

Informal Workshop Notes

Strategy and Policy Committee Workshop

- Held:** 9.30 am, Wednesday 30 October 2024
- Venue** Council Chambers, Regional House, 1 Elizabeth Street, Tauranga, and via Zoom (Audio Visual Meeting)
- Chairperson:** Cr Kat Macmillan – for this workshop
- Present:**
- Cr Stuart Crosby
 - Cr Matemoana McDonald
 - Cr Jane Nees (via Zoom)
 - Cr Ron Scott
 - Cr Ken Shirley
 - Cr Paula Thompson (via Zoom)
 - Cr Lyall Thurston (via Zoom)
 - Cr Andrew von Dadelszen
 - Cr Te Taru White
 - Cr Kevin Winters (via Zoom)
- In Attendance:**
- Staff: Fiona McTavish – Chief Executive; Namouta Poutasi – General Manager, Strategy and Science; Chris Ingle – General Manager, Integrated Catchments; Kataraina O’Brien – General Manager, Strategic Engagement (via Zoom); Graeme Howard – Corporate Planning Lead; Jenny Teeuwen – Committee Advisor
- External: Tania Lund – Programme Director Future Grid, Trustpower; Stuart Dickson – General Manager Customer, PowerCo; Sean Audain – Strategic Planning Manager, Wellington City Council (via Zoom)
- Apologies:** Chairman Doug Leeder, Cr Malcolm Campbell, and Cr Toi Kai Rākau Iti, and Cr Paula Thompson for late arrival.

As Chairperson Cr Paula Thompson was unable to attend the workshop, the Deputy Chairperson Cr Kat Macmillan, **assumed** the Chair.

1. Introduction

Chairperson, Cr Kat Macmillan, welcomed those present and advised that at the request of Cr Paula Thompson, workshop items 2: Presentation - Wellington City Council use of Digital Twin Technology and 3: Review of Bay of Plenty Regional Council Community Funding, would be recorded and the recording uploaded to the Bay of Plenty Regional Council Toi Moana (BOPRC) website following the workshop and could be accessed via this link: [Strategy and Policy Committee Workshop - 30 October 2024](#).

2. Presentations

2.1 Presentation - Western Bay of Plenty Development Plan - Electricity network high-potential short list options

Presentation: Western Bay of Plenty Development Plan - Electricity network high-potential short list options: Objective ID A4802885 [⇒](#)

Presented by: Tania Lund - Transpower, and Stuart Dickson - PowerCo

Key Points

- Provided overview of who Transpower and PowerCo were and what they did.-
- Explained graph showing Western Bay of Plenty (WBoP) regional peak demand.
- Transpower supplied bulk electricity to the WBoP from the National Grid via four substations (GXPs) - Kaitemako, Tauranga, Mount Maunganui, and Te Matai. PowerCo connected with the GXPs to deliver electricity to homes and businesses through its distribution network.
- WBoP electricity infrastructure was reaching capacity and would not meet demand by 2030. Major investment was needed to support the growth. Key challenges included constrained urbanised areas, consents and environmental approvals, land access to locate any new assets, funding and regulatory processes, and alignment with other major regional infrastructure works.
- Provided overview of the context, issues and constraints for the western and eastern corridors and outlined preferred options for both:
 - Western corridor - new 220/33 kilovolt (kV) GXP in Pyes Pā/Tauriko area.
 - Eastern Corridor - Transmission upgrades at Te Matai-Wairakei (reconductoring existing 110kV circuits).
- Outlined key milestones and timeframes:
 - 2023 - consultation on long-term list of options (August-September), feedback reviewed and detailed feasibility analysis undertaken.
 - 2024 - consultation on short-list options (July-September), feedback reviewed, continued investigation, Transpower and PowerCo service agreement, and Commerce Commission (Major Capital Project) application.
 - 2025 - Commerce Commission approval process, detailed design, delivery staging, and community engagement.
 - 2026 onwards - delivery works commenced.
- Working together - already working closely with Bay of Plenty Regional Council Toi Moana's (BOPRC) Regulatory Services Team.

In Response to Questions

- Distributed energy resources and how that might help in terms of the long term ability to supply electricity within the region had been taken into account. Was becoming more and more common e.g. grid scale batteries, numerous enquiries around grid scale solar/wind farms.
- There was more activity in small scale developments e.g. solar panels on homes/warehouse roofs. PowerCo was facilitating those building small or large solar schemes on to the network. Taken into account when modelling demand for the future.
- There were discussions currently happening around the country regarding the price for energy going back into the grid and the Electricity Authority was also looking into this.
- Incentivising smoothing of peak demand kicked in at multiple levels. Network providers and electricity retailers did as much as they could to avoid congestion through pricing i.e. peak and off peak. Looking at alternative options for peak demands e.g. local batteries taking peak demand off a suburb.
- There was no single answer to the issue of out of sequence network planning. Part of the solution was the removal of red tape or fast tracking the planning process. The uncertainty of where growth would be and the pace of uptake of other technologies e.g. Electric vehicles (EVs) would be the biggest challenge of the next 10 years. Would need to be agile and aware of what was happening as much as possible.
- Resilience was about the ability to have more than one entry point, particularly in remote areas. Also looking at using alternative options for security of supply e.g. use of back-up generators at strategic points; the Coromandel was a good example of this.
- Pricing for seasonal use e.g. areas with large numbers of holiday homes, was a challenge but this tended to be levelled out by the use of tariff charges for holiday homes, which spread the load more fairly.

9.59am – Cr Thompson **entered** the workshop.

- Transpower and PowerCo costs made up a portion of power bills. Both were regulated by the Commerce Commission and all pricing was subject to their scrutiny. The Commerce Commission set the maximum revenue that could be charged based on a fair return on investment.
- Planning and a number of tactical upgrades already in train meant that “beyond capacity” would not be reached before upgrades were implemented.
- Undergrounding at Tauriko would come with a massive cost and there were difficult technical constraints in terms of the terrain of the land. Another consideration would be the time and complexity to solve underground faults versus a fault in an overhead line. All of these factors were taken into account when considering undergrounding.

10.29am – the workshop **adjourned**.

10.45am – the workshop **reconvened**.

2.2 Presentation - Wellington City Council use of Digital Twin Technology

Presentation: Wellington City Council use of Digital Twin Technology: Objective ID A4802922 [↗](#)

Presented by: Sean Audain - Wellington City Council (via Zoom)

Key Points

- Sean Audain was the Strategic Planning Manager at Wellington City Council (WCC); worked with the digital side of urban planning.
- Digital twin technology helped to make District Plans more understandable.
- Everything was joined together somehow; needed to understand how those joins happened to understand what else moved it one string was pulled.
- All the “strings” formed patterns and those patterns were changing e.g. sea level rise, seismic slumping, weather. Needed to understand how the pendulum swung to understand how things changed at a very micro level e.g. tree species - how species set seeds and how did natural selection work under different climatic conditions. Understanding how different species’ traits were selected would become vitally important over time, because understanding the health of forests was essential to understanding the stability of hillsides.
- Explained how the technology had already been used over time for Wellington city e.g.:
 - 2011 - District Plan was put into three dimensions. This was projected on to buildings to identify which buildings were earthquake prone and then identify which buildings had opportunities for strengthening and which buildings needed to be demolished.
 - 2015 - (in association with Wellington Library) built an electronic model of Wellington city as it was in 1840, as it was in 2015, and what it might look like in the future. Set up in the Library, the public could “fly around” and see how their homes had changed and how they might look in the future.
 - 2016 - Kaikoura earthquake - used sensor systems and three-dimensional models to manage the city to avoid the need for cordoning off large areas.
 - 2017 - Put everything into virtual reality (VR) and used that to help plan what the longer term rebuild would look like for buildings that had been lost in the Kaikoura earthquake, and to resurrect the streams flowing beneath the streets.
 - 2024 - used to understand with a high degree of realism what the streets and buildings look like now and how they could change, which was helpful in planning.
- Provided examples of how digital twin technology was being used and how it would inform the new District and Long Term Plans:
 - Imagery example of how Artificial Intelligence (AI) TensorFlow technology had been used to pick up bird sounds in a particular area (Zealandia Wildlife Sanctuary) and how a form of aggression analysis listening was then used to identify which bird species were being heard. Helped to identify whether council funding put in to that area was working.

- Mapping of trees, including the trees being planted by communities - highlighted connecting corridors which enabled the restoration of more habitat. Also identified areas of the city where trees were missing; funding could then be targeted to those areas.
- Also looking to understand how climate change and natural hazards interacted and what that meant for climate adaptation decisions in the future. Would allow people to interact with hazards advice and look at different adaptation options as a community, to underpin the community adaptation pathways which would be worked on next year. Would then be included into spatial planning to inform the infrastructure strategy of the next long term plan.
- Rebuilding streets digitally - simulated how they would look with new investments and layouts. Also helped to understand how pedestrians moved about the city. Provided a vital data set for retailers.
- Underground asset mapping project - there was a lack of accurate information about assets and taonga underground; current mapping showed where gas lines should be, but not necessarily where they actually are. Would enable the efficient and safe delivery of infrastructure, protection of taonga Māori, and improve response and recovery from natural disasters.
- Explained how ethics were applied; needed robust ethical frameworks. Privacy was a direct design driver; WCC was not interested in who was walking down the street but interested that someone was walking down the street. Important that principles of data minimalization and anonymity were applied from the beginning. G20 provided excellent guidance on privacy architecture from experts around the world, as well as the New Zealand Privacy Commissioner when contacted directly.
- The principles behind everything were; must have a clear purpose, must be trustworthy, and must function effectively (taken from Gemini Principles). In addition to these principles, WCC also designed in partnership with Te Tiriti and elected representatives from the beginning of projects.
- Challenges now being faced included Resource Management Act 1991 (RMA) reform, resilience, re-urbanisation, and technology and us i.e. our relationship with technology continued to evolve and was not universal, so understanding the concerns of communities, ideas of indigenous data sovereignty, and how we learnt alongside them was important.

In Response to Questions

- There were certain risks that were so catastrophic that they could not be planned for e.g. the eruption of Lake Taupo. Digital Twin technology could be useful in simulation to understand what an event might look like and where particular escalation and trigger points were. This would then generate choices which could be built into plans so that people or emergency managers of the day could get the information they needed to take a path of action.
- For local government, there was enormous potential in the optimisation of patterns e.g. how traffic lights work, understanding how nutrients flowed through systems. The key question was how to get consent to do that and how was consent maintained. It was about wanting to be an informed democracy, not a smart city. The challenge was to have AI understand the consent and act upon it on behalf of, and in the best interests of the user. Ultimately, it came down to input data; needed to ensure the data AI was being trained on was correct.

- The difficulty with prediction was it assumed we knew what was happening now; needed to know how things were functioning now to be able to predict. Technologies could help in setting goals and then help understand if they were being achieved. It could also help with the evidence base to give confidence to make decisions, but could not take the responsibility or deal with the challenge created by changing a pattern.

Key Points - Staff

- Digital Twin technology was already a part of BOPRC's GIS Team; currently looking for a project(s) already in the LTP across all functions (including science), to test and trial this on.
- AI would be a key opportunity for the development and use of BOPRC's plans and processes into the future.
- BOPRC had linked in with other councils and there were many requests for BOPRC's AI guidelines.

3. Workshop Paper

3.1 Review of Bay of Plenty Regional Council Community Funding

Presentation: *Review of Bay of Plenty Regional Council Community Funding: Objective ID A4802908* [↗](#)

Presented by: Namouta Poutasi - General Manager, Strategy and Science
Graeme Howard - Corporate Planning Lead
Fiona McTavish - Chief Executive

Key Points - Staff

- Councillors had requested that the four community funds be reviewed and options to integrate the funds considered.
- Sought feedback and guidance on:
 1. Reviews and recommendations for the Community Initiatives Fund (CIF), Volunteer Initiatives Fund (VIF), Environmental Enhancement Fund (EEF), and Māori Initiatives Fund (MIF).
 2. Enhancing the integrated management of Community Funding to improve customer/user experience, and enhance accountability and reporting to Council.
- Recapped why BOPRC provided community funding.
- Outlined the types of Community Funding and how this supported a wide range of BOPRC activities.
- Provided graphic which mapped community funds to community outcomes.
- Outlined the review methodology.
- Outlined options, including pros and cons, and proposed recommendations for each fund.
- Provided overview of the proposed approach to managing funding across the organisation in an integrated way - improving the customer/user experience, and enhancing accountability and reporting to Council. Outlined existing actions and potential additional actions, and proposed recommendations.

- Outlined next steps:
 - Revise the draft Community Funding Review 2024 report and bring back to Council as a final report.
 - Prepare updated policies for the Environmental Enhancement and Community Initiatives Funds for adoption at a future Council Meeting.
 - Make any required changes to the MIF policy and progress with the allocation of MIF funding for 2024/25.

In Response to Questions

- Whilst sustainable development did not have their own “bucket” of funds, there was funding provided in other areas of BOPRC that did contribute to that outcome e.g. infrastructure funding (Rotorua Museum).
- Freshwater Improvement Programme Fund was part of the LTP; \$400,000 for this financial year, and \$800,000 for the following years. There was a range of activities that this funding could go towards. Some of the funding for this financial year would be provided to external parties/contracts. This freshwater funding was for a different purpose than the community funds.
- Different funding allocations were currently being reported via different BOPRC Committees. Staff were looking at how reporting could be improved or done differently e.g. reporting by “place” - a potential report of all funding from BOPRC into a particular catchment or place.
- Budgets were not front loaded for what had not yet been put in legislation. \$1.6 million had already been removed from the Policy and Planning LTP budget based on likely government changes. It was also likely that further funding would be removed due to recent government direction (to be discussed at the next Annual Plan workshop).
- The Bay Conservation Alliance (BCA) funding agreement was for the term of the current LTP, tagged to supporting the capability and capacity of volunteers. This budget allocation would be reviewed and could be changed through the next LTP process.
- An organisation with a funding agreement already in place with BOPRC, undertaking a special project that was delivering something outside of that agreement and was aligned with another fund, would not be exempt from applying to that fund.
- EEF:
 - Interpretation signage could be considered under current criteria if it was a key part of the delivery of a project.
 - All the information required in the larger EEF application form (for grants over \$5,000) was necessary for decision making.
- Conversations were happening between funding providers around opportunities to co-fund/match fund, and staff would continue to look for opportunities, particularly for sustainability projects.
- SmartyGrants was being considered as an option for the integrated funds management system.

Key Points - Members

- Concern expressed that there was still no clear visibility over all of BOPRC’s funding budget e.g. Freshwater Implementation Fund. Needed to have the full picture of what money was going out to communities.
- EEF:
 - Suggested interpretation signage as a one-off/on its own e.g. for an already established wetland describing how the wetland came about and why it was important to maintain the environment, could fall under the “education focussed” criteria outlined in recommendation 11.

- Needed to be clear about what the expected outcome of an educational project would be.
- Care was needed to not overburden the fund with more criteria and caution should be applied around education projects.

Guidance Provided

- Support expressed for having visibility over all funding with decisions being made by Council in one day.
- A table of LTP funding decisions and the rationale behind them would be useful.
- Requested that VIF funding that was being moved to catchment activities (\$180,000), be included in the reporting to Monitoring and Operations Committee.
- Agreed that signage/way finding be considered as part of broader applications/projects to the EEF.

Guidance Provided - Recommendations

- Annual contestable funding allocation - Recommendations 1 to 3 supported:
 - Recommendation 1:** Shift funding allocation decisions from LTP/AP deliberations to a separate Council meeting that considers funding allocations for all funds requiring Council decision making.
 - Recommendation 2:** Shift Funding allocation decisions for the Regional Safety and Rescue Service Allocation Fund (RSRSF) from Civil Defence Emergency Management Group Joint Committee (CDEMG) to Council
 - Recommendation 3:** Shift Funding allocation for the Annual MIF - He Ara Taituarā Contestable Grants from staff to Council
- Community Initiatives Fund (CIF) - Recommendations 4 and 5 supported:
 - Recommendation 4:** *(aligns with Recommendation 1)* Shift funding allocation decisions from LTP/AP Deliberations to a separate Council meeting that considers funding allocations for all funds requiring Council decision making.
 - Recommendation 5:** Integrate the Funding Policies for CIF and the Te Hāpai Ora (Regional Outcomes Fund) into one funding policy.
- Volunteer Initiatives Fund (VIF) - Recommendations 6 and 7 supported:
 - Recommendation 6:** Disestablish the VIF, reallocate funding as below:
 - Move funding (\$105,000 p.a.) for current projects/programmes that use environmental volunteers (Envirohub, Sea Cleaners Trust, Outflow Trust) to the CIF.
 - Retain funding to support the capability and capacity of environmental volunteer groups (BCA, Care Group Coordinator) to be managed through the Catchments Activity, i.e. not managed as a Fund. (\$180,000 per annum)

Recommendation 7: *(aligns with Recommendation 1)* Shift funding allocation decisions from LTP/AP Deliberations to a separate Council meeting that considers funding allocations for all funds requiring Council decision making.

- Māori Initiatives Fund (He Ara Taituarā) (MIF) - Recommendations 8 and 9 supported:

Recommendation 8: Transfer decision making for the 'MIF - He Ara Taituarā contestable grants' to Council for decision making, rather than Council staff. The small MIF - Kaitiaki Grants would remain with Council staff for allocation.

Recommendation 9: *(aligns with Recommendation 1)* Subject to MIF - He Ara Taituarā contestable grants decision making shifting to Council, shift funding allocation decisions from LTP/AP Deliberations to a separate Council meeting that considers funding allocations for all funds requiring Council decision making.

- Environmental Enhancement Fund (EEF) - Recommendations 10 to 12 supported:

Recommendation 10: Extend the purpose and eligibility criteria for EEF to facilitate funding for projects that support 'Resilience and adapting to Climate Change'.

Recommendation 11: Extend the purpose and eligibility criteria for EEF to enable education focused projects that also deliver environmental enhancement outcomes at a project site.

Recommendation 12: Introduce two-tiered approach to allocation of EEF grants.

- Larger EEF application over \$5,000, maintain full EEF application and assessment process, with assessment by Subject Matter Expert.
- Smaller EEF applications, up to \$5,000, simplified one page application process, staff assessment, reviewed by Manager for approval.

- Integrated management of Community Funding (How we work) - Recommendations 13 and 14 supported:

Recommendation 13: Improve customer/user experience through:

- Development and implementation of an overarching Communications and Engagement Plan for Community Funding programmes.
- Standardising application forms and guidance to applicants across funds, and explore a customer facing, integrated grants management system where appropriate.

- Recommendation 14:** Enhance accountability and reporting to Council:
- Provide an annual report to the Monitoring and Operations Committee that provides a summary of progress for the Funds outlined in this review.
 - Explore the development of integrated Dashboard reporting.
 - Explore arranging more site visits to project sites with Councillors to enhance Councillor visibility of projects and impacts.

12.38pm - the workshop closed.