

Informal Workshop Notes - Long Term Plan 2024-2034

Regional Council

Held: 09:30 am, Wednesday 12 April 2023, Council Chambers, Regional House, 1 Elizabeth Street, Tauranga and via Zoom (Audio Visual Meeting)

Chairperson: Chairman Doug Leeder

Deputy Chairperson: Deputy Chairperson Jane Nees

Present: 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: Fiona McTavish - Chief Executive; Namouta Poutasi, General Manager Strategy and Science; Mat Taylor - General Manager, Corporate; Reuben Fraser - General Manger Integrated Catchments; Karen Aspey - General Manager People and Leadership; Kataraina O'Brien - General Manager Strategic Engagement; Kumaren Perumal - Chief Financial Officer; Olive McVicker - Corporate Performance Team Lead; Karlo Keogh - Finance Support Team Lead; Gillian Payne - Principal Advisor; Mark Le Comte - Principal Advisor Finance; Graeme Howard - Corporate Planning Lead; Angela Foster - Communications & Engagement Manager; Annabel Taylor - Manager, Special Projects (via Zoom); Jo Pellow - Rates Team Leader; Merinda Pansegrouw - Committee Advisor.

Apologies: None

1. Workshop Papers

1.1 Overview

Presentation 2023-04-12 LTP2024-2034 Workshop PDF: Objective ID A4354374

Presented by: Fiona McTavish – Chief Executive

Key Points:

- Introduced Bay of Plenty Regional Council Toi Moana (BOPRC) staff to be involved in the 2024-2034 Long Term Plan (LTP) process
- Provided context for the workshop/high-level outline of the 2024-2034 LTP process
- Advised that the context within the strategic framework would guide development of the 2024-2034 LTP
- Highlighted key decision points
- Today's discussion to inform the scope for reviews of the Financial Strategy/Rates Remission and Postponement Policy; planned for further consideration at future Council and Risk & Assurance Committee workshops.

Key Points - Members:

- As part of the LTP process, highlighted the importance of considering a methodology to be used to address “wicked problems”¹; particularly within the context of Local Government Decision Making Requirements (Local Government Act 2002, Section 77). Based on the significant number of wicked problems that would need addressing, a formalised decision making framework would be critical (providing detailed analysis/options for consideration) - ultimately decisions needed to be based on good evidence rather than strong opinions
- Concurred that a decision making framework, based on agreed-upon principles, would be vital to assist Council in navigating/balancing wicked problem as part of the 2024-2034 LTP process.

1.2 Strategic Direction Setting - Long Term Plan 2024-2034

Presented by: Namouta Poutasi, General Manager Strategy and Science.

Guidance Sought from Councillors:

- Requested to provide comments on the current draft Strategic Direction for preparation of the 2024-2034 LTP:

Vision: *“Bay of Plenty Thriving Together - mo te taiao, mo ngā tangata” OR “A sustainable and bright future for the Bay of Plenty”*

Mission: *To be guided by the principle of kaitiaki for the Bay of Plenty environment and its communities.*

Purpose *Through the way we work we create and enhance a resilient, healthy and sustainable Bay of Plenty Region and Regional Council*

1. *A wicked problem is a social or cultural problem that is difficult or impossible to solve because of its complex and interconnected nature*

Key Points - Members on Vision/Mission/Purpose:

- Proposed vision 1 “*Bay of Plenty Thriving Together - mo te taiao, mo ngā tangata*” considered as the preferred option
- With regards to proposed vision 2 “*A sustainable and bright future for the Bay of Plenty*”, suggested that the word “**bright**” was not suitable
- Believed that the mission should be “*to create and enhance a resilient, healthy, and sustainable environment*”. Accordingly suggested that the proposed mission was redundant/superseded; the “purpose” should be the new “mission”
- As an alternative to consider: “*a sustainable and **vibrant** future for the Bay of Plenty*”
- Did not find proposed vision 2 “*a sustainable and bright future for the Bay of Plenty*” very inspiring; preferred the “*thriving together*” as this was more appropriate/inspirational
- “*mo te taiao, mo ngā tangata*” spoke to both the environment and the people; was a call for everybody to rise with the tide – was an inclusive statement, defining who we are, what we are, as people collectively
- Was important to include Kaitiaki/Kaitiakitanga as part of the mission/vision statements; this was a principle embedded in the RMA, but encompassed more than guardianship – was a principle of embracing all things/reciprocity/principle of giving as you take/principle of balance
- In the spirit of partnership, the inclusion of Te Reo Māori was important
- Referring to “Regional Council” in the mission statement seemed a bit self-serving – should be reconsidered
- Include Bay of Plenty, and consider using “Toi Moana”
- Request was made to bring over the ‘How we work’ part of the current strategic framework and values.

Outcome 1 - Healthy Environment

Healthy Environment: We maintain and enhance our air, land, freshwater, geothermal, coastal resources, and biodiversity for our communities now, and in the future, and we support others to do the same

Goal 1: The diverse range of eco systems and lakes, rivers and sea in the Region are in a healthy state, giving effect to te mana o te wai, with natural limits in place, enforced and monitored.

Goal 2: We provide a sound science base, including mātauranga Māori, that helps our community to understand the state of the environment and supports decision making.

Goal 3: We enable the involvement of Māori in Council decision-making processes that is embedded throughout operations and governance.

Key Points - Members

- Too many words; wording needed wordsmithing to be shorter/crisper/sharper
- Coastal resources should be “*marine environment*”
- Based on the context of the relevant legislation, the statement should read “*We maintain and enhance our **natural and physical resources** for our communities now, and in the future,*” (this would include all items listed in the draft)
- Goal 1: Change “*diverse range of eco systems and lakes, rivers and sea*” to “*the diverse range of **natural and physical resources are in an improving and healthy state***”

- Supported having 4 Outcomes. However, there were too many concepts listed: using “natural and physical resources” would encapsulate all
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- Under goal statements it was important to define the focus points: suggested that goal 1 be split into 2 separate parts: goal 1 - healthy ecosystems - natural resources limits in place, enforced and monitored; new goal 2 to focus on freshwater/te mana o te wai, thriving eco systems that related to freshwater
- Current goal 2 to become goal 3
- Should not limit the number of goals to be included
- Some support for reference to **“improving and enhancing”**
- Cautioned against making goals sounding too human centric and specifically the use of the word resources; i.e. seeing resources as being there for human use
- Needed to be crisp/efficient, easy to understand in terms of what we do
- Needed to reflect that decision-making was sound, science-based, inclusive of Mātauranga Māori
- Reminded of the importance of the Strategic Direction ultimately aligning with the work programme of each committee/committee structure of council/overlapping themes across committees such as Māori well-being and having the tools to measure progress against outcomes/policies
- Noted that goal 1 was indeed a goal, but goals 2 and 3 related more to “processes”; accordingly needed to be changed to be more goal-orientated (principle to be applied throughout the 4 outcomes)
- Highlighted the importance of being able to measure outcomes
- Goal 3 to be reworded to be more inclusive, acknowledging importance of the well-beings (in terms of the impact statements)
- Was critical to draw the link/connection between the impact statements and the LTP process; was important to understand how they would merge/blend and how they would ultimately be measured
- In terms of well-beings, sustainable development decisions needed to be taken within a formal decision making framework - which would be part of the LTP process.

Items for further attention by staff:

- Suggested that a paper be developed by staff elaborating on where the well-beings currently sat within Council; i.e. “the package for Māori well-beings” with the view of identifying the gaps; this would assist in determining how supporting the well-beings of Māori would ultimately look like, giving an indication of what would be required going forward, addressing disparities/differentiations in terms of specific Kaupapa Māori

Outcome 2 - Future Ready Communities

Future Ready Communities: Our work in the Bay of Plenty guides and supports an equitable transition to a low emissions future.

Goal 4: We contribute to community resilience through preparedness so that our community's safety is maintained and improved by advising on natural hazard risk.

Goal 5: Work with partners to ensure our communities understand the natural hazard (especially flooding) and climate change risk that they live with, and are prepared to respond and recover from adverse events.

Goal 6: BOPRC is net zero carbon by 2050, by reducing regional greenhouse gas emissions.

Goal 7: We bring our voice for the work we do to urban and rural communities, and empower people to make sustainable choices.

Goal 8: *We use nature based solutions to enhance the environment and protect our communities*

Key Points - Members

- Wording to be reviewed to be shorter/crisper/sharper
- Both goals 4 and 5 were addressing natural hazards; suggested that these be consolidated as “*advise and prepare our communities for the impact of natural hazards*”
- Goal 6: needed to clarify if it was BOPRC or the Bay of Plenty Region. If referring to Council, to include “Toi Moana”. However, focus should be on the region, not Council – the goal should be to help the region achieve net zero carbon
- With regard to the goal “BOPRC is net zero carbon by 2050”, it was noted that there had been a goal from the previous LTP relating to the regional reduction of greenhouse emissions and transition to a low carbon economy; this still remained relevant. Consider referencing “greenhouse gas emissions”
- Was of the opinion that the outcomes statement was too narrow: needed to be more than just climate change focussed; reference to resilience to natural hazards needed to be included
- Was unsure about goal 7: “*We bring our voice*” – required more focus; supported that it was all about working with urban and rural communities, and empowering people to make sustainable choices
- Stressed that resources in the region belonged to all and needed to be managed in the interest of all/used wisely – focus should be on kaitiakitanga
- Challenged goal 8: “*We use **nature based solutions** to enhance the environment and protect our communities*” as more solutions than “nature based” were currently being used; should rather be “seeking...”
- Since goals 2 and 8 were very similar, suggested a combination to make it crisper
- Suggested wordsmithing to combine goals.

Outcome 3 - Sustainable Development

Sustainable Development: *We advocate for, and support sustainable development.*

Goal 9: *Enable communities that plan for intergenerational wellbeing, developed with nature in mind for a strong regional economy.*

Goal 10: *Enable and advocate for Spatial Plans that takes a sustainable development approach, and is climate resilient.*

Goal 11: *Enable and advocate for infrastructure that is efficient and integrated.*

Key Points - Members

- Under goal 11, add “resilient” to read “Enable and advocate for infrastructure that is **resilient**, efficient and integrated”
- Goal 10: Since “spatial plans” were plural, verbs to be amended accordingly.

Outcome 4 - Connected Communities

Connected Communities: *Our work enables regionally connected communities for present and future generations.*

Goal 12: *Ensure communities are connected through access to services, enabling mode shift, resilient public transport networks and services, and sustainable land use decisions.*

Goal 13: *Foster strong and connected communities through initiatives that promote whanaungatanga and manaakitanga, such as community-led events and initiatives.*

Goal 14: *We connect our Region through partnerships, collaboration with stakeholders and working with our communities.*

Key Points - Members

- Wording to be reviewed to be shorter/crisper/sharper
- To be updated to be more focussed and ensuring that the previous community participation statement was included/incorporated
- Goal 12: We did not “*Ensure that communities are connected through....sustainable land use decisions*”. “*Sustainable land use decisions*” – this did not fit here, should be moved to a different outcome
- Somehow have lost the concept of empowering our communities to volunteer/participate in environmental initiatives: suggested adding wording to change as follows: “*Foster strong and connected communities through initiatives that promote whanaungatanga and manaakitanga, such as community-led events and **environmental** initiatives*”
- Discussed the bilingual use of English/Te Reo Māori in the Vision/Mission and Outcomes Statements. Agreed that the most inclusive approach would be a one pager, reflecting full translations of both English and Te Reo Māori, side-by-side
- Cautioned to be wary of the responsibility/duty of care of council and the promises made in a strategic direction document/level of risk in terms of promises made.

Enablers

Delivery:

- *We deliver through identified priorities and outcomes in an efficient and effective manner that delivers value for our ratepayers and our customers.*

Investment:

- *We provide for intergenerational wellbeing through prudent investment in our people and places that is equitable and affordable.*

Partnership & Engagement:

- *We partner with Māori to achieve enhanced delivery and shared decision making.*
- *Key Māori entities have robust resource management capability and capacity.*
- *Working with partners, stakeholders, agencies and the community to protect & enhance ecosystems for improved environmental, and economic outcomes.*

Key Points - Members

- Wording to be reviewed to be shorter/crisper/sharper
- Delivery: to be changed as follows “*We deliver through identified priorities and outcomes in an efficient and effective ~~manner~~ **manner**. ~~that delivers value for our ratepayers and our customers~~*”
- Investment: to be changed as follows “*We provide for intergenerational wellbeing through prudent investment in our people and places ~~that is equitable and affordable~~*”
- Partnership & Engagement: to be changed as follows “*We partner with Māori to achieve enhanced delivery and shared decision making*”. ~~*Key Māori entities have robust resource management capability and capacity. Working with partners, stakeholders, agencies and the community to*~~

protect & enhance ecosystems for improved environmental, and economic outcomes”

- Cautioned that care be taken that the translations of the English/Te Reo Māori versions needed to say the same thing
- Agreed that there was a risk that the strategic direction could potentially create expectations; suggested that a disclaimer be added stating that council would undertake their best endeavour to achieve the aspirations.

Next Step

- Staff to prepare a fully worked up version of the Strategic Direction document for further consideration at the May 2023 LTP 2024-2034 workshop.

10:55am - The workshop **adjourned**.

11:15am - The workshop **reconvened**.

1.3 Financial Strategy and Policies

Presented by: Kumaren Perumal, Chief Financial Officer

Guidance Sought from Councillors

- Any specific financial strategy/policy issues that councillors would like to discuss in more depth in future workshops
- Comments on the proposed review process.

Key Points

- Staff intended to use a strategy led approach to reviewing the financial policies, rather than a risk/legislation led approach
- A strategy led approach would require broader thinking, necessitating potential substantive changes to existing policies - strategic context/key issues would be incorporated into all appropriate policy reviews
- Highlighted the feedback that had been received to date in terms of financial policy matters/identified the impact of these on council's affected policies
- Outlined the good practise in terms of the involvement of the Risk and Assurance Committee.

Key Points - Members

- Noted that the 14 June 2023 Risk and Assurance Committee Workshop intended to focus on major areas of the Financial Strategy and rates affordability/sustainability/resilience. Encouraged all members of Council to attend the workshop as it was critical to Council's business
- Since the rates affordability discussions intended to include the potential for a sector wide review of rates issues (with a focus on flood mitigation/response, transport and environmental improvements), conversations with other regional councils were currently ongoing and being scoped/explored. Noted that further updates would follow at future workshops and that the timing would be such to allow Council to integrate thinking into the process
- Pointed out that it was critical to look into the “how” of developing the strategy and what basis/assumptions would be used in the process.

(Suggested looking at using sources such as a company called “DOT Loves Data” who provided data solutions/take complex data sets and generate scalable products/develop algorithmic componentry, Power BI expertise and communicate practical insights into actions). Was ultimately critical to use relevant data/information to make informed/the right decisions, particularly in terms of the well-beings

- Essential to consider factoring in the impact of rating and funding decisions of territorial local authorities (TLAs) within the region; needed a “joined up approach” in the interest of our communities
- In terms of cost efficiency noted that staffing was significant in terms of the operating expense (25%)
- Given the extent of reforms on the national government’s agenda, consideration needed to be given to how Council would be doing it’s scenario planning (i.e. addressing this through options/analysis papers to council meetings)
- Acknowledged that there would be a hierarchy/sequence to address the different policies driving costs for ratepayers; noted that the first to consider would be the Strategic Framework, followed by the Financial Strategy (key elements of changes to the Strategic Framework/existing Financial Strategy/vision for the LTP would further dictate supporting financial policies)
- Reminded that the previous LTP was a Covid-response plan with numerous “one-off” projects to stimulate the economy/improve affordability for the community. Would be interesting to see a list of the “one-off” projects as opposed to the embedded projects from the previous LTP
- Needed to be mindful of the economic forecast shared by Bancorp at Council’s recent Financial Briefing on 4 April 2023
- Recent volunteering support provided great return on Council’s investment. This value add needed to be considered as part of the analysis of options going forward
- Reiterated the need for a disciplined framework to consider the hard decisions/how to drive efficiency in the organisation
- Required robust discussion on the role of Quayside Holdings Limited and the appropriate level of dividend to Council/realistic expectations.

Items for further attention by staff:

- Requested that definitions around equity be provided to councillors; particularly within the context of a decision making framework (referencing the difference between equity and equitable)
- In response to question 2.1 on page 11, requested a future deep-dive into the current 80/20 principle applicable to river schemes (i.e. how to socialise river scheme costs). Was mindful of what was happening nationally and the socialised cost of getting it wrong (everybody paying for disaster relief)
- Further information relating to Toi Tangata (Toi Moana’s People Plan) to be provided
- For the information of councillors, compiling a list of “one-off” projects as opposed to the embedded projects from the previous LTP.

1.4 Review of Rates Remission and Postponement Policy

Presented by: Kumaren Perumal, Chief Financial Officer and Gillian Payne, Principal Advisor.

Key Points

- Outlined the proposed phases of the policy review process
- Was seeking Council's views on the proposed approach and also for Council to consider any opportunities to involve/include other committees in the process to add value

Key Points - Members

- Asked how/when Council would integrate spatial planning into a fair and reasonable process since Māori land specifically was presently under tremendous pressure/potential change (i.e. change of land use as a result of spatial planning/development/expectation for Māori land to address well-being/affordability of Māori housing requirements)
- Noted that the recent Te Ture Whenua Māori Amendment Act had given clear guidelines/directions for councils to consider in their Rates Remission Policies in order to promote the development of Māori land and well-beings. Reiterated that timing was critical for ensuring the best possible integration
- Acknowledged that future Rates Remission considerations would require alignment/natural consideration of Māori Land Court decisions
- Noted that alignment of the Rates Remission Policy with TLAs would be addressed as part of the Māori landowners engagement process which would involve Māori Land Officers from TLAs
- Supported consistency across the region as first option. Would require transparency/clear/collaborative approach, not to confuse the public
- Suggested that better propositions be explored; if possible, to look at suggesting alternative land uses that could be more viable for land owners
- Enquired about assurance on the robustness of criteria for managing "grey areas" within the Māori Land remissions process. Noted that these would be addressed at future workshops; guidance would be sought from councillors regarding guidelines in terms of flexibility on the criteria in the policy design
- Stressed that local knowledge was critical to take informed decisions.

12:00pm - Cr Crosby **withdrew** from the workshop.

- Acknowledged that a process of looking at options to provide incentives for retired farmland alongside river schemes to achieve council's environmental goals would be challenging; could potentially be considered on a case-by-case basis, at the discretion of Council.

Items for further attention by staff:

- Requested clarification/definitions of the various rating calculation factors (fixed vs value-based vs area-based etc)
- Since it was still early in the process, required more information on matters relating to Māori Land remissions: requested an overview of the status quo regarding rating on Māori Land; this would enable/inform future considerations/decision making
- Noted that data was currently available; requested that this be provided to councillors via Komiti Māori as a Kaupapa Māori activity. (Could potentially align with scheduled venues of Komiti Māori meetings, allowing interactive discussions with land owners after hui).

12.07 pm - The workshop **closed**.