

Regional Council

Open Minutes

- Commencing:** Wednesday 23 October 2024, 09:30am
- Venue:** Council Chambers, Regional House, 1 Elizabeth Street, Tauranga
- Chairperson:** Chairman Doug Leeder
- Deputy Chairperson:** Deputy Chairperson Jane Nees
- Members:**
- 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, 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, Steve Groom - Governance Manager, Kumaren Perumal - Chief Financial Officer, AJ Prinsloo - Finance Manager, Merehine Waiari - Senior Advisor, Monique Brooks - Legal and Commercial Manager, Graeme Howard - Corporate Planning, Oliver Haycock - Director, Public Transport, Mark Le Comte - Principal Advisor Finance, Tone Nerdrum Smith - Senior Advisor Governance

Presenters as listed in the minutes

- Apologies:** Cr Malcolm Campbell, Cr Paula Thompson, Cr Lyall Thurston

1. Opening Karakia

A karakia was provided by Cr Te Taru White.

2. Apologies

Resolved

That the Regional Council:

- 1 Accepts the apologies from Cr Campbell, Cr Thompson (possible early departure) and Cr Thurston (late arrival) tendered at the meeting.**

**Leeder/White
CARRIED**

3. Order of Business**3.1 Withdrawal of Item 9.9: Approval to Release Draft Regional Policy Statement Change 7 (Freshwater) and Draft Regional Natural Resources Plan Change 19 (Freshwater)**

Chairman Leeder asked Fiona McTavish – Chief Executive to speak to this item.

Key Points:

- Due to the announcement from Central Government to add an amendment to the Resource Management Act Amendment Bill that would restrict councils' ability to notify freshwater plans before the gazettal of the replacement National Policy Statement for Freshwater Management, this item on the Council agenda was being withdrawn as per Standing Orders 9.9: Withdrawal of agenda items
- Other aspects of the Plan Changes, not affected by the amendment, would be brought before the Councillors for discussion in the future.

Resolved**That the Regional Council:**

- 1 Withdraws Agenda Item 9.9: Approval to Release Draft Regional Policy Statement Change 7 (Freshwater) and Draft Regional Natural Resources Plan Change 19 (Freshwater)**

**Thompson/Macmillan
CARRIED**

4. Declaration of Conflicts of Interest

Cr Kevin Winters **declared an interest** in Item 9.6: Royal New Zealand Coastguard – Regional Safety and Rescue Service Funding Agreement as Treasurer of Rotorua Lakes Coastguard.

Cr Stuart Crosby and Cr Te Taru White **declared an interest** in Item 9.11: Quayside Group and Toi Moana Trust Annual Reports for year ending 30 June 2024 as Quayside Holdings Ltd Directors.

5. Minutes**Minutes to be Confirmed**

5.1 Regional Council Minutes - 12 September 2024

Matters Arising

Noted that the possible re-establishment of the Navigation Safety Bylaws Review Committee was under consideration.

Resolved

That the Regional Council:

- 1 Confirms the Regional Council Minutes - 12 September 2024 as a true and correct record.

White/Scott
CARRIED

6. Reports

6.1 Chairperson's Report

Presented by: Chairman Leeder.

Key Points:

- Noted the presentation by Toi Kai Rawa of the launch of the Māori STEAM (Science, Technology, Engineering, Arts, Mathematics) Workforce Development Strategy, and the engagement with youth.

Resolved

That the Regional Council:

- 1 Receives the report, Chairperson's Report.

Leeder/Crosby
CARRIED

6.2 Approval of Funding Policies

Presented by: Kataraina O'Brien - General Manager Strategic Engagement and Merehine Waiari - Senior Advisor.

Key Points:

- Provided an outline of the process to date, and how the criteria for the funding policies had been developed
- The policies were intended to be flexible and adjustable if required
- Six co-governance forums, including TMAG, would be eligible to apply for funding
- Noted that a Strategy & Policy Committee workshop would take place on 30 October 2024, where further options regarding the Māori Initiatives Fund would be discussed to ensure alignment and consistency between the funding policies.

Resolved

That the Regional Council:

- 1 Receives the report, Approval of Funding Policies.**
- 2 Approves the draft Regional Co-Governance Secretariat Fund Policy (Aronga Ngātahi), (Attachment 1).**
- 3 Approves the draft Māori Initiatives Fund Policy (He Ara Taituarā), (Attachment 2).**
- 4 Delegates to staff, authority to update this policy with any required changes as a result of the Community Funding Review in 2024.**

**Leeder/McDonald
CARRIED**

6.3 Bay of Plenty Regional Tertiary Contracts

Presented by: Oliver Haycock – Director, Public Transport.

Key Points:

- Regional Council had operated this service since 2020, which incorporated 51% funding from Waka Kotahi NZTA with the remaining funding being split between Council and two tertiary education providers (Toi Ohomai and University of Waikato)
- Recent NZTA funding changes meant a \$180k funding shortfall to Council if the service was to be continued
- Noted that at this stage, neither of the tertiary providers had committed to continue their funding of the service without the NZTA funding contribution
- The Public Transport Committee had recommended the cancellation of the service in recognition of the significant financial constraint for all parties involved
- Staff had worked closely with the tertiary providers on options for continuing to provide transport services in some areas, in particular for the community of Murupara
- Public transport services were not always compatible with the start/finish time of tertiary education and commuting students might need to consider alternative modes of transport if the tertiary contract was discontinued
- Transformation to online study did impact on the need to travel, however applied skills courses required on-site attendance.

Key Points - Members:

- Sought continued exploration of opportunities for public/private partnership transport options to ensure continued community access to educational institutions, in particular in the rural Eastern Bay of Plenty areas.

Resolved

That the Regional Council:

- 1 Receives the report, Bay of Plenty Regional Tertiary Contracts.**
- 2 Notes the Public Transport Committee resolution made on 24 September 2024 to endorse the recommendation to Regional Council that the Bay of Plenty Regional Tertiary Commuter services cease at the end of 2024.**

- 3 Approves that the Bay of Plenty Regional Tertiary Commuter services cease at the end of 2024.**

**von Dadelszen/Winters
CARRIED**

6.4 Summerhill Charitable Trust - Community Funding Request

Presented by: Chris Ingle – General Manager Integrated Catchments, Reuben Fraser – General Manager Regulatory Services and Graeme Howard – Corporate Planning Lead.

Key Points - Members:

- Supported the transfer of unutilised CIF funding that could then be allocated to the carpark upgrade
- Queried if the Regional Fund could have been suitable for this project
- Recognised the ongoing and positive cooperation between Council and Summerhill Park Trust
- Noted current financial constraints and the instruction to staff for savings, yet it could be challenging to support such saving initiatives
- Recognised the benefits the alternative access via Summerhill Park carpark provided for Pāpāmoa Hills Regional Park visitors.

Key Points - Staff:

- In its Long Term Plan 2024-34 (LTP), Council had determined that the Regional Fund should not be allocated to infrastructure projects and that any exceptions to this would be brought before Council for consideration, as was the case here
- If the request was declined, the funding would be reallocated to other projects as appropriate
- The Regional Fund was intended as a contingency fund for emergencies
- The success of the Pāpāmoa Hills Regional Park upgrade meant an increase in visitors to and via Summerhill Park, which created significant pressure on their carparking facilities.

Resolved

That the Regional Council:

- 1 Receives the report, Summerhill Charitable Trust - Community Funding Request.**
- 2 Approves the following option for the funding request from Summerhill Charitable Trust:**
 - **Approve the transfer of a total of \$100,000 (\$50,000 in 2024/25 and \$50,000 in 2025/26) of the unallocated budget from the Community Initiative Fund budget to the Regional Parks Activity budget.**
- 3 Notes that any increase to the Regional Parks Budget under 2(b) would be used to support the improvement of the car park at Summerhill, and therefore improved access to the Pāpāmoa Hills Regional Park.**
- 4 Requests that Te Uepu, the decision-making entity for the Regional Park, progresses a partnership agreement with Summerhill Trust.**

Macmillan/Nees

CARRIED

Cr Shirley, Cr von Dadelszen and Cr Winters opposed the motion.

6.5 Royal New Zealand Coastguard - Regional Safety and Rescue Service Funding Agreement

Resolved

That the Regional Council:

- 1 Receives the report, Royal New Zealand Coastguard - Regional Safety and Rescue Service Funding Agreement.
- 2 Notes that the total funding allocated to Royal New Zealand Coastguard for the three-year period from 2024/25 to 2026/27 is \$614,880 plus GST and was confirmed through Council Deliberations and adoption of the Long Term Plan 2024-2034.
- 3 Delegates to the Chief Executive authority to sign and approve all appropriate contract documentation for the Regional Safety and Rescue Service funding agreement with Royal New Zealand Coastguard for the three-year period from 2024/25 to 2026/27.

Crosby/White
CARRIED

6.6 Surf Lifesaving New Zealand - Regional Safety and Rescue Service Funding Agreement

Cr Winters declared an interest in this item as Treasurer of Rotorua Lakes Coastguard and abstained from discussion and vote.

Presented by: Chris Ingle – General Manager Integrated Catchments, Reuben Fraser – General Manager Regulatory Services and Graeme Howard – Corporate Planning Lead.

Key Points - Members:

- Queried the alignment with Council's Strategic Framework, i.e. the 'Future Ready Communities' as set out in the report.

Key Points - Staff:

- Outlined the considerations and rationale around 'strategic fit' as identified in the report, relating to the regionwide Civil Defence Emergency component of the rates for the Regional Rescue Service.

Resolved

That the Regional Council:

- 1 Receives the report, Surf Lifesaving New Zealand - Regional Safety and Rescue Service Funding Agreement.
- 2 Notes that the total funding allocated to Surf Lifesaving New Zealand for the three-year period from 2024/25 to 2026/27 is \$1,076,040 plus GST and was confirmed through Council Deliberations and adoption of the Long Term Plan 2024-2034.

- 3 **Delegates to the Chief Executive authority to sign and approve all appropriate contract documentation for the Regional Safety and Rescue Service funding agreement with Surf Lifesaving NZ for the three-year period from 2024/25 to 2026/27.**

**Crosby/White
CARRIED**

6.7 Updated Financial Delegation to the Group Controller

Presented by: Reuben Fraser – General Manager Regulatory Services and Monique Brooks – Legal and Commercial Manager.

Key Points:

- ‘Who paid’ if the delegation was acted upon in case of an emergency would depend on the nature of the spend
- The Central Government Emergency Management reforms were closely monitored by the Bay of Plenty Civil Defence Emergency Management Group (CDEMG)
- Honourable Mark Mitchell, Minister for Emergency Management and Recovery, had recently visited the Civil Defence Emergency Management office in Tauranga.

Key Points - Staff:

- Central Government’s Emergency Management reforms and their implications on Council’s strategy and policies would be brought to the Strategy & Policy Committee for discussion.

Resolved

That the Regional Council:

- 1 **Receives the report, Updated Financial Delegation to the Group Controller .**

**Crosby/Macmillan
CARRIED**

6.8 *WITHDRAWN Approval to release Draft Regional Policy Statement Change 7 (Freshwater) and Draft Regional Natural Resources Plan Change 19 (Freshwater)*

6.9 10.15AM Adoption of the Annual Report and Annual Report Summary for the year ended 30 June 2024

Presented by: Kumaren Perumal – Chief Financial Officer, AJ Prinsloo – Finance Manager, supported by Leon Pieterse – Audit Director and Warren Goslett Audit Manager, Audit New Zealand.

Key Points:

- The report provided an outline of Council’s financial and non-financial performance

- Outlined the capital spends and carry forwards from the previous financial year to this and to the next
- Noted the capital expenditure cap of \$30M, which was a cost control measure, rather than a project delivery measure
- Any carry forwards were a reflection of the need to transfer capital budget items from one year to the next where deliverability had been impacted for a number of reasons
- As Council was still relatively early in the new practice of collecting its own rates, trends with regards to unpaid/overdue rates were yet to be established and analysed. Furthermore, some rate arrears were 'inherited' from the local authorities and would take time to fully clear
- Council was well within the acceptable investment/borrowing ceiling, but reporting also acknowledged the risk associated with such borrowing.

Key Points – Leon Pieterse, Audit New Zealand:

- A verbal audit opinion had been provided on the Annual Report, and an unqualified written audit opinion would be provided
- Audit NZ's role was to review the applied methodology and transparency of the benchmark reporting, not whether Council had successfully achieved its benchmarks
- Audit NZ was provided with updated guidelines for its reviews each year, with the audit of the benchmark reporting being included for the first time to provide increased transparency and disclosure
- Guidelines for the Local Water Done Well programme and affordability for local councils would be issued by the Office of the Auditor General.

Key Points - Members:

- Queried if there should be a reprogramme of capital works in the Annual Plan, rather than the current practise of carry forwards from year to year
- Suggested that the Audit & Risk Committee review the capital programme as part of the 2025/26 Annual Plan
- Concerned regarding the lack of financial/non-financial benchmark achievements in some areas.

Resolved

That the Regional Council:

- 1 Receives the report, Adoption of the Annual Report and Annual Report Summary for the year ended 30 June 2024.**
- 2 Receives the audit opinion from Audit New Zealand.**
- 3 Adopts the Bay of Plenty Regional Council Annual Report and Consolidated Financial Statements for the year ended 30 June 2024.**
- 4 Adopts the Bay of Plenty Regional Council Annual Report Summary for the year ended 30 June 2024.**
- 5 Authorises the Chief Executive to make minor numerical, editorial or presentation amendments prior to the final publication.**
- 6 Approves the capital expenditure budget carry forward of \$17.6 million: \$9.1 million from the financial year 2023/24 to 2024/25, and \$8.5 million to 2025/26.**
- 7 Approves the deferral of capital expenditure of \$2.7 million from 2024/25 to 2025/26.**

- 8 Notes total remissions for \$0.8 million given during 2023/24 which equates to 0.92% of the general and targeted rates revenue.**

**Crosby/Scott
CARRIED**

6.10 Appointment of Members to Various Groups

Presented by: Steve Groom – Governance Manager.

Key Points:

- The vacancies were a result of Cr Thompson stepping away from three appointments
- Council resolution was not required for appointments to Mount Maunganui Air Quality Working Party as it was not a formal committee
- As there was more than one nominee for the alternate position on the SmartGrowth Leadership Group, a majority support for Cr Macmillan for this appointment was noted (refer resolution 2)

Key Points - Members:

- The rationale behind the appointments was that the alternate would step up into the vacant primary role, then further appointments would be made as appropriate.

Resolved

That the Regional Council:

- 1 Receives the report, Appointment of Members to Various Groups;**
- 2 Appoints Cr Scott (Primary) and Cr Macmillan (Alternate) as one of three Bay of Plenty Regional Council Members on the SmartGrowth Leadership Group;**
- 3 Appoints Cr von Dadelszen (Primary) and Cr Crosby (Alternate) as one of four Bay of Plenty Regional Council Members on the Tauranga Moana Advisory Group;**
- 4 Notes the appointment of Cr Stuart Crosby and Cr Ron Scott as Bay of Plenty Regional Council Members (totalling four) on the Mount Maunganui Air Quality Working Party.**

**Nees/Leeder
CARRIED**

10.40 am – The meeting **adjourned**.

11.02 am – The meeting **reconvened** and Cr Thurston **entered** the meeting.

6.11 11.00AM Quayside Group and Toi Moana Trust Annual Reports for year ending 30 June 2024

*Presentation - Quayside End of Financial Year - Council 23 October 2024:
Objective ID A4807905 [⇒](#)*

Presented by: Kumaren Perumal – Chief Financial Officer and Mark Le Comte – Principal Advisor Finance.

Quayside Holdings Ltd (QHL) Board: Mark Wynne - Chair, Keiran Horne – Independent Director and Fraser Whineray – Independent Director, and QHL staff: Lyndon Settle – Chief Executive and Davide Caloni – General Manager Finance.

Key Points:

- Recognised that that Council consideration of Parameters for the Port of Tauranga share divestment process was currently underway
- QHL had undertaken a critical review of its share portfolio and was becoming a more active investor in the current market
- Was exiting venture capital funds as they were not considered the right fit as well as being disproportionately staff/resource demanding
- Was in the process of establishing an investment committee to ensure due process was undertaken prior to any proposal being presented to the QHL Board for consideration
- Provided an outline of the 2024 Audit process, which had resulted in an unmodified Audit Report
- Was exploring options for altered audit practices for its subsidiaries which would generate significant savings
- Audit approach was pragmatic, robust and well supported by QHL staff
- The changes in audit reporting on the Port of Tauranga was being discussed at staff level to ensure the reporting was a clear and ‘reader friendly’ as possible, without impacting on its accuracy
- Following a period of loss, the increase in Port of Tauranga share prices was encouraging
- Recognised the financial and resourcing challenges associated with Rangiuru Business Park, however the development was progressing well with the interchange scheduled to open in 2025
- Recognised the discussion pertaining to managed retreat of Mount Industry to Rangiuru Business Park
- Noted that the Distribution Policy development had been placed on hold due to current workload and priorities. It would be reignited within the near future
- Although actively exploring regionally based investments, they would also need to include a commercial return profile
- Recognised there were differing views within the community regarding the role and purpose of QHL, resulting in targeted communication about the commercial return aspect and drive of the organisation
- Recognised the potential impact climate change could have on QHL’s portfolio and ability to deliver returns to Council, in particular in the context of the large Port of Tauranga share portfolio
- Regional benefit vs commercial return and a ‘fit for purpose’ approach was recognised.

Key Points - Members:

- Recognised that changes in audit reporting for QHL would impact on Council’s report
- Had worked closely with the Port of Tauranga regarding climate change impact reporting, and the Port’s approach to future climate change management
- Recognised the high trust/high confidence model of the relationship between Council and QHL.

Resolved

That the Regional Council:

- 1 Receives the report, Quayside Group and Toi Moana Trust Annual Reports for year ending 30 June 2024.**

**Scott/von Dadelszen
CARRIED**

6.12 Local Government Funding Agency Limited (LGFA) - Annual Report for the year ended 30 June 2024

Presented by: Mark Le Comte – Principal Advisor Finance and Kumaren Perumal – Chief Financial Officer.

Key Points:

- Recognised that the scale of LGFA lending towards the Local Water Done Well entities would have an indirect impact on Council with regards to the levels of leverage within LGFA borrowings.

Resolved

That the Regional Council:

- 2 Receives the report, Local Government Funding Agency Limited - Annual Report for the year ended 30 June 2024.**

**von Dadelszen/Crosby
CARRIED**

6.13 Regional Software Holdings Limited (RSHL) Annual Report for the year ended 30 June 2024

Presented by: Mark Le Comte – Principal Advisor Finance and Kumaren Perumal – Chief Financial Officer.

Key Points - Staff:

- RSHL focussed on greater benefits through shared services across the Regional Council sector, and a was a relatively operational system
- The region's Chief Executives were working closely together in identifying opportunities for savings and efficiencies in shared services
- Opportunities for improving disability accessibility within shared services was being explored by BOPLASS
- Benchmarking was being worked through at a staff level.

Resolved

That the Regional Council:

- 1 Receives the report, Regional Software Holdings Limited Annual Report for the year ended 30 June 2024.**

**Thompson/Macmillan
CARRIED**

6.14 Bay of Plenty Local Authority Shared Services (BOPLASS) Annual Report for the year ended 30 June 2024

Presented by: Mark Le Comte – Principal Advisor Finance and Kumaren Perumal – Chief Financial Officer.

Key Points - Members:

- Queried if the current KPIs were appropriate or whether they should be further expanded beyond their procurement focussed nature
- Queried if there would be merit in the Bay of Plenty region's Risk & Assurance Committee Chairs to meet with staff to discuss risk management at a subregional level.

Key Points - Staff:

- Recognised the significant savings generated by BOPLASS in the procurement space
- Regional Council's savings compared to its investment in BOPLASS was considerable, in particular in insurance procurement.

Resolved

That the Regional Council:

- 1 Receives the report, BOPLASS Annual Report for the year ended 30 June 2024.**

**Leeder/White
CARRIED**

6.15 Financial Performance Report Months 1-2 2024/25

Presented by: Kumaren Perumal – Chief Financial Officer and AJ Prinsloo – Finance Manager.

Key Points:

- Noted that this was a new reporting mechanism, based on requests by Councillors, and complimented the digital Insight Financial/Non-Financial Performance Reporting tool
- The revenue budget allocation was pro-rata, meaning the budget line looked excessive this early in the financial year
- The Insight Reporting tool was scheduled to go live in November 2024, and Councillors would be notified accordingly.

Items for Staff Follow Up:

- The Financial Implications section of the report template to be included in the next round of reviews
- Further commentary/details, beyond what was reported here and in the Insight Tool regarding over/underspend to be provided to Councillors.

Resolved

That the Regional Council:

- 1 Receives the report, Financial Performance Report Months 1-2 2024/25.**

**Crosby/von Dadelszen
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
7.1	Public Excluded Regional Council Minutes - 12 September 2024	As noted in the relevant Minutes.	As noted in the relevant Minutes.	To remain in public excluded.

**Leeder/von Dadelszen
CARRIED**

8. Closing Karakia

A karakia was provided by Cr Te Taru White.

12.32 pm - the meeting closed.

CONFIRMED

Chairman Doug Leeder
Chairperson, Regional Council