA allows the Council to fix charges and recover all actual and reasonable costs associated with processing consents. The Council lays out these costs in the LTP and a deposit fee is paid by each applicant when lodging an application. Time is then charged for processing applications and applicants are charged the difference between the deposit fee and overall cost of processing the consent. When applications aren't processed within timeframes, the Resource Management (Discount on Administrative Charges) Regulations 2010 apply and a 1% discount is automatically applied per day up to a limit of 50% of the total costs of processing the application.

4 Implications for Māori

Māori are both applicants and potentially affected parties in relation to consent processes. Council has responsibilities to Māori that are prescribed under a number of statutes, principally the Resource Management Act 1991 (RMA), and the Local Government Act 2002 (LGA). These include enabling participation in decision making, having regard to kaitiakitanga, consultation and fostering development.

Council must implement Māori provisions in the RMA. Understanding the intricate network of considerations under the RMA can often be a challenge for tāngata whenua and the consents team engaging with tāngata whenua. The regulatory and planning space is an ever developing area of local government. Consenting considerations are more complex and the need to have expert understanding about the matters presented in decision making documents is vital.

A panel of preferred suppliers will result in a better service being provided in this space, helping to reduce frustrations within the consenting process for all involved.

5 Council's Accountability Framework

5.1 Community Outcomes

This project/proposal directly contributes to A Healthy Environment and Freshwater for Life Community Outcomes in the Council's LTP 2018-2028.

5.2 Long Term Plan Alignment

Under the Resource Consents Activity in the Long Term Plan 2018-2028 a new performance measure has been included:

- No more than 5% of new consent applications are issued discounts due to Council exceeding statutory consent processing timeframes.

Current consultant performance and arrangements are such that timeframes are unlikely to be met by consultants processing consents on behalf of the Council. A preferred supplier panel contracted on performance agreements, with mechanisms to ensure better performance, will ensure the new performance measure is met for those consents processed externally on behalf of the Council.

Current Budget Implications

Consultants are currently undertaking the work within the current budget for the Resource Regulation and Monitoring Group Activity in year one of the Long Term Plan 2018-2028.

Future Budget Implications

The proposed services are provided for in Council's Long Term Plan 2018-2028 as shown in the table below for years one to three. It is noted that the actual cost is offset by on-charging processing fees to applicants as per the Section 36 Charges Policy:

Operating Expenditure Budget (inflated)	Year 1 2018/19	Year 2 2019/20	Year 3 2020/21
Contract work	\$380,500	\$441,800	\$453,000

Daniel Smith
Consents Team Leader

for Acting General Manager, Regulatory Services

25 July 2018

APPENDIX 1

Consents Processing Procurement Plan

PROCUREMENT PLAN FOR CONSENTS PROCESSING

1. Overview of procurement	
Short description	RFP for consultants processing consent applications on behalf of Council
Project name (if applicable)	2018 0117 Consent Processing Services
Procurement Project Leader	Daniel Smith – Consent Team Leader
Date of Procurement Plan	12 th June 2018
Proposed supply arrangement	Panel of approved suppliers. Proposed 3 year contract term.
Budgeted Expenditure	2019-2021 \$1,275 million over 3 years
Budgeted Recovery	2019-2021 100% recoverable

2. Summary of requirements	
The requirements	<p>Council relies on a number of consultants to process consents on behalf of the Council. Processing applications includes, but is not limited to, the following within statutory timeframes:</p> <ul style="list-style-type: none"> (a) Providing pre-app advice when necessary; (b) Receiving applications from Council and reviewing them; (c) Assessing whether the application is complete; (d) Requesting and obtaining any further information from applicants and/or Council technical staff; (e) Considering and analysing of applicable legal and statutory requirements; (f) Providing a notification recommendation and on what basis; (g) Receiving, reviewing and analysing submissions; (h) Attending hearings; (i) Making recommendations to BOPRC as to whether the application should be accepted or declined and on what basis; (j) attending council meetings; and (k) all other activities required by BOPRC in relation to the services, including those activities set out in the SOP document (draft attached).
Mandatory requirements	<ul style="list-style-type: none"> - Adhere to all regulatory and statutory requirements; - Adhere to SOP document;; - Provide qualified and experienced planning staff; - Professional registrations and QA processes; - Hourly charge out rates based on experience and expertise – to be fixed in the agreement; - Knowledge of the cultural landscape and BOPRC Regional Plans and Policies; and - Methodologies to achieve required services in line with best practice.
Requirements relating to health and safety, sustainability, cultural needs or environmental protection.	Complete Health and Safety pre-qualification (necessary for site visits).
Users	Consents Team

3. Estimate of total cost									
Estimated total cost of the supply arrangement	All consultant fees are recovered from the applicant unless fees are remitted and/or discounts apply under the Resource Management (Discount on Administrative Charges) Regulations 2010 (which as at the date of this Agreement is 1% per Working Day up to a maximum of 50 Working Days). The draft agreement put in place for these holds consultants responsible for missing timeframes and resulting in any discounts and as such, tighter controls through the agreement will mitigate costs as far as possible. The work essentially should not cost council anything as the costs are passed onto the applicant.								
Budget expenditure and cost centre code	Consent process estimates as per the LTP 2018-2028 - 10.3301.50.100.2500 <table border="1" data-bbox="564 564 1465 712"> <thead> <tr> <th>Operating Expenditure Budget (inflated)</th> <th>Year 1 2018/19</th> <th>Year 2 2019/20</th> <th>Year 3 2020/21</th> </tr> </thead> <tbody> <tr> <td>Contract work</td> <td>\$380,500</td> <td>\$441,800</td> <td>\$453,000</td> </tr> </tbody> </table>	Operating Expenditure Budget (inflated)	Year 1 2018/19	Year 2 2019/20	Year 3 2020/21	Contract work	\$380,500	\$441,800	\$453,000
Operating Expenditure Budget (inflated)	Year 1 2018/19	Year 2 2019/20	Year 3 2020/21						
Contract work	\$380,500	\$441,800	\$453,000						
Budget recovery	Consent process estimated as per the LTP 2018-2028 is 100% recoverable 10.3301.50.100.1700								

4. Overview of sourcing approach	
Degree of competition	Open
Stages and type of request	Standard RFP
Submissions	One envelope with emails allowed.
Proposed form of contract	Bespoke contract supplied by Council's legal team and Norris Ward McKinnon commercial law expert - see attached for draft
Commentary to support any departure from the standard procurement procedures	Statutory compliance requires greater accountability and transparency from our contractors. Issues with timeliness and quality are also major concerns. Seeking to tailor contractual terms to the specific needs of the consents team so that these issues can be better managed and statutory compliance can be achieved. The current template model does not allow us to achieve these goals.

5. Selection criteria	
Evaluation method	Weighted Attributes – to be weighted in favour of consultants with providing good customer service and quality work within timeframes (relevant expertise, knowledge of BOPRC, quality assurance processes, value add etc.).
Criteria with weightings	<ul style="list-style-type: none"> (a) Capability – Demonstrable experience and track record, including knowledge of BOPRC policies and plans, and understanding of BOPRC and consenting process (needs, culture and community expectations), knowledge of the Bay and cultural landscape; (b) Capacity – Ability to deliver, responsiveness and flexibility, people (professional registrations), past results and measurable outcomes; (c) Value for money – Rates and QA systems; (d) Values – alignment with BOPRC values; (e) Value add – proposals to meet best practice and the requirements of the RMA, approach to customer service; and (f) References. <p>Final weightings to be confirmed at a later stage.</p>
Due diligence (if any)	TBC

6. Key milestones for procurement	
Approach market:	Monday, 6 th August 2018
Submissions closing date:	Friday 24 th August 2018
Suppliers selected by:	Friday 31 st August 2018 – shortlisted suppliers
Contract commencement by:	On completion of contract negotiations (circa November 2018)

7. Staff involved	
Procurement Project Team	Daniel Smith, Debbie Tate, Jessica Easton, Astin Jose, Danielle Petricevich and Reuben Fraser
Others	Dan Moore – external from Norris Ward McKinnon commercial law expert

8. Commentary	
Summary of risks (if any)	<p>Risks identified largely relate to the Council still relying on consultants to process a large portion of the consent applications and these are largely mitigated through the bespoke agreement to be used for the services and contract management:</p> <ul style="list-style-type: none"> - Reputation risk: delivery of work and Council's role of implementing Council plans, fairness in costs, customer service, perception of fairness through the use of consultants to process applications for customers. The selection criteria and performance related clauses in the agreement will ensure this is dealt with as best as possible through the selection and contracting of consultants with the expertise needed to undertake the services; - Costs: covering consultant fees before recovering costs from applicants. Mitigated as above through the selection criteria and performance clauses in the agreement, and through better tracking of consultant fees and on-charging through Tech1-Accela process to be rolled out later this year. This RfP process essentially avoids risks to the Council as this work is currently being undertaken without agreements in place to control performance of consultants; - Large amount of work currently with consultants: the contracting process may result in some consultants being excluded while they still have work to complete for the Council. Handover of this work will need to be arranged with all relevant info and communications; - Challenges around agreement: legal challenges and delayed engagement of consultants. Mitigated through the use of commercial law expert in preparation of the agreement; - Current contracts: overlap with existing agreements with other teams in Council, e.g. BECA and PDP. Effectively should be a seamless transition; - Data mining: will need to avoid consultants using knowledge of the BOPRC process to obtain additional work. Mitigated through the agreement; and - Unfamiliarity with procurement processes: one man bands who are highly skilled planners may 'miss out'. The consultants processing applications will be informed and kept up to date with the process proving all equal opportunity to be included.
Issues or complexities (if any)	Discussed above under risks.
Further comments (if any)	This is an essential service to the Council to ensure the role of the Council under s30 of the RMA fulfilled. Councils across the country rely on such services and we are leading the way in terms of setting up a bespoke agreement and competitive process to ensure the best possible services are provided to the community when relying on consultants.



Monitoring	Contractor and performance monitoring will be undertaken monthly to ensure providers are adhering to Councils policy and performance measures. Overall contract performance will be evaluated six monthly (Supplier Performance Evaluation Scorecard)
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9. Procurement process approvals	
Invitation is fit for release	Contract Manager
Selection / shortlisting recommendation is approved	Staff member with Delegated Financial Authority
Draft contract is appropriate	Contract Manager
Award of contract (offer acceptance)	Staff member with Delegated Financial Authority

10. Probity

Probity in this procurement will be managed by:

- acting fairly, impartially and with integrity, acting lawfully, and being accountable and transparent.
- ensuring compliance with the Council’s code of conduct is complied with.
- ensuring that financial authority for the procurement is approved before proceeding to tender.
- identifying and effectively managing all conflicts of interest.
- protecting the supplier’s commercially sensitive and confidential information.
- offering each supplier a comprehensive debrief at the end of the tender process.

11. Procurement Plan (this document) endorsements and approvals			
Description	Name / Position	Signature	Date
Prepared:	Daniel Smith		09/07/18
Endorsed (if applicable):	Sarah Omundsen		25/07/18
Approved: (Delegated Financial Authority):			
Attachments			

1. Conflict of Interest Declarations (all Procurement Project Team members)
2. SOP for processing consents on behalf of Council
3. Draft agreement prepared by Jessica Easton and Dan Moore