

Regional Council

Open Minutes

- Commencing:** Thursday 16 March 2023, 9.30 am
- Venue:** Council Chambers, Regional House, 1 Elizabeth Street, Tauranga
- Chairperson:** Chairman Doug Leeder
- Deputy Chairperson:** Deputy Chairperson Jane Nees
- Members:**
- Cr Malcolm Campbell
 - Cr Stuart Crosby
 - Cr Toi Kai Rākau Iti
 - Cr Matemoana McDonald
 - Cr Kat Macmillan
 - Cr Ron Scott
 - Cr Ken Shirley
 - Cr Paula Thompson
 - Cr Lyall Thurston
 - Cr Andrew von Dadelszen
 - Cr Te Taru White
 - Cr Kevin Winters
- In Attendance:**
- Bay of Plenty Regional Council: Fiona McTavish - Chief Executive, Mat Taylor - General Manager Corporate, Namouta Poutasi - General Manager Strategy & Science, Reuben Fraser - General Manager Regulatory Services, Chris Ingle - General Manager Integrated Catchments; Kataraina O'Brien - General Manager Strategic Engagement, Olive McVicker - Corporate Performance Team Lead, Karlo Keough - Finance Support Team Lead; Mark Townsend - Engineering Manager, Mark Le Comte - Principal Advisor Finance, Gillian Payne - Principal Advisor, Yvonne Tatton - Governance Manager; Angela Foster - Communications & Engagements Manager; Hemi Barsdell - Asset Management Specialist; Tone Nerdrum Smith - Committee Advisor
- Quayside Holdings Ltd: Lyndon Settle - Chief Executive and Davide Caloni - Finance Manager
- BOPLASS: Craig O'Connell - Chairperson (via Zoom)
- Whakatāne District Council: Steven Perdia - General Manager of Strategy & Transformation; Nicola Burgess - Manager Tourism and Events and Richard Faire - Tourism Product Development Advisor
- Apologies:** Cr Paula Thompson - Late Arrival

1. Opening Statement by Chairman

Chairman Leeder reminded those present that this meeting was being livestreamed and recorded and that the recording would be made available on the Bay of Plenty Regional Council website following the meeting. [Council Meeting Video 16 March 2023](#)

2. Opening Karakia

A karakia was provided by Cr Te Taru White.

3. Apologies

Resolved

That the Regional Council:

- 1 **Accepts the apology from Cr Thompson for late arrival tendered at the meeting.**

**Leeder/Nees
CARRIED**

4. Declaration of Conflicts of Interest

Cr Stuart Crosby and Cr Te Taru White **declared an interest** in agenda items 9.2 Quayside Group draft Statements of Intent for 2023-2026 and Half Yearly Reports, and 10.4 Guidance for Quayside Holdings Limited's Directors' Nomination Panel (Public Excluded) as Board Directors of Quayside Holdings Ltd.

Noted that as the interest was non-pecuniary, there might be situations where providing factual details to inform Quayside discussions might be appropriate.

5. Minutes

Minutes to be Confirmed

5.1 Regional Council Minutes - 14 December 2022

Resolved

That the Regional Council:

Confirms the Regional Council Minutes - 14 December 2022 as a true and correct record.

**Leeder/White
CARRIED**

5.2 Regional Council Minutes - 9 February 2023

Matters Arising

In relation to Minute item 7.1, Chairperson's Report - Noted that the Tarawera Sewerage Scheme Stage 1 would commence in April 2023, rather than already being underway as advised at the meeting.

Resolved

That the Regional Council:

Confirms the Regional Council Minutes - 9 February 2023 as a true and correct record.

**Leeder/White
CARRIED**

6. Reports

6.1 Chairperson's Report

Presented by: Chairman Leeder.

Key Points - Members:

- Any updates from the Chairman's meetings with other Mayors to be included for information in the Councillors' informal briefings.

Resolved

That the Regional Council:

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

**Leeder/Nees
CARRIED**

Decisions Required

6.2 Quayside Group Draft Statements of Intent for 2023-2026 and Half Yearly Reports

Presented by: Mat Taylor - General Manager Corporate and Gillian Payne - Principal Advisor.

Lyndon Settle - Chief Executive and Davide Caloni - Finance Manager, Quayside Holdings Ltd attended for this item.

Key Points:

- Provided the timeline for the Statement of Intent as it would be presented to Council
- An informal briefing by Quayside Holdings Ltd was scheduled for 12 April 2023 where in-depth discussions regarding the draft Statement of Intent would take place.

Key Points - Members:

- Queried if the PF Olsen Ltd forestry investment, where Council was a major shareholder through Quayside, was appropriate and responsible considering the damages occurring during the recent Cyclone Gabrielle.

9.44 am – Cr Thompson **entered** the meeting.

- Any proposed sale of Port of Tauranga shares should be a part of the Council’s Long Term Plan process, i.e. involve public consultation
- Options and impacts of reduction vs retention of the Port of Tauranga shareholdings to be further discussed
- Sought a clearer understanding of the operations of Quayside
- The merit of retaining strategic landholdings, e.g. in Tauriko, to be further considered
- Sought further discussion regarding the impact of the rapidly changing investment environment on the dividend distribution
- Noted that Quayside had indicated that current dividend payments to Council were non-sustainable, and that this would be further discussed at the 12 April 2023 Council briefing.

Key Points – Quayside Holdings Ltd:

- Welcomed the opportunity for further discussion regarding the draft Statement of Intent on a ‘no surprises’ basis.

Resolved

That the Regional Council:

- 1 Receives the report, Quayside Group draft Statements of Intent for 2023-2026 and Half Yearly Reports;**
- 2 Notes that Council direction will be sought at a future meeting on any Council response;**
- 3 Delegates authority to Chairman Leeder to approve any response to the draft Statements of Intent 2023-2026 for the Quayside Group, noting that this is to enable Council and Quayside Holdings Limited to meet statutory timeframes for the process.**

**Shirley/Campbell
CARRIED**

6.3 Local Government Funding Agency Limited - draft Statement of Intent 2023-2026 and Half Yearly Report

Presented by: Mat Taylor – General Manager Corporate and Mark Le Comte – Principal Advisor Finance.

Key Points - Staff:

- Main savings were made in large projects/initiatives that required significant funding
- Discussions regarding funding of infrastructure, including the ability of the Three Waters entities borrowing from LGFA, were taking place between local/regional government and Waka Kotahi.

Resolved

That the Regional Council:

- 1 Receives the report, Local Government Funding Agency Limited - draft Statement of Intent 2023-2026 and Half Yearly report for the period ended 31 December 2022;**
- 2 Agrees that no formal feedback is required on the Local Government Funding Agency Limited's draft Statement of Intent 2023-2026.**

**von Dadelszen/Scott
CARRIED**

6.4 Statement of Proposal - Fees and Charges Policy

Presented by: Mark Le Comte – Principal Advisor Finance.

Key Points:

- Council was legally required to publicly consult on its fees and charges, which differed from what was required for the Annual Plan where Council had the option to not consult
- When Council consulted on its Long Term Plan or Annual Plan, a rate tool was provided so ratepayers could easily see their current rates vs projected rates.

Key Points - Members:

- Queried the purpose of seeking information regarding gender, age and ethnicity as included in the submission form
- Important for Council to continue to apply zero-increases in some areas to ensure it remained vigilant in seeking cost saving opportunities and undertake critical review of its practises.

Resolved**That the Regional Council:**

- 1 Receives the report, Statement of Proposal - Fees and Charges Policy;**
- 2 Adopts the Statement of Proposal for Changes to the Fees and Charges Policy and Draft Fees and Charges Policy for public consultation;**
 - **Delegates to the Chief Executive to make any minor editorial changes required to the Statement of Proposal, including removing the questions regarding age/gender/ethnicity on the submission form.**

**Thurston/Winters
CARRIED**

6.5 Bay of Plenty Local Authority Shared Services (BOPLASS) Half Yearly Report and Draft Statement of Intent

Presented by: Mark Le Comte – Principal Advisor Finance and Craig O'Connell – BOPLASS Chairperson (via Zoom).

Key Points - Craig O'Connell, BOPLASS Chairperson:

- Noted the apology from Stephen Boyle - Chief Executive, BOPLASS

- Outlined savings achieved through shared procurements/services, representing significant return on investments for the partner councils
- Local Authority Shared Services (LASS) in other regions had established business units to extend its services, and explore opportunities that might be relevant and beneficial
- Acknowledged that better communication channels between BOPLASS and councils with regards to potential opportunities should be established
- It could be challenging to progress commercial opportunities in a local government environment, which related back to the desire to improve communication.

Key Points - Members:

- Noted that discussions regarding the potential for BOPLASS to pursue new opportunities was ongoing
- Regional Software Holdings Ltd was a software collaboration between regional councils, and supplemented, rather than duplicated the BOPLASS collaboration within the Bay of Plenty region
- Recognised that there were challenges, for a variety of reasons, in achieving cross boundary co-operation and services
- Encouraged the BOPLASS Board to engage with the community regarding the opportunities and benefits of shared services
- As all partners of BOPLASS were autonomous entities, requesting change through the Statement of Intent and reaching consensus was challenging.

Key Points - Staff:

- BOPLASS procurement represented a significant financial savings for Council, with Regional Software Holdings Ltd providing complementary efficiency savings
- Regional co-operation/sharing provided an opportunity to support smaller councils that struggled to attract workforce.

Resolved

That the Regional Council:

- 1 Receives the report, Bay of Plenty Local Authority Shared Service Half Yearly Report and Draft Statement of Intent;**
- 2 Agrees that Bay of Plenty Regional Council's feedback on this Draft Statement of Intent is that the Final Statement of Intent includes more detail on additional shared services (including a specific performance target) to achieve greater efficiency and effectiveness of service delivery for the communities in this region**

**Thurston/White
CARRIED**

6.6 2023/24 Draft Annual Plan - Engagement

Presented by: Olive McVicker – Corporate Performance Team Lead and Angela Foster – Communications & Engagements Manager (via Zoom)

Key Points:

- Noted that the recommendation was to not consult on the Annual Plan 2023/24, and that an engagement plan around this was being prepared

- Supported the opportunity for constituent councillors to undertake direct engagement with their local communities to raise awareness regarding Council's Annual Plan.

Resolved

That the Regional Council:

- 1 Receives the report, 2023/24 Draft Annual Plan - Engagement;**
- 2 Confirms that consultation is not required on the 2023/24 Draft Annual Plan;**
- 3 Directs that public and targeted engagement be undertaken to communicate the impacts of the 2023/24 Annual Plan, and inform the community of the start of the upcoming review of the Long Term Plan.**

**von Dadelszen/McDonald
CARRIED**

6.7 Refinancing Council Borrowing

Presented by: Mat Taylor – General Manager Corporate and Mark Le Comte – Principal Advisor Finance.

Key Points - Members:

- Noted that the loans reaching maturity had been provided at a low interest rate.

Resolved

That the Regional Council:

- 1 Receives the report, Refinancing Council Borrowing;**
- 2 Authorises the Chief Executive to refinance \$45 million of borrowing that matures on 15 April 2023 and complete any funds transfers associated with this transaction, in the general course of business;**
- 3 Confirms the public be excluded on the grounds set out in the Local Government Official Information and Meetings Act 1987 from consideration of the following report attachment:**
 - (a) Draft Bancorp Funding Strategy under Section 48(1)(a)(i) Section 7 (2)(b)(ii) as withholding the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information and that this attachment remain in Public Excluded.**

**Crosby/Winters
CARRIED**

6.8 Appointment of Tangata Whenua Representative to the SmartGrowth Leadership Group

Presented by: Yvonne Tatton – Governance Manager.

Key Points:

- Noted that this was an administrative matter and that the three partner councils had all been asked to accept the appointments.

Key Points - Members:

- Sought the opportunity for Council to receive more information regarding the representatives for future appointments
- A formal acknowledgement of the contribution by previous Tangata Whenua representative Kevin Tohiariki was extended.

Resolved

That the Regional Council:

- 1 Receives the report, Appointment of Tangata Whenua Representative to the SmartGrowth Leadership Group;**
- 2 Accepts the recommendation of Te Rangapū Mana Whenua o Tauranga Moana and confirms the appointment of Whitiora McLeod as a Tangata Whenua representative to the SmartGrowth Leadership Group;**
- 3 Accepts the recommendation of Te Kāhui Mana Whenua o Tauranga Moana and confirms the appointment of Riki Nelson as a Tangata Whenua representative to the SmartGrowth Leadership Group;**
- 4 Notes that the appointments are also to be confirmed by Tauranga City Council and Western Bay of Plenty District Council.**

**McDonald/Macmillan
CARRIED**

10.48 am – The meeting **adjourned**.

11.08 am – The meeting **reconvened**.

6.9 Monitoring & Responding to Central Government Reforms – Action Plans

Presented by: Namouta Poutasi - General Manager Strategy & Science.

Key Points:

- The updated Action Plans were based on the feedback provided by Councillors at the workshop the previous week
- There had been no region-wide submission on the Future for Local Government proposal (FfLG), rather councils had forwarded individual submissions to address particular concerns
- Noted Tauranga City Council's submission on the FfLG was included their Council agenda [TCC Council Agenda - 27 February 2023](#)
- Council had staff representation on the Regional Climate Impact Group (CIG), which had a strong interface with the Climate Change Commission

Resolved

That the Regional Council:

- 1 Receives the report, Monitoring & Responding to Central Government Reforms – Action Plans.**

- 2 Endorses the approach to monitoring and responding to central government reform – action plans, with the following amendments:**
- **Add bullet under Climate Change that reads: “Learnings from national/regional events that are likely to impact on central government direction or Council operational delivery”.**

**Nees/Macmillan
CARRIED**

Information Only

6.10 Financial and Non-Financial Performance Report - Arotake Report: Half Year Performance

Presented by: Mat Taylor – General Manager Corporate, Karlo Keough – Finance Support Team Lead and Olive McVicker – Corporate Performance Team Lead.

Key Points:

- More detailed information would be presented at the Financial Briefing on 4 April 2023, and would represent 8-month reporting
- The Rivers and Drainage Activity was re-forecasted each month, noting that some underspend had been carried forward into Draft Annual Plan 23/24.
- Although public transport service levels may have changed, a number of fixed costs remained unchanged, so costs did not reduce. However, Council was actively working with Waka Kotahi regarding improved funding contribution
- 10-12% staff turnover was the preferred benchmark. At 11.82%, Council was well below that experienced by other councils
- Council was sometimes unable to compete with the salary offered by central government, which meant retaining staff relied on the overall ‘package’, i.e. organisational culture; flexible working conditions etc.
- COVID had been the predominant cause of reported illness in recent times
- Council was always seeking to take a low position on borrowing and high position in investments, accepting the effects of market volatility. The overall position of Council in investment was ‘conservative’.

Key Points - Members:

- Noted that the overspend in the public transport activity was caused by a variety of factors, e.g. raised minimum wage and increased service costs
- Noted that information regarding the number of Full Time Employee (FTE) summer students employed by Council in the 2022/23 period would be provided.

Resolved

That the Regional Council:

- 1 Receives the report, Financial and Non-Financial Performance Report - Arotake Report: Half Year Performance;**

- 2 Confirms the public be excluded on the grounds set out in the Local Government Official Information and Meetings Act 1987 from consideration of the following report attachment:**

- (a) CONFIDENTIAL Bancorp Report December 2022 under Section 48(1)(a)(i) Section 7 (2)(b)(ii) as withholding the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information and that this attachment remain in Public Excluded.**

**Scott/von Dadelszen
CARRIED**

6.11 Cycleways on BOPRC Managed Stopbanks in the Eastern Bay of Plenty

*Presentation - Cycleways on BOPRC Stopbanks in EBoP - Council 16 March 2023:
Objective ID A4337896 [↔](#)*

Presented by: Hemi Barsdell – Asset Management Specialist, and Steven Perdia and Nicola Burgess, both Whakatāne District Council (WDC).

Key Points - Whakatāne District Council Presenters:

- Noted the potential challenges of motorbikes using the trails and recognised that this would need to be addressed in the design
- WDC would cover ongoing maintenance costs of the trails
- A number of trail locations and design had been proposed over the past few decades, but had not progressed. With the current trail involving ongoing community engagement, external funding had been obtained
- Anticipated that WDC would own and maintain the pathway asset, with the stopbank remaining in Regional Council's ownership
- A survey of all landowners, including the Department of Conservation and hapū, along the trail had been undertaken and was ongoing as the project progressed
- Cultural and historical elements had been identified and formed part of the project design
- Would primarily look to establish the trail on the Western side of Rangitāiki River in Edgecumbe to minimise the impact on adjacent homeowners.

Key Points - Staff:

- Rivers and Drainage Bylaw staff were working with the WDC project team to ensure risks to flood protection assets were appropriately managed
- Regional Council was working with land grazing licensees to implement licence variations to accommodate the proposed trail
- Recognised there was a risk of loss of privacy associated with this project, which needed to be worked through, e.g. varying the trail from the top of the stopbank to the low lying berms in some areas.

Resolved

That the Regional Council:

- 1 Receives the report, Cycleways on BOPRC Managed Stopbanks in the Eastern Bay of Plenty.**

**Campbell/Macmillan
CARRIED**

7. Public Excluded Section

Resolved

Resolution to exclude the public

- 1 Excludes the public from the following parts of the proceedings of this meeting as set out below:**

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:

Item No.	Subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Grounds under Section 48(1) for the passing of this resolution	When the item can be released into the public
9.7	Refinancing Council Borrowing - Attachment 1 - Draft Bancorp Funding Strategy - Public Excluded	Withholding the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.	48(1)(a)(i) Section 7 (2)(b)(ii).	To remain in public excluded.
9.10	Financial and Non-Financial Performance Report - Arotake Report: Half Year Performance - Attachment 2 - CONFIDENTIAL Bancorp Report December 2022 - Public Excluded	Withholding the information is necessary to protect information where the making available of the information would be likely to unreasonably prejudice the commercial position of the person who supplied or who is the subject of the information.	48(1)(a)(i) Section 7 (2)(b)(ii).	To remain in public excluded.
7.1	Public Excluded Regional Council Minutes	As noted in the relevant Minutes.	As noted in the	To remain in public excluded.

	- 14 December 2022		relevant Minutes.	
7.2	Public Excluded Regional Council Minutes - 9 February 2023	As noted in the relevant Minutes.	As noted in the relevant Minutes.	To remain in public excluded.
7.3	Climate Resilience Projects - Progression	Withholding the information is necessary to enable any local authority holding the information to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations).	48(1)(a)(i) Section 7 (2)(i).	To remain in public excluded.
7.4	Guidance for Quayside Holdings Limited's Directors' Nomination Panel	Withholding the information is necessary to protect information which is subject to an obligation of confidence or which any person has been or could be compelled to provide under the authority of any enactment, where the making available of the information would be likely otherwise to damage the public interest.	48(1)(a)(i) Section 7 (2)(c)(ii).	On the Chief Executive's approval.

**Leeder/McDonald
CARRIED**

8. Closing Karakia

A karakia was provided by Cr Te Taru White.

1.54 pm - the meeting closed.

CONFIRMED

Chairman Doug Leeder
Chairperson, Regional Council