

# MEETING – AGENDA –

Ngā Take

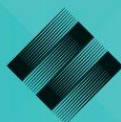


## COUNCIL

### Te Kaunihera

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**C21-3**  
**Thursday, 8 April 2021**  
**Council Chambers**  
**Barkes Corner, Tauranga**  
**9.30am**



***Western Bay of Plenty  
District Council***

# Council

## Membership

<b>Chairperson</b>	Mayor Garry Webber
<b>Deputy Chairperson</b>	Deputy Mayor John Scrimgeour
<b>Members</b>	Cr Grant Dally Cr Mark Dean Cr James Denyer Cr Murray Grainger Cr Monique Gray Cr Anne Henry Cr Kevin Marsh Cr Margaret Murray-Benge Cr Don Thwaites
<b>Quorum</b>	6
<b>Frequency</b>	Six weekly

## Role:

To ensure the effective and efficient governance and leadership of the District.

## Power to Act:

- To exercise all non-delegable functions and powers of the Council including, but not limited to:
  - The power to make a rate;
  - The power to make a bylaw;
  - The power to borrow money, purchase, or dispose of assets, other than in accordance with the Long Term Plan;
  - The power to adopt a Long Term Plan, Annual Plan or Annual Report;
  - The power to appoint a chief executive;
  - The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement;
  - The power to adopt a remuneration and employment policy;
  - The power to approve a proposed policy statement or plan under clause 17 of Schedule 1 of the Resource Management Act 1991;
  - The power to make a final decision on a recommendation from the Ombudsman where it is proposed that Council not accept the recommendation.
- To exercise all functions, powers and duties of the Council that have not been delegated, including the power to compulsorily acquire land under the Public Works Act 1981.
- To make decisions which are required by legislation to be made by resolution of the local authority.
- To authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council, or included in Council's Long Term Plan or Annual Plan.
- To make appointments of members to Council Controlled Organisation Boards of Directors/Trustees and representatives of Council to external organisations;
- To consider and make decisions regarding any matters relating to Council Controlled Organisations, including recommendations for modifications to CCO or other entities' accountability documents (i.e. Letter of Expectation, Statement of Intent) recommended by the Policy Committee or any matters referred from the Performance and Monitoring Committee.

- To approve joint agreements and contractual arrangements between Western Bay of Plenty District Council and Tauranga City Council or any other entity.
- To consider applications to the Community Matching Fund (including accumulated Ecological Financial Contributions).
- To consider applications to the Facilities in the Community Grant Fund.

## **Procedural matters:**

- Approval of elected member training/conference attendance.

## **Mayor's Delegation:**

Should there be insufficient time for Council to consider approval of elected member training/conference attendance, the Mayor (or Deputy Mayor in the Mayor's absence) is delegated authority to grant approval and report the decision back to the next scheduled meeting of Council.

Should there be insufficient time for Council to consider approval of a final submission to an external body, the Mayor (or Deputy Mayor in the Mayor's absence) is delegated authority to sign the submission on behalf of Council, provided the final submission is reported to the next scheduled meeting of Council or relevant Committee.

## **Power to sub-delegate:**

Council may delegate any of its functions, duties or powers to a subcommittee, working group or other subordinate decision-making body, subject to the restrictions on its delegations and any limitation imposed by Council.

Notice is hereby given that a Meeting of Council will be held in the Council Chambers, Barks Corner, Tauranga on:  
Thursday, 8 April 2021 at 9.30am

## Order Of Business

<b>1</b>	<b>Present .....</b>	<b>6</b>
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<b>4</b>	<b>Consideration of Late Items .....</b>	<b>6</b>
<b>5</b>	<b>Declarations of Interest .....</b>	<b>6</b>
<b>6</b>	<b>Public Excluded Items .....</b>	<b>6</b>
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- 1 PRESENT**
- 2 IN ATTENDANCE**
- 3 APOLOGIES**
- 4 CONSIDERATION OF LATE ITEMS**
- 5 DECLARATIONS OF INTEREST**
- 6 PUBLIC EXCLUDED ITEMS**
- 7 PUBLIC FORUM**

Nil

## **8 COMMUNITY BOARD MINUTES FOR RECEIPT**

### **8.1 MINUTES OF THE MAKETU COMMUNITY BOARD MEETING HELD ON 9 FEBRUARY 2021**

**File Number:** A4018285

**Author:** Horowai Wi Repa, Governance Technical Support

**Authoriser:** Barbara Whitton, Customer Services and Governance Manager

#### **RECOMMENDATION**

That the Minutes of the Maketu Community Board Meeting held on 9 February 2021 be received.

## **ATTACHMENTS**

- 1. Minutes of the Maketu Community Board Meeting held on 9 February 2021**

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
MAKETU COMMUNITY BOARD MEETING NO. MC21-1  
HELD IN THE MAKETU COMMUNITY CENTRE  
ON TUESDAY, 9 FEBRUARY 2021 AT 7.00PM**

**1 PRESENT**

Member S Beech, Member L Rae, Member W Ra Anaru, Member S Simpson, Cr K Marsh and Deputy Mayor J Scrimgeour

**2 IN ATTENDANCE**

J Pedersen (Group Manager People and Customer Services), S Harvey (Roading Engineer East) and P Osborne (Senior Governance Advisor)

1 Member of the press

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

Nil

**8 MINUTES FOR CONFIRMATION**

**8.1 MINUTES OF THE MAKETU COMMUNITY BOARD MEETING HELD ON 1 DECEMBER 2020**

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**RESOLUTION MC21-1.1**

Moved: Cr K Marsh

Seconded: Member W Ra Anaru

That the Minutes of the Maketu Community Board Meeting held on 1 December 2020, as circulated with the agenda, be confirmed as a true and accurate record.

**CARRIED**

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Deputy Chairperson L Rae entered the meeting at 7.02pm.

## 9 REPORTS

### 9.1 CHAIRPERSONS REPORT - MAKETU COMMUNITY BOARD - FEBRUARY 2021

The Board considered a report from the Chairperson. The Chairperson gave the Board an overview of his report, reiterating that it was disappointing to see a lack of Police presence around Maketu during the busy Summer period.

The Board thanked the Chairperson for financing the Maketu Community Board for their end of year dinner with the Te Puke Community Board. It was greatly appreciated as it meant that all Maketu Community Board members were able to attend.

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#### RESOLUTION MC21-1.2

Moved: Member S Beech

Seconded: Cr K Marsh

That the Chairperson's Report dated 9 February 2021, titled 'Chairpersons Report – Maketu Community Board – February 2021', be received.

**CARRIED**

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#### 9.1.1 MAKETU SPORTS FIELD (ROADWAY TO SKATE PARK)

The Board would like to have a site visit at the Maketu Sports Field with the Reserves and Facilities Officer East, in regards to a potential roadway to the Skate Park .

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### 9.2 COUNCILLORS REPORT - MAKETU COMMUNITY BOARD - FEBRUARY 2021

The Board considered a report from Councillor Marsh. The report was taken as read with Councillor Marsh reiterating the incredible effort that the Maketu community groups do.

Councillor Marsh informed the Board that he has met with Waka Kotahi (NZTA) around lowering the speed limit on State Highway 2 through the Pongakawa area to 80km/h and would like Councils support. He noted that there were a number of kids getting off the bus on this main road.

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#### RESOLUTION MC21-1.3

Moved: Cr K Marsh

Seconded: Member S Beech

That the Councillor's Report dated 9 February 2021 titled 'Councillors Report – Maketu Community Board – February 2021', be received.

**CARRIED**

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### 9.3 MAKETU COMMUNITY BOARD - ANZAC DAY COMMEMORATION 2021

The Board considered a report from the Senior Governance Advisor. The report was taken as read.

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The Board was reminded that, if there is a community public event that may require traffic management, to let the Roding Engineer (East) know as WestLink may be able to help with this as part of their contract with Council.

**Moved:**

1. That the Senior Governance Advisor's report dated 9 February 2021 titled 'Maketu Community Board – ANZAC Day Commemoration 2021', be received.
2. That the Maketu Community Board provide a wreath for the ANZAC Day Service, to be paid from the Maketu Community Board Contingency Account (up to the value of \$200).
3. That Member Shane Beech and Member Laura Rae represent the Maketu Community Board at the ANZAC Day Service at Maketu on 25 April 2021.

**Moved Amendment:**

1. That the Senior Governance Advisor's report dated 9 February 2021 titled 'Maketu Community Board – ANZAC Day Commemoration 2021', be received.
2. That the Maketu Community Board provide a wreath for the ANZAC Day Service, to be paid from the Maketu Community Board Contingency Account (up to the value of \$200).
3. That Member Shane Beech and Member Laura Rae represent the Maketu Community Board at the ANZAC Day Service at Maketu on 25 April 2021.
4. That the Maketu Community Board approve up to \$500 from the Maketu Community Board Contingency Account to be paid to the Maketu ANZAC Committee, to contribute towards food costs on 25 April 2021.

The amendment was put and carried.

The amendment as follows became the SUBSTANTIVE MOTION and was put and carried.

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**RESOLUTION MC21-1.4**

Moved: Deputy Mayor J Scrimgeour

Seconded: Member W Ra Anaru

1. That the Senior Governance Advisor's report dated 9 February 2021 titled 'Maketu Community Board – ANZAC Day Commemoration 2021', be received.
2. That the Maketu Community Board provide a wreath for the ANZAC Day Service, to be paid from the Maketu Community Board Contingency Account (up to the value of \$200).
3. That Member Shane Beech and Member Laura Rae represent the Maketu Community Board at the ANZAC Day Service at Maketu on 25 April 2021.
4. That the Maketu Community Board approve up to \$500 from the Maketu Community Board Contingency Account to be paid to the Maketu ANZAC Committee, to contribute towards food costs on 25 April 2021.

**CARRIED**

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**9.4 INFRASTRUCTURE SERVICES REPORT MAKETU COMMUNITY BOARD FEBRUARY 2021**

The Board considered a report from the Deputy Chief Executive. The Roding Engineer (East) gave the Board some clarification on the below items within the Infrastructure Report.

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**Rauporoa Road Kerb & Channel**

This project has increased in size as the stormwater soakage has not been recommended by WestLink, however the Boards budget does not allow them to complete the desired design. WestLink has been asked to re-design the kerb and channelling project to capture the original request from the Board.

**Transportation – Road Improvements LED Lighting**

The Board was informed that this project was running slightly ahead of schedule. Works have already begun in Te Puke and the Maketu/Pukehina/Paengaroa works are planned to commence in April.

**Maketu Road Cycleway**

The Board was informed that an independent audit was undertaken, which explained that the proposed cycleway location did not meet Austroads standards and was too close to property boundaries. To avoid delaying the project, it has been decided that the project will be split into two parts. This will allow the rural part to commence, while further consultation is undertaken in relation to the residential area.

The Board questioned whether it was possible to stop the cycleway before the residential area, and have the cyclists merge onto the road.

**New Footpath on Spencer Avenue to Cemetery**

The Board has asked for this Minute Action Sheet to be closed off, as the works would be extremely complicated and expensive to achieve.

**Surf Club Car Park Reserve Rock Revetment**

The Board has requested for Member Ra Anaru to organise an informal meeting with Tangata Whenua to try and look at a way forward.

**Need for Stop Signs on the corner of Te Awhe Road and Beach Road**

The Board was informed that a road safety assessment was carried out at this intersection, identifying visibility issues caused by vegetation. The Roading Engineer (East) will make contact with the land owner, as the current vegetation has grown past the boundary line.

Once the visibility issues have been addressed this intersection will be monitored for six months to see if any further issues need to be addressed.

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**RESOLUTION MC21-1.5**

Moved: Member W Ra Anaru

Seconded: Member L Rae

1. That the Deputy Chief Executive's Report, dated 9 February 2021 and titled 'Infrastructure Services Report Maketu Community Board February 2021', be received.

**CARRIED**

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**9.5 MAKETU COMMUNITY BOARD FINANCIAL REPORT - DECEMBER 2020**

The Board considered a report from the Management Accountant. The report was taken as read.

The Board noted that they would like to produce a letter to Te Arawa Lakes Trust in relation to the additional BBQ by the Surf Club. The Chairperson will liaise with the Senior Governance Advisor to formulate a letter.

It was also noted that the Board would invite a representative from the Maketu Rotary Club to the next Community Board workshop, to discuss the additional outside gym equipment.

**RESOLUTION MC21-1.6**

Moved: Deputy Mayor J Scrimgeour  
Seconded: Member L Rae

That the Management Accountant's report dated 9 February 2020 and titled 'Maketu Community Board Financial Report – December 2020', be received.

**CARRIED**

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**9.6 COUNCIL, STANDING COMMITTEES AND COMMUNITY BOARD MEETINGS**

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**RESOLUTION MC21-1.7**

Moved: Member S Simpson  
Seconded: Member W Ra Anaru

That the draft schedule of meetings for February, March and April 2021, be received.

**CARRIED**

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**The Meeting closed at 8.15pm.**

**The minutes of this meeting were confirmed at the Maketu Community Board held on 6 April 2021.**

.....  
Member S Beech  
**CHAIRPERSON**



**8.2 MINUTES OF THE TE PUKE COMMUNITY BOARD MEETING HELD ON 11 FEBRUARY 2021**

**File Number:** A4018289

**Author:** Horowai Wi Repa, Governance Technical Support

**Authoriser:** Barbara Whitton, Customer Services and Governance Manager

**RECOMMENDATION**

1. That the Minutes of the Te Puke Community Board Meeting held on 11 February 2021 be received.

**ATTACHMENTS**

1. Minutes of the Te Puke Community Board Meeting held on 11 February 2021

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
TE PUKE COMMUNITY BOARD MEETING NO. TP21-1  
HELD IN THE TE PUKE LIBRARY AND SERVICE CENTRE  
ON THURSDAY, 11 FEBRUARY 2021 AT 7.00PM**

**1 PRESENT**

Member R Crawford, Member T Rolleston, Member K Ellis, Member D Snell, Cr G Dally and Cr M Gray

**2 IN ATTENDANCE**

M Taris (Chief Executive Officer), S Harvey (Roading Engineer – East) and P Osborne (Senior Governance Advisor)

7 Members of the public, including 1 member of the press and 2 representatives from Tauranga City Council.

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

The Chairperson reminded members of the need to be vigilant and to stand aside from decision making when a conflict arises between their role as an elected representative and any private or other external interest that they may have.

- Councillor Gray declared an interest in the Waiāri Water Scheme
- Member Ellis declared an interest in item 9.3 in relation to the Grant Application from Tony and Cathy Shaw, Te Puke Memorial Pool Contractors.

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

The Chairperson outlined the protocols relating to the Public Forum section of the meeting as set out in the Standing Orders for the Te Puke Community Board. Attending members of the public were invited to take part in the public forum.

**PUBLIC FORUM ADJOURN MEETING**

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**RESOLUTION TP21-1.1**

Moved: Cr M Gray

Seconded: Member K Ellis

That the meeting adjourn for the purpose of holding a public forum.

**CARRIED**

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**Helen Potter and Margaret Carey – Te Puke Kiwicoast Lions**

Ms Potter raised concern regarding the homeless sleeping outside of the Te Puke War Memorial Hall, where the Te Puke Kiwicoast Lions hold their meetings twice a month. Ms Potter noted that several of the elder members of the group do not feel safe leaving the hall after the evening meetings. The Board was asked if they are aware of this issue, and if there is anything that could be done about this.

Ms Potter was advised that this is an on-going issue that Council is aware of. Due to the nature of the issue, there is not a lot that Council is able to do, however they will look to have security increased.

**Andy Wichers – No.1 Road Closure**

Mr Wichers was in attendance to speak to the Board on behalf of an informal group of residents from No.1 Road. The affected residents are concerned about the following items:

- The timeframe in which this part of the project will be completed;
- Request for Tauranga City Council (TCC) to re-look at the work taking place 24/7 - consulting directly with the residents who would be affected; and
- Some residents believe that the decision around the 'Stop/Go' option was not properly evaluated.

**Richard Conning – Waiāri Water Supply Scheme - No.1 Road Pipeline Partial Road Closure**

Mr Conning was in attendance to give the Board an update on the No. 1 Road Pipeline Partial Road Closure. The below updates were highlighted:

- One lane closure 22 February 2021 – 22 March 2021;
- Extending working hours to 13 hour days would help reduce the programme by 3 days;
- The noise levels from night works would affect a significant number of residents; and
- 'Stop/Go' would increase road queues, and delays in each direction for locals, and is not supported by the WBOPDC Transportation team.

In order to mitigate effects for residents they are looking at the use of BUPA's car park and assistance for Trevelyans.

Mr Conning noted that Tauranga City Council has got 24/7 security onsite during this piece of work, to mitigate any health and safety issues that may arise.

The presenters responded to questions as follows:

- TCC traffic management experts advised that a two lane 'Stop/Go' system is not appropriate to put in place for the Trevelyans "graveyard" shift workers.
- The project team will maintain communication with Mr Trevelyan.
- It was reiterated that there will be traffic management security 24/7 while the partial road closure is in place.

**PUBLIC FORUM MEETING RECONVENED**

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**RESOLUTION TP21-1.2**

Moved: Member T Rolleston

Seconded: Member D Snell

That the meeting reconvene in formal session at 7.33pm.

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**CARRIED**

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## 8 MINUTES FOR CONFIRMATION

### 8.1 MINUTES OF THE TE PUKE COMMUNITY BOARD MEETING HELD ON 3 DECEMBER 2020

The Board considered the minutes from the meeting held 3 December 2020. The minutes were taken as read. Councillor Gray (formally Lints) informed the Board that she has reverted back to her maiden name, which will be captured in the minutes going forward.

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#### RESOLUTION TP21-1.3

Moved: Member T Rolleston

Seconded: Member D Snell

That the Minutes of the Te Puke Community Board Meeting held on 3 December 2020, as circulated with the agenda, be confirmed as a true and accurate record.

**CARRIED**

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## 9 REPORTS

### 9.1 CHAIRPERSONS REPORT - TE PUKE COMMUNITY BOARD - FEBRUARY 2021

The Board considered a report from the Chairperson. The report was taken as read with the Chairperson highlighting 9.1.5 regarding the 2021 Community Board conference. It was noted that an amendment to the resolution was required to highlight who would be attending the conference.

#### Moved:

1. That the Chairperson's report dated 11 February 2021 titled 'Chairpersons Report – Te Puke Community Board – February 2021', be received.
2. That the Te Puke Community Board approve funding of up to \$2,000 from the Te Puke Community Board Conference Account, for the travel, accommodation and registration costs relating to the 2021 Community Board Conference, to be held 22 – 24 April 2021

#### Moved Amendment:

1. That the Chairperson's report dated 11 February 2021 titled 'Chairpersons Report – Te Puke Community Board – February 2021', be received.
2. That the Te Puke Community Board approve funding of up to \$2,000 from the Te Puke Community Board Conference Account, for the travel, accommodation and registration costs relating to the 2021 Community Board Conference, for Chairperson Richard Crawford, to be held in Gore 22 – 24 April 2021

The amendment was put and carried.

The amendment as follows became the SUBSTANTIVE MOTION and was put and carried.

---

**RESOLUTION TP21-1.4**

Moved: Cr G Dally

Seconded: Member K Ellis

1. That the Chairperson's report dated 11 February 2021 titled 'Chairpersons Report – Te Puke Community Board – February 2021', be received.

**CARRIED**

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**RESOLUTION TP21-1.5**

Moved: Cr M Gray

Seconded: Cr G Dally

2. That the Te Puke Community Board approve funding of up to \$2,000 from the Te Puke Community Board Conference Account, for the travel, accommodation and registration costs relating to the 2021 Community Board Conference, for Chairperson Richard Crawford, to be held in Gore 22 – 24 April 2021.

**CARRIED**

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**9.2 COUNCILLOR'S REPORT - TE PUKE COMMUNITY BOARD - FEBRUARY 2021**

The Board considered a report from Councillor Dally. The report was taken as read with Councillor Dally highlighting the Long Term Plan (LTP) consultation period coming up.

The Chief Executive Officer advised the Board that the normal process for a Community Board would be to create a submission on the issues important to the Board, as well as commenting on the core consultation topics. It was also noted that the Community Boards can be heard formally, to speak to their submissions. The Board was advised that there is an LTP Consultation engagement day at Jubilee Park in Te Puke on 20 March 2021.

Councillor Dally informed the Board that the Western Bay Museum has secured sponsorship from Seeka that will allow 400 Te Puke/Maketu Ward Primary School students to visit the museum, with no entry charge. The Museum Director is still seeking assistance to reduce transport costs to and from Katikati. The Board was asked about the potential of moving the Denny Hulme exhibition currently showing at the Western Bay Museum to Te Puke, if a suitable space was available. Board members will discuss at their up-coming workshop.

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**RESOLUTION TP21-1.6**

Moved: Member K Ellis

Seconded: Member R Crawford

That the Councillor's report dated 11 February 2021 titled 'Councillor's Report – Te Puke Community Board – February 2021', be received.

**CARRIED**

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### 9.3 TE PUKE COMMUNITY BOARD GRANT APPLICATIONS

The Board considered a report from the Senior Governance Advisor. The report was taken as read with further discussion around how the Board could contribute to part of the requested grants.

#### Te Puke Swimming Club

Councillor Gray queried whether the pool platform, noted in the grant application, would be included in Council's improvements to the Te Puke Memorial Pool. If this is the case, Te Puke Swimming Club would not need funding for this particular item, therefore, the Board decided to fund the registration software to the sum of \$575.00.

#### Tony and Cathy Shaw (Te Puke Memorial Pool Contractors)

Member Ellis declared an interest in this item, withdrew from the meeting and took no part in the discussion or voting thereon. Member Ellis answered questions for points of clarification.

The Board decided to fund two tables to the sum of \$900.00.

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#### RESOLUTION TP21-1.7

Moved: Member R Crawford

Seconded: Member D Snell

1. That the Senior Governance Advisor's report dated 11 February 2021 titled 'Te Puke Community Board Grant Applications', be received.

**CARRIED**

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#### RESOLUTION TP21-1.8

Moved: Cr M Gray

Seconded: Member K Ellis

2. That the Te Puke Community Board approve the Grant application from Te Puke Swimming Club for \$575.00 towards registration software, to be funded from the Te Puke Community Grants 2020/2021 account, subject to all accountabilities being met.

**CARRIED**

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#### RESOLUTION TP21-1.9

Moved: Member T Rolleston

Seconded: Member D Snell

3. That the Te Puke Community Board approve the Grant application from Tony and Cathy Shaw (Te Puke Memorial Pool Contractors) for \$900.00 towards two outdoor tables, to be funded from the Te Puke Community Grants 2020/2021 account, subject to all accountabilities being met.

**CARRIED**

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#### 9.4 TE PUKE COMMUNITY BOARD - ANZAC DAY COMMEMORATION 2021

The Board considered a report from the Senior Governance Advisor. The report was taken as read.

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##### RESOLUTION TP21-1.10

Moved: Cr M Gray

Seconded: Cr G Dally

1. That the Senior Governance Advisor's report dated 11 February 2021 titled 'Te Puke Community Board – ANZAC Day Commemoration 2021', be received.
2. That the Te Puke Community Board provide a wreath for the ANZAC Day Service, to be paid from the Te Puke Community Board Contingency Account (up to the value of \$200).
3. That Deputy Chairperson Tupaea Rolleston represent the Te Puke Community Board at the ANZAC Day Service at Te Puke on 25 April 2021.

**CARRIED**

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#### 9.5 INFRASTRUCTURE SERVICES REPORT TE PUKE COMMUNITY BOARD FEBRUARY 2021

The Board considered a report from the Deputy Chief Executive. The report was taken as read with further discussion on the below items.

- The Board was reminded that they have significant funds in hand and have been requested to develop a further priority list for implementation.
- The Board will come up with a suitable date for a walk around with the Roading Engineer (East), allowing at least two hours for the meeting.
- The Board requested an update on the below items:
  - Dudley Vercoe Footpath and Drainage – a preliminary design has been done with a more detailed design happening in the next couple of weeks:
  - Fenton Terrace – This project is not yet on a work programme, as Council is still waiting for a confirmed price from WestLink.
  - Queen and Jellicoe CCTV hardware and installation – waiting for further approval from Radio Spectrum Management (RSM).
  - Bus Stop for Hopper Buses on Cameron Road – The Roading Engineer has spoken to Travel Safe, who will contact the school to get a clear understanding on the safety issues arising.
  - Tactile Pavers – This project is approved, however Downer is checking that they have priced correctly against the current legislation, before the work can commence.

The Board would like to make a resolution against the Minute Action Sheet (MAS) relating to the Speed Bump on Cameron Road. Once the electronic traffic signage is installed they would like to have the speed bump removed, noting that they would review this to see if any issues arise.

There was a discussion around the type of electronic traffic signage the Board was after. It was noted that the Board will review the Speed Indicating Device (SID) near Fairhaven School to see if they would like to take the same approach outside Te Puke Intermediate in the future, however at this time they will trial the 40km/h school sign.

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**RESOLUTION TP21-1.11**

Moved: Member T Rolleston

Seconded: Cr G Dally

1. That the Deputy Chief Executive's Report, dated 11 February 2021 and titled 'Infrastructure Services Report Te Puke Community Board February 2021', be received.

**CARRIED**

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**RESOLUTION TP21-1.12**

Moved: Cr G Dally

Seconded: Member K Ellis

2. The Te Puke Community Board has requested the removal of the kerb build outs and the speed bump at 135 Cameron Road, after installation of the 40km/h school zone sign at Te Puke Intermediate School, to widen the carriageway around the bend and minimise vibration.

**CARRIED**

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**9.6 TE PUKE COMMUNITY BOARD - FINANCIAL REPORT DECEMBER 2020**

The Board considered a report from the Management Accountant. The report was taken as read.

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**RESOLUTION TP21-1.13**

Moved: Cr M Gray

Seconded: Member K Ellis

That the Management Accountant's report dated 11 February 2021 and titled 'Te Puke Community Board – Financial Report December 2020', be received.

**CARRIED**

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**9.7 COUNCIL, STANDING COMMITTEES AND COMMUNITY BOARD MEETINGS**

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**RESOLUTION TP21-1.14**

Moved: Cr G Dally

Seconded: Member R Crawford

That the draft schedule of meetings for February, March and April 2021, be received.

**CARRIED**

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**The Meeting closed at 8.31pm.**

**The minutes of this meeting were confirmed at the Te Puke Community Board held on 8 April 2021.**

.....  
Member R Crawford

**CHAIRPERSON**



**8.3 MINUTES OF THE OMOKOROA COMMUNITY BOARD MEETING HELD ON 16 FEBRUARY 2021**

**File Number:** A4023649

**Author:** Horowai Wi Repa, Governance Technical Support

**Authoriser:** Barbara Whitton, Customer Services and Governance Manager

**RECOMMENDATION**

That the Minutes of the Omokoroa Community Board Meeting held on 16 February 2021 be received.

**ATTACHMENTS**

1. Minutes of the Omokoroa Community Board Meeting held on 16 February 2021

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
OMOKOROA COMMUNITY BOARD MEETING NO. OM21-1  
HELD IN THE OMOKOROA LIBRARY & SERVICE CENTRE  
ON TUESDAY, 16 FEBRUARY 2021 AT 7.00PM**

**1 PRESENT**

Member T Sage, Member P Presland, Member J Evans, Member D Sage, Cr M Grainger and Cr D Thwaites

**2 IN ATTENDANCE**

K Perumal (Group Manager Finance and Technology Services), A Hall (Roothing Engineer – West) and P Osborne (Senior Governance Advisor)

11 Members of the public, including Councillor Denyer and Councillor Murray-Benge

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

The Chairperson outlined the protocols relating to the Public Forum section of the meeting as set out in the Standing Orders for the Omokoroa Community Board. Attending members of the public were invited to take part in the public forum.

**PUBLIC FORUM ADJOURN MEETING**

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**RESOLUTION OM21-1.1**

Moved: Member T Sage

Seconded: Cr D Thwaites

That the meeting adjourn for the purpose of holding a public forum.

**CARRIED**

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**Ian Jory – Boat Car Park**

Mr Jory was in attendance to speak to the Board regarding parking issues by the Boat Club, due to the designated car-trailer parks being taken by cars without trailers. Mr Jory asked if there was anything that could be done to make it clearer that these car parks were only for cars carrying trailers.

The Board advised Mr Jory that although this issue has grown, it has existed for a while. The Board had recently discussed potential solutions, and due to the car park is on reserve land the Roothing

Engineer (West) had a conversation with the Reserves and Facilities team around clearer signage. At this stage Council will not be making any changes, however it was suggested that the Board would include this with their Long Term Plan (LTP) submission.

Councillor Grainger suggested that more people may use the reserve overflow carpark if the bollards were removed, and they could enter and exit the carpark 24/7. The Roading Engineer (West) will follow this up with the Reserves and Facilities team.

### **Allan Hughes – Omokoroa MenzShed**

Mr Hughes thanked the Omokoroa Community Board for going through the process of Expressions of Interest for the Old Pavilion building, advising the Board that the Omokoroa MenzShed will be making a submission.

### **Catherine McDonald – Omokoroa Bike Park Proposal**

Ms McDonald was in attendance to speak to the Board about her proposal for Omokoroa to have a Bike Park. Ms McDonald highlighted the following points:

- What a Bike Park is and why they would like to have one in Omokoroa;
- The types of materials that Bike Parks can be comprised of;
- Benefits;
- Potential locations; and
- Funding and support.

Eight year old, Evan, and Year 10 student, Michael, were also in attendance to speak in support of a Bike Park in Omokoroa. Cooney Reserve hill was highlighted as a possible location, as the kids would benefit from an area that they could ride to rather than have to be driven to.

Councillor Thwaites suggested looking at the parcel of land on Prole Road as a potential space in the interim.

Many members of the public spoke in support of this idea, and the Board advised Ms McDonald that they would include this proposal in their submission to the LTP.

### **Heather Reynolds – Save The Old Library Building on McDonnell (STOLBOM)**

Ms Reynolds encouraged the Board to view the current exhibitions showing in the old Library building on McDonnell. The Board was also advised that the STOLBOM group will be submitting their Expression of Interest for this building.

## **PUBLIC FORUM MEETING RECONVENED**

### **RESOLUTION OM21-1.2**

Moved: Member D Sage

Seconded: Cr M Grainger

That the meeting reconvene in formal session at 7.34pm.

**CARRIED**

## **8 MINUTES FOR CONFIRMATION**

### **8.1 MINUTES OF THE OMOKOROA COMMUNITY BOARD MEETING HELD ON 24 NOVEMBER 2020**

**RESOLUTION OM21-1.3**

Moved: Cr D Thwaites  
Seconded: Member J Evans

That the Minutes of the Omokoroa Community Board Meeting held on 24 November 2020, as circulated with the agenda, be confirmed as a true and accurate record.

**CARRIED**

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**9 REPORTS****9.1 COUNCIL DECISION ON OMOKOROA COMMUNITY BOARD RECOMMENDATION - OMOKOROA SPORTS PAVILION**

The Board considered a report from the Senior Governance Advisor. The report was taken as read.

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**RESOLUTION OM21-1.4**

Moved: Member P Presland  
Seconded: Member D Sage

That the Senior Governance Advisor's report dated 16 February 2021 titled 'Council Decision on Omokoroa Community Board Recommendation – Omokoroa Sports Pavilion', be received.

**CARRIED**

---

**9.2 CHAIRPERSONS REPORT - OMOKOROA COMMUNITY BOARD - FEBRUARY 2021**

The Board considered a report from the Chairperson. The report was taken as read with further discussion on the below items.

Councillor Thwaites highlighted the community update meeting to be held 24 March 2021, noting that due to the JACE hearing 8-9 March 2021, there is a chance that there may not be a significant update on Omokoroa Stage 3 options relating to this hearing.

Councillor Grainger spoke in support of Board members attending the 2021 Community Board Conference, noting that he believed it was a valuable and worthwhile experience.

It was also noted that an amendment to the resolution was required to highlight who would be attending the conference.

**MOTION:**

1. That the Chairperson's report dated 16 February 2021 titled 'Chairpersons Report – Omokoroa Community Board – February 2021', be received.
2. That the Omokoroa Community Board approve funding of up to \$2,500 from the Omokoroa Community Board Conference Expenses Account, for costs relating to the 2021 Community Board Conference, to be held 22-24 April 2021.
3. That the Omokoroa Community Board approve funding of up to \$2,000 from the Omokoroa Community Board Contingency Account, for costs relating to the 2021 Community Board Conference, to be held 22-24 April 2021.

**AMENDMENT:**

That part 1 of the motion remains unchanged.

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2. That the Omokoroa Community Board approve funding of up to \$2,500 from the Omokoroa Community Board Conference Expenses Account, for costs relating to the 2021 Community Board Conference, for Chairperson Teresa Sage, to be held in Gore 22-24 April 2021.
3. That the Omokoroa Community Board approve funding of up to \$2,000 from the Omokoroa Community Board Contingency Account, for costs relating to the 2021 Community Board Conference, for Member John Evans, to be held in Gore 22-24 April 2021.

The amendment was put and carried.

The amendment as follows became the SUBSTANTIVE MOTION and was put and carried.

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#### **RESOLUTION OM21-1.5**

Moved: Member P Presland

Seconded: Member J Evans

1. That the Chairperson's report dated 16 February 2021 titled 'Chairpersons Report – Omokoroa Community Board – February 2021', be received.

**CARRIED**

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#### **RESOLUTION OM21-1.6**

Moved: Member D Sage

Seconded: Member P Presland

2. That the Omokoroa Community Board approve funding of up to \$2,500 from the Omokoroa Community Board Conference Expenses Account, for costs relating to the 2021 Community Board Conference, for Chairperson Teresa Sage, to be held in Gore 22-24 April 2021.
3. That the Omokoroa Community Board approve funding of up to \$2,000 from the Omokoroa Community Board Contingency Account, for costs relating to the 2021 Community Board Conference, for Member John Evans, to be held in Gore 22-24 April 2021.

**CARRIED**

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### **9.3 COUNCILLORS REPORT - OMOKOROA COMMUNITY BOARD - FEBRUARY 2021**

The Board considered a report from Councillor Grainger. The report was taken as read.

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#### **RECOMMENDATION**

Moved: Cr M Grainger

Seconded: Cr D Thwaites

That the Councillor's report dated 16 February 2021 titled 'Councillors Report – Omokoroa Community Board – February 2021', be received.

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### **9.4 OMOKOROA COMMUNITY BOARD - ANZAC DAY COMMEMORATION 2021**

The Board considered a report from the Senior Governance Advisor. The report was taken as read.

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**RESOLUTION OM21-1.7**

Moved: Member D Sage

Seconded: Member P Presland

1. That the Senior Governance Advisor's report dated 16 February 2021 titled 'Omokoroa Community Board – ANZAC Day Commemoration 2021', be received.
2. That the Omokoroa Community Board provide a wreath for the ANZAC Day Service, to be paid from the Omokoroa Community Board Contingency Account (up to the value of \$200).
3. That Deputy Chairperson Peter Presland represent the Omokoroa Community Board at the ANZAC Day Service at Omokoroa on 25 April 2021.

**CARRIED**

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**9.5 INFRASTRUCTURE SERVICES REPORT OMOKOROA COMMUNITY BOARD FEBRUARY 2021**

The Board considered a report from the Deputy Chief Executive. The report was taken as read with the following points highlighted.

- The Omokoroa Road Pedestrian Bridges construction has commenced;
  - Construction work on the Western Avenue shared path is scheduled to commence imminently, with the work being completed in stages. Access to the sports fields and playground may be via an extended route until the works are completed;
  - Two cycle maintenance stations have been proposed, to be located at the beginning of the Omokoroa Cycleway link and Omokoroa Point School; and
  - The cycleway sign on the Te Puna Road and Borell Road intersection is currently pointing the wrong way – A service request will be submitted to follow this up.
- 

**RESOLUTION OM21-1.8**

Moved: Member D Sage

Seconded: Member P Presland

1. That the Deputy Chief Executive's report dated 16 February 2021 titled 'Infrastructure Services Report Omokoroa Community Board February 2021', be received.

**CARRIED**

---

**9.6 FINANCIAL REPORT OMOKOROA - DECEMBER 2020**

The Board considered a report from the Management Accountant. The report was taken as read with some clarification about the sad face against the Boards salaries budget. The Group Manager Finance and Technology Services advised the Board that this was due to the timing variance, and will be fine by the end of the financial year.

It was also noted that it was good to see the Board committing a large sum of their Community Board Reserve.

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**RESOLUTION OM21-1.9**

Moved: Cr M Grainger  
Seconded: Member P Presland

That the Management Accountant's report dated 16 February 2021 and titled 'Financial Report Omokoroa – December 2020', be received.

**CARRIED**

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**9.7 COUNCIL, STANDING COMMITTEES AND COMMUNITY BOARD MEETINGS**

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**RESOLUTION OM21-1.10**

Moved: Cr M Grainger  
Seconded: Member D Sage

That the draft schedule of meetings for February, March and April 2021 be received; with the following amendment to the below meetings:

- Long Term Plan Committee – 23 February 2021 – 9.30am – Chambers
- Kaimai Ward Forum – 10 March – 7.00pm – Ohauti Hall

**CARRIED**

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**The Meeting closed at 7.55pm.**

**The minutes of this meeting were confirmed at the Omokoroa Community Board held on 13 April 2021.**

.....  
Member T Sage  
**CHAIRPERSON**

**8.4 MINUTES OF THE WAIHI BEACH COMMUNITY BOARD MEETING HELD ON 22 FEBRUARY 2021**

**File Number:** A4023653

**Author:** Horowai Wi Repa, Governance Technical Support

**Authoriser:** Barbara Whitton, Customer Services and Governance Manager

**RECOMMENDATION**

That the Minutes of the Waihi Beach Community Board Meeting held on 22 February 2021 be received.

**ATTACHMENTS**

1. Minutes of the Waihi Beach Community Board Meeting held on 22 February 2021



**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
WAIHI BEACH COMMUNITY BOARD MEETING NO. WB21-1  
HELD IN THE WAIHI BEACH COMMUNITY CENTRE  
ON MONDAY, 22 FEBRUARY 2021 AT 6.30PM**

**1 PRESENT**

Member R Goudie (Chairperson), Member M Roberts, Member B Hulme, Member D Ryan, Cr J Denyer and Cr A Henry

**2 IN ATTENDANCE**

R Davie (Group Manager Policy, Planning and Regulatory Services), A Curtis (Compliance and Monitoring Manager), A Hall (Roading Engineer – West) and P Osborne (Senior Governance Advisor).

30 Members of the Public, Mayor Garry Webber and Katikati Community Board member John Clements.

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

The Chairperson outlined the protocols relating to the Public Forum section of the meeting as set out in the Standing Orders for the Waihi Beach Community Board. Attending members of the public were invited to take part in the public forum.

**PUBLIC FORUM ADJOURN MEETING**

---

**RESOLUTION WB21-1.1**

Moved: Cr A Henry

Seconded: Member B Hulme

That the meeting adjourn for the purpose of holding a public forum.

**CARRIED**

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**Dave MacCalman – Beach Wheelchairs and Access**

Mr MacCalman was in attendance to talk to the Board about better access for wheelchairs on Waihi Beach. The following points were made:

- Two wheelchairs have been purchased by members of the community;
- There is a proposal for Beach Mats to help users self propel and have independence at the Beach;
- A suitable location for a Beach Mat would be by the Waihi Beach public toilets, in close proximity to the disabled car park; and
- Initial indication from the Waihi Beach Surf Club was that they would be happy to store the Beach Wheel Chairs and the Beach Mats through the off-season.

**Don Oliver – Waihi Beach Residents and Ratepayers Association**

Mr Oliver spoke to the Board on behalf of the Waihi Beach Residents and Ratepayers Association, regarding concerns on the following issues:

- Sand shifting on 3 Mile Creek and the need for a clean up;
- Accessibility issues for the walk/cycleway on Surfers Avenue, off Emerton Road; and
- Noted that the two pedestrian signs installed prior to Christmas have disappeared.

**Graham McGregor – Friends of Athenree**

Mr McGregor was in attendance to outline his concerns on the Board's process to establish the Waihi Beach to Athenree Shared Path. The main concern highlighted was his belief that there was a lack of transparency in the decision making that resulted in the feasibility study. Mr McGregor requested the following information:

- Maps of the options considered by the Board;
- The standards and specifications used to delineate the work of the feasibility study; and
- The Feasibility Study itself.

Mr McGregor believes that the options considered should include routes that are sensitive to the environment and its natural path. It was also noted that consultation with Iwi was vital.

The Board noted that they understood the Feasibility Study was undertaken to consider multiple options for the Waihi Beach to Athenree Shared Path.

**Keith Hay – Katikati-Waihi Beach Residents and Ratepayers Association**

Mr Hay spoke to the Board regarding resource consent for 15 and 27 Edinburgh Street.

The Group Manager Policy, Planning and Regulatory Services reiterated the point that no resource consent application had been received for 8 and 10 Wilson Road, and that the only meeting that had been sought was a pre-application meeting. This meeting was an exploratory meeting and not a decision making process.

Mr Hay requested a copy of the resource consent application once it was received, and was advised that he could do so through the LGOIMA request process.

**Member of the Public – Waihi Beach to Athenree Shared Path**

A member of the public questioned the timeline for the Waihi Beach to Athenree Shared Path.

**Anthony Thompson – Various Items**

Mr Thompson provided the Board with some feedback he had received around Council's new Kerbside Collective, noting the majority of feedback was negative. Mr Thompson was advised that a consultation period was undertaken prior to any decisions being made.

**Sarah-Kay Coulter – Representation on the Community Board**

Ms Coulter was in attendance to ask about the representation on the Waihi Beach Community Board and opportunities for Iwi and Hapū to be involved in the decision making. The Board advised Ms Coulter that they consult directly with Iwi as they are aware that they are already stretched with commitments.

**Bryce Bevin – Various Items**

Mr Bevin was in attendance to speak to the Board on the below items:

- Pedestrian and Cycle Infrastructure in Waihi Beach, and how the increase in population will effect this;
- Requested that the cycleway be constructed sooner rather than later;
- Requested signage to promote the cycleways and walkways that currently exist; and
- A request for Cycleway lanes from Beach Road, Wilson Road and Seaforth Road.

**Ruth Parsons – Broadlands Block Rejuvenation Group**

Ms Parsons gave the Board an update following the Broadlands Block Rejuvenation Group meeting held 10 February 2021. The following updates were provided:

- Rachel Coll is continuing to liaise with local Iwi;
- It is understood that the pa was not a permanent dwelling pa but rather a seasonal one in relation to the culture of celebrating Matariki;
- Pa name possibly Te Mata, but this is yet to be confirmed;
- Aileen Rundle from 'Trees for Survival' is keen to "work backwards" with the school in planting seeds from local parent stock;
- Bay of Plenty Regional Council (BOPRC) has undertaken to obtain quotes for the removal and poisoning of Willows and other weed species;
- Several of the group members will look at potential project funding sources and report back to the next meeting;
- Continue to work on the implementation plan; and
- The next meeting will be held 7 April 2021 at 4pm.

**Member of the Public – Rabbit Problem**

A member of the public spoke to the Board about the on-going rabbit problem, questioned whether anything was getting done about this.

**Allan Sole – Athenree Homestead Trust**

Mr Sole was in attendance to thank the Board on behalf of the Athenree Homestead Trust for the financial assistance that they have provided to date.

**Mike McKay – Various Items**

Mr McKay spoke to the Board regarding issues around dogs on beaches and communication.

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**PUBLIC FORUM MEETING RECONVENED**

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**RESOLUTION WB21-1.2**

Moved: Member R Goudie

Seconded: Cr A Henry

That the meeting reconvened in formal session at 7.37pm.

**CARRIED**

---

**8 PRESENTATIONS****8.1 WAIHI BEACH SEASONAL COMPLIANCE MONITORING 2021**

The Compliance and Monitoring Manager was in attendance to speak to the Board on the Waihi Beach Seasonal Compliance Monitoring report for 2021.

Parking Infringement activities

- December – Majority were for parking on the flush median;
- January – Majority were unregistered and unwarranted vehicles; and
- February – No infringements issued.

Dogs on beaches update

- New signage provided at all beach access points (48 signs in total);
- Dotterel nests were in areas that could be accessed by dogs;
- Educative approach with no infringements issued;
- Council Officers patrolled from 10am to 4pm daily. These hours did not represent the full hours that dogs are prohibited on the beach, and Council staff did not patrol weekends;
- Contractor data will be available prior to the next Community Board meeting;
- Key takings from staff were that the number of breaches were low and the offenders were a combination of locals and visitors; and
- All persons spoken to were co-operative and readily complied.

Freedom Camping

- January and February 2021 were the busiest months for freedom campers, and this correlates with the number of infringements.
- The top sites for infringements were Brighton Reserve and Island View Reserve.
- Freedom Camping Ambassadors:
  - Two seasonal ambassadors were employed over the peak holiday period;
  - Ambassadors worked five days per week with a focus on weekends and public holidays;
  - 193 campers were surveyed;
  - Campers were provided with information on Freedom Camping sites, controls that applied, and local resources.

The Board noted that they needed time to further consider the report, and then have a meeting to discuss positives for the future. The Compliance and Monitoring Manager would have a meeting with the Board prior to the next Community Board meeting to address any questions from the Waihi Beach Seasonal Compliance Monitoring 2021 report.

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As a result of the Watch Dog contract ending, and as part of the seasonal freedom camping monitoring process Council has employed contractor Cheryl Steiner. Ms Steiner will undertake a historic and future review to establish what Council would in relation to freedom camping moving forward.

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### **RESOLUTION WB21-1.3**

Moved: Member D Ryan

Seconded: Cr A Henry

That the Compliance and Monitoring Manager's report dated 22 February 2021, titled 'Waihi Beach Seasonal Compliance Monitoring 2021', be received.

**CARRIED**

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## **9 MINUTES FOR CONFIRMATION**

### **9.1 MINUTES OF THE WAIHI BEACH COMMUNITY BOARD MEETING HELD ON 23 NOVEMBER 2020**

Councillor Henry noted that, at the previous meeting, the Board suggested it would be worthwhile for the *"community to meet the contractors to identify the community's needs, and how community members can best support the monitoring of the beaches"*.

The Board would look to incorporate this through their meeting with the Compliance and Monitoring Manager and Council's new contractor Cheryl Steiner.

---

### **RESOLUTION WB21-1.4**

Moved: Cr A Henry

Seconded: Member M Roberts

That the Minutes of the Waihi Beach Community Board Meeting held on 23 November 2020, as circulated with the agenda, be confirmed as a true and accurate record.

**CARRIED**

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## **10 REPORTS**

### **10.1 CHAIRPERSONS REPORT - WAIHI BEACH COMMUNITY BOARD - FEBRUARY 2021**

The Board considered a report from the Chairperson. The report was taken as read with further discussion on the below items.

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**RESOLUTION WB21-1.5**

Moved: Member R Goudie

Seconded: Cr A Henry

1. That the Chairperson's report dated 22 February 2021, titled 'Chairperson's Report – Waihi Beach Community Board – February 2021', be received.

**CARRIED**

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**10.1.1 CCTV**

The Board discussed their desire for CCTV cameras at both entranceways into Waihi Beach. The Group Manager Policy, Planning and Regulatory Services advised the Board on the process of Council's CCTV Policy. The proposal that was within the Long Term Plan (LTP) consultation document was for \$50,000 a year for three years. This would be an annual process whereby Community Boards and other community interest groups would be invited to submit their proposals for CCTV cameras within their community or neighbourhood. The CCTV Management Plan would include the strict criteria that would have to be met in order to be considered for funding.

---

**RESOLUTION WB21-1.6**

Moved: Member R Goudie

Seconded: Cr A Henry

That the Waihi Beach Community Board would like to see cameras at each entranceway of Waihi Beach, and will be aligning their application to Council's Policy, when available.

**CARRIED**

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**10.1.2 COMMUNITY FACILITY**

The Board is going to invite the Community Centre Committee members to the next Waihi Beach Community Board workshop, to discuss possible community facility options.

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**10.1.3 VILLAGE MAINTENANCE UPDATE**

The Community Board advised the Roading Engineer (West) that they did not wish to have the town centre logo on the rubbish bin steel bands. For this reason the rubbish bin bands will be replaced with plain bands.

---

**RESOLUTION WB21-1.7**

Moved: Cr A Henry

Seconded: Member B Hulme

That the Waihi Beach Community Board requests that the steel bands on the rubbish bins, that are being replaced and do not feature any branding at all.

**CARRIED**

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#### **10.1.4 WAIHI BEACH, WILSON ESTATE, ISLAND VIEW, BOWENTOWN AND ATHENREE HERITAGE TRAILS**

The Board noted that they were still seeking a meeting with Mana Whenua through the Māori Relationships and Engagement Advisor.

The Deputy Chairperson would continue to liaise with Council staff.

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#### **10.1.5 ATHENREE HOMESTEAD TRUST**

The Board questioned the rationale regarding the recent requirement to install heat sensors, as this was not included in the initial specifications and consequently not budgeted for.

The Board was informed that, in order to be able to open to the public, the Athenree Homestead must hold a current Warrant of Fitness, which was a legal requirement under the Building Act. A building Warrant of Fitness was determined by Independently Qualified People (IQP) who make recommendations to Council. It was noted that the Athenree Homestead was now regarded as a commercial building rather than a homestead, and would therefore require different specifications.

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#### **10.2 COUNCILLOR'S REPORT - WAIHI BEACH COMMUNITY BOARD - FEBRUARY 2021**

The Board considered at report from Councillor Denyer. The report was taken as read, noting that an amendment to the resolution was required, to capture the author of the report.

The Board would hold a workshop to discuss the Waihi Beach Community Boards submission to the Long Term Plan (LTP), once the consultation document was released. Both Councillor Henry and Councillor Denyer were asked to attend this workshop to provide any required clarification on the consultation document.

The Board was informed that they are able to speak formally to their submission on Tuesday 6 April 2021 in Council Chambers.

---

#### **RESOLUTION WB21-1.8**

Moved: Cr J Denyer

Seconded: Member D Ryan

That the Councillor's report dated 22 February 2021, titled 'Councillor's Report – Waihi Beach Community Board – February 2021', be received.

**CARRIED**

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**10.3 WAIHI BEACH COMMUNITY BOARD - ANZAC DAY COMMEMORATION 2021**

- The Board considered a report from the Senior Governance Advisor. The report was taken as read.

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**RESOLUTION WB21-1.9**

Moved: Cr A Henry

Seconded: Member D Ryan

1. That the Senior Governance Advisor's report dated 22 February 2021 titled 'Waihi Beach Community Board – ANZAC Day Commemoration 2021', be received.
2. That the Waihi Beach Community Board provide a wreath for the ANZAC Day Service, to be paid from the Waihi Beach Community Board Contingency Account (up to the value of \$200).
3. That Chairperson Ross Goudie represents the Waihi Beach Community Board at the ANZAC Day Service at Waihi Beach on 25 April 2021.

**CARRIED**

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**10.4 TRIG LOOKOUT WALKWAY LOOP TRACK**

- The Board considered a report from the Deputy Chief Executive. The report was taken as read.

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**RESOLUTION WB21-1.10**

Moved: Cr A Henry

Seconded: Member D Ryan

1. That the Deputy Chief Executive's report dated 11 January 2021 and titled 'Trig Lookout Walkway Loop Track', be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That an allocation of \$50,000, from the Waihi Beach Community Roading Account towards the completion of the Trig Lookout to the Dam Track, be approved.

**CARRIED**

---

**10.5 INFRASTRUCTURE SERVICES REPORT WAIHI BEACH COMMUNITY BOARD FEBRUARY 2021**

The Board considered a report from the Deputy Chief Executive. The report was taken as read, with further discussion on the below projects:

- WestLink would inspect and identify which lighting columns at Pio Shores and Bowentown need replacing. This work will need to be completed before the end of the 2020/2021 financial year.
  - Mowing Levels of Service, particularly between 'Beach Contractors & Landscape Supplies' and the Waihi Beach Road/Wilson Road roundabout.
-



- Member Ryan noted that he had spoken with the Group Manager Finance and Technology Services to request further information for:
  - Emerton Road to Café Works;
  - Seaforth Road Pedestrian Refuge Islands; and
  - Waihi Beach Village Renewal.
- The re-painting of the seating on Wilson Road had been completed.
- Community volunteers would like to replant the garden areas on Wilson Road – the Board was reminded that they would need to work with Council in order to comply with Council's Health and Safety Policy.
- The Kerbside Collective – Council is aware of emerging concerns from the Waihi Beach Community residents regarding bins being left out once holiday makers had left their homes, noting that a solution would be in place before the service was implemented. The Board requested this information to be circulated to community members when available.
- The Board reiterated their request to see a report regarding the feasibility study for the Waihi Beach to Athenree Shared Path, and a report on Two-Mile Creek.

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#### RESOLUTION WB21-1.11

Moved: Member R Goudie

Seconded: Member M Roberts

1. That the Deputy Chief Executive's Report, dated 22 February 2021 and titled 'Infrastructure Services Report Waihi Beach Community Board February 2021', be received.

**CARRIED**

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#### 10.5.1 ROADING - PARKING BAY AREA OFF WILSON ROAD

At the 23 November 2020 meeting, the Board resolved to fund up to \$2,000 to mark up the parking bay area behind the 'Village People' store off Wilson Road. Through discussion with the Roding Engineer (West), the Board considered the installation of wheel stops to align vehicles rather than painting directly on stone. For this reason an estimate from WestLink was sought.

The Roding Engineer (West) advised the Board that the estimated installation cost was \$8,500. The Board confirmed that the proposed installation for a parking bay area behind the 'Village People' store off Wilson Road proceed at the estimated cost of \$8,500, with payment from the Waihi Beach Roding Account. It was reiterated that this was subject to final measure.

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#### RESOLUTION WB21-1.12

Moved: Cr A Henry

Seconded: Cr J Denyer

The Waihi Beach Community Board confirm that the proposed installation for a parking bay area behind the 'Village People' store off Wilson Road, proceed at the estimated cost of \$8,500, with payment from the Waihi Beach Roding Account. It was reiterated that this was subject to final measure.

**CARRIED**

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**10.6 FINANCIAL REPORT WAIHI BEACH - DECEMBER 2020**

The Board considered a report from the Management Accountant. The report was taken as read.

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**RESOLUTION WB21-1.13**

Moved: Member R Goudie

Seconded: Cr J Denyer

That the Management Accountant's report dated 22 February 2021 and titled 'Financial Report Waihi Beach – December 2020', be received.

**CARRIED**

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**10.7 COUNCIL, STANDING COMMITTEES AND COMMUNITY BOARD MEETINGS**

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**RESOLUTION WB21-1.14**

Moved: Member R Goudie

Seconded: Cr A Henry

That the draft schedule of meetings for February, March and April 2021, be received.

**CARRIED**

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**The Meeting closed at 9.09pm.**

**The minutes of this meeting were confirmed at the Waihi Beach Community Board held on 19 April 2021.**

.....  
Member R Goudie  
**CHAIRPERSON**

## **9 COUNCIL AND COMMITTEE MINUTES FOR CONFIRMATION**

### **9.1 MINUTES OF THE COUNCIL MEETING HELD ON 9 FEBRUARY 2021**

**File Number:** A4018269

**Author:** Horowai Wi Repa, Governance Technical Support

**Authoriser:** Barbara Whitton, Customer Services and Governance Manager

#### **RECOMMENDATION**

That the Minutes of the Council Meeting held on 9 February 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

## **ATTACHMENTS**

### **1. Minutes of the Council Meeting held on 9 February 2021**

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
COUNCIL MEETING NO. C21-1  
HELD IN THE COUNCIL CHAMBERS, BARKES CORNER, TAURANGA  
ON TUESDAY, 9 FEBRUARY 2021 AT 1.00PM**

**1 PRESENT**

Mayor G Webber (Chairperson), Deputy Mayor J Scrimgeour, Cr G Dally, Cr M Dean, Cr J Denyer, Cr M Grainger, Cr M Gray, Cr A Henry, Cr K Marsh, Cr M Murray-Benge, Cr D Thwaites.

**2 IN ATTENDANCE**

G Allis (Deputy CEO/Group Manager Infrastructure Services), J Pedersen (Group Manager People and Customer Services), K Perumal (Group Manager Finance and Technology Services), G Payne (Strategic Advisor), K Hill (Utilities Manager), J Stewart (Network Engineer Water), L Jackett (Contracts and Procurement Team Leader) and C Irvin (Senior Governance Advisor).

**OTHERS IN ATTENDANCE**

Tauranga City Council

S Burton (Director City Waters) and C Davidson (Project Manager Three Waters Collaborative Project)

D Hubbard (Independent Probity Advisor - Three Waters Project).

**COMMUNITY BOARDS**

Nil

**3 APOLOGIES**

Nil

**RESIGNATION OF COUNCILLOR**

On behalf of Council, Mayor Webber acknowledged the Resignation of Councillor Christina Humphreys as a Katikati-Waihi Beach Ward Councillor, effective from 29 January 2021. He noted "We wish Christina all the very best for the future".

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

Nil

## 8 INFORMATION FOR RECEIPT

### 8.1 PROCESS REQUIREMENT

The additional Council meeting had been scheduled to consider one item of business, being a confidential report. The Council meeting was required to be convened in 'Open Session' and for the motion to enter into 'Public Excluded' session to be put in public. In the absence of any other open report on the agenda, this report served to create the Open Agenda in Council's Info-council system.

### PROCESS REQUIREMENT

#### RESOLUTION C21-1.1

Moved: Cr M Grainger

Seconded: Cr M Gray

That the Senior Governance Advisor's information report dated 9 February 2021 titled 'Process Requirement' be received.

**CARRIED**

## 9 RESOLUTION TO EXCLUDE THE PUBLIC

#### RESOLUTION C21-1.2

Moved: Cr M Murray-Benge

Seconded: Cr A Henry

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>0.0 - Contract Number 19/1074 - Three Waters Operations and Maintenance Contract</b>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

**CARRIED**

The Mayor declared the Council meeting closed at 1.14pm.

The minutes of this meeting were confirmed at the Council Meeting held on 25 February 2021.

.....  
Mayor G Webber  
**CHAIRPERSON / MAYOR**

Unconfirmed

**9.2 MINUTES OF THE POLICY COMMITTEE MEETING HELD ON 18 FEBRUARY 2021****File Number: A4007924****Author: Barbara Clarke, Senior Governance Advisor****Authoriser: Jan Pedersen, Group Manager People And Customer Services****RECOMMENDATION**

That the Minutes of the Policy Committee Meeting held on 18 February 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

- 1. Minutes of the Policy Committee Meeting held on 18 February 2021**

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
POLICY COMMITTEE MEETING NO. PP21-1  
HELD IN THE COUNCIL CHAMBERS, BARKES CORNER, TAURANGA  
ON THURSDAY, 18 FEBRUARY 2021 AT 9.30AM**

## **1 PRESENT**

Mayor G Webber (Chairperson), Deputy Mayor J Scrimgeour, Cr M Dean, Cr J Denyer, Cr M Grainger, Cr M Gray, Cr A Henry, Cr K Marsh, Cr M Murray-Benge and Cr D Thwaites

## **2 IN ATTENDANCE**

M Taris (Chief Executive Officer), G Allis (Deputy CEO/Group Manager Infrastructure Services), R Davie (Group Manager Policy Planning and Regulatory Services), J Pedersen (Group Manager People and Customer Services), K Perumal (Group Manager Finance and Technology Services), E Watton (Policy and Planning Manager), P Martelli (Resource Management Manager), B Williams (Strategic Property Manager), S Parker (Reserves and Facilities Projects and Assets Manager), M Leighton (Senior Policy Analyst), K McGinity (Senior Recreation Planner), T Rutherford (Policy Analyst), G Payne (Strategic Advisor), and B Clarke (Senior Governance Advisor)

## **COMMUNITY BOARDS**

Nil.

## **OTHERS**

One member of the media.

## **3 APOLOGY**

### **APOLOGY**

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#### **RESOLUTION PP21-1.1**

Moved: Cr K Marsh  
Seconded: Cr M Dean

That the apology for absence from Cr G Dally be accepted.

**CARRIED**

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## **4 CONSIDERATION OF LATE ITEMS**

Nil.

## **5 DECLARATIONS OF INTEREST**

Nil.

## **6 PUBLIC EXCLUDED ITEMS**

Nil.

## **7 PUBLIC FORUM**

Nil.



## 8 PRESENTATIONS

Nil.

## 9 REPORTS

### 9.1 ADOPTION OF THE DRAFT WATER RATES REMISSION POLICY 2021 AND DRAFT MULTIPLE PAN WASTEWATER REMISSIONS POLICY 2021 FOR PUBLIC CONSULTATION

The Committee considered a report from the Senior Policy Analyst. The report was taken as read.

#### RESOLUTION PP21-1.2

Moved: Cr M Murray-Benge

Seconded: Cr M Gray

1. That the Senior Policy Analyst's report dated 18 February 2021, titled "Adoption of the Draft Water Rates Remission Policy 2021 and Draft Multiple Pan Wastewater Remissions Policy 2021 for Public Consultation" be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the draft Water Rates Remission Policy 2021, the accompanying statement of proposal, summary and feedback form, (as appended to the agenda report), are adopted for consultation pursuant to s109 of the Local Government Act 2002, concurrently with the Long Term Plan 2021-31 consultation.
4. That the draft Multiple Pan Wastewater Remissions Policy 2021, the accompanying statement of proposal, summary and feedback form, (as appended to the agenda report), are adopted for consultation pursuant to s109 of the Local Government Act 2002, concurrently with the Long Term Plan 2021-31 consultation.

**CARRIED**

### 9.2 PROPOSED DRAFT CONCEPT PLAN AND NAMING PROPOSAL FOR 83 FORD ROAD, MAKETU

The Committee considered a report from the Senior Recreation Planner. The report was taken as read. Staff responded to questions as follows:

- The name 'Otaiparia' had been proposed because of its significance to the site, and to an historic Pa discovered during the restoration of the site. The meaning of Otai was 'coastal / by the sea' and the meaning of paria was 'the flow of the tide'. Following investigation it had been deemed appropriate to promote that name.
- The marae would be consulted. The name Otaiparia had emerged through the wider Kaituna Re-diversion Project and engagement with the BOP Regional Council. It was considered to be a contemporary name that reflected the history of the area.

**RESOLUTION PP21-1.3**

Moved: Cr M Dean

Seconded: Deputy Mayor J Scrimgeour

1. That the Senior Recreation Planner's report dated 18 February 2021, titled 'Proposed Draft Concept Plan and Naming Proposal for 83 Ford Road, Maketu' be received.
2. That the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.
3. That the Policy Committee approves the name *Otaiparia Reserve*, to be proposed for consultation in accordance with the Council Reserve Management Plan P8 Naming Policy.
4. That the Policy Committee approves the release of the draft Concept Plans, (as attached to the agenda report), for community consultation under Section 83 of the Local Government Act 2002.
5. That the indicative costs for implementation of the concept plan, (as set out at paragraph 14 of the agenda report), be referred to the Long Term Plan 2021-2031.

**CARRIED**

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**9.3 ADOPTION OF ELDER HOUSING SECTION 17A REVIEW**

The Committee considered a report from the Senior Policy Analyst. The report was taken as read. In response to a question, it was advised that the revenue (from rental income) covered the expenditure of providing the activity.

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**RESOLUTION PP21-1.4**

Moved: Cr J Denyer

Seconded: Deputy Mayor J Scrimgeour

1. That the Senior Policy Analyst's report dated 18 February 2021, titled 'Adoption of Elder Housing Section 17A Review' be received.
2. That the report relates to an issue that is considered to be of high significance in terms of Council's Significance and Engagement Policy.
3. That the Policy Committee adopts the report titled "Review of the Western Bay of Plenty District Council's Elder Housing Activity", (shown as Attachment 1 of the agenda report).
4. That the report is considered "More Information" and is referenced in the Long Term Plan 2021-2031 Consultation Document, to support Council's key proposal to retain its Elder Housing activity.

**CARRIED**

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**9.4 ISLAND VIEW RESERVE PLAYGROUND CONCEPT PLAN ADOPTION**

The Committee considered a report from the Reserves and Facilities Manager. The report was taken as read. Staff responded to questions as follows:

- With regard to the relationship between the location of the playground and the cycle path, staff considered that there was sufficient separation between these features to provide a 'buffer' for
-

the users of both activities. Those features were approximately 10m to 20m apart. As a result, staff had no particular safety concerns in relation to them.

- Users of the cycle path may be likely to take the path of 'least resistance' to connect to the path itself, but routes would be provided between the toilet and the cycle path, avoiding the playground. There would also be a clear route of access from the car park.
- Options were being considered in relation to the material used to construct the Tuatara.
- Council had ordered playground equipment, which was expected to take 2-3 months to arrive. The Contactor was ready to begin. Construction was expected to be completed before the end of the year. The project was included in this year's Annual Plan.

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#### **RESOLUTION PP21-1.5**

Moved: Cr M Murray-Benge

Seconded: Cr M Dean

1. That the Reserves and Facilities Manager's report dated 18 February 2021, titled 'Island View Reserve Playground Concept Plan Adoption' be received.
2. That the Reserves and Facilities Landscape Architect's Report dated 2 February 2021 be received.
3. That the Policy Committee adopts the Final Concept Plan - Island View Reserve Playground dated 2 February 2021, shown as Attachment 1 of the agenda report.

**CARRIED**

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#### **9.5 DRAFT CCTV MANAGEMENT PLAN**

The Committee considered a report from the Policy Analyst. The report was taken as read. In response to a question, Staff provided an explanation of the Annual CCTV Request process, as outlined in section 12 of the Management Plan attached to the report.

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#### **RESOLUTION PP21-1.6**

Moved: Cr M Grainger

Seconded: Cr J Denyer

1. That the Policy Analyst's report dated 18 February 2021, titled 'Draft CCTV Management Plan' be received.
2. That the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.
3. That the Policy Committee adopts the draft CCTV Management Plan (shown as Attachment 1 of the agenda report).
4. That the CCTV Management Plan is considered 'More Information' and is referenced in the Long Term Plan 2021-2031 Consultation Document, to support Council's key proposal to include a budget of \$50,000 per annum for the next three years for new CCTV cameras.

**CARRIED**

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## 10 INFORMATION FOR RECEIPT

### 10.1 LOCAL ELECTORAL (MĀORI WARDS AND MĀORI CONSTITUENCIES) AMENDMENT BILL - MAYOR WEBBER'S SUBMISSION

Mayor Webber gave an overview of the Submission which he had made on behalf of Council, to the Select Committee considering Māori Wards and Māori Constituencies and the Amendment Bill. He noted that the Submission outlined Council's experience and general position in support of the intent of the Bill as it was currently written.

In response to a question from the floor, Mayor Webber clarified that he had made it clear to the Select Committee that Council's 2017 decision to establish a Māori ward had not been unanimous, but was by way of a significant majority.

Mayor Webber responded to further questions from the floor in relation to the process required to undertake a Representation Review, including full public consultation.

The Chief Executive reiterated that if Council was to undertake another Representation Review out of the '6 year timing sequence', it would be a major commitment for Council and would represent a substantial body of work that would change Council's work programme.

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#### RESOLUTION PP21-1.7

Moved: Cr A Henry

Seconded: Cr M Grainger

That the Senior Governance Advisor's report dated 18 February 2021, titled 'Local Electoral (Māori Wards and Māori Constituencies) Amendment Bill – Mayor Webber's Submission' be received and the information noted.

**CARRIED**

Cr Murray-Benge requested that her vote against the motion be recorded.

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**The meeting was declared closed at 9.52am.**

**The minutes of this meeting were confirmed at the Council meeting held on 8 April 2021.**

**9.3 MINUTES OF THE ANNUAL PLAN AND LONG TERM PLAN COMMITTEE MEETING  
HELD ON 23 FEBRUARY 2021****File Number: A4007991****Author: Barbara Clarke, Senior Governance Advisor****Authoriser: Jan Pedersen, Group Manager People And Customer Services****RECOMMENDATION**

That the Minutes of the Annual Plan and Long Term Plan Committee Meeting held on 23 February 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

1. **Minutes of the Annual Plan and Long Term Plan Committee Meeting held on 23 February 2021**

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
ANNUAL PLAN AND LONG TERM PLAN COMMITTEE MEETING NO. APLTP21-1  
HELD IN THE COUNCIL CHAMBERS, BARKES CORNER, TAURANGA  
ON TUESDAY, 23 FEBRUARY 2021 AT 9.30AM**

## **1 PRESENT**

Deputy Mayor J Scrimgeour (Chairperson), Cr M Dean, Cr J Denyer, Cr M Grainger, Cr M Gray, Cr A Henry, Cr K Marsh, Cr M Murray-Benge, Cr D Thwaites and Mayor G Webber

## **2 IN ATTENDANCE**

M Taris (Chief Executive Officer), G Allis (Deputy CEO/Group Manager Infrastructure Services), K Perumal (Group Manager Finance and Technology Services), R Davie (Group Manager Policy Planning and Regulatory Services), E Watton (Policy and Planning Manager), D Jensen (Senior Financial Planner), O McVicker (Corporate Development/Business Improvement Advisor), J Rickard (Senior Policy Analyst), G Payne (Strategic Advisor), L Balvert (Senior Communications Specialist), and B Clarke (Senior Governance Advisor)

## **COMMUNITY BOARDS**

Nil.

## **OTHERS**

Clarence Susan (Audit Director) and Warren Goslett (Audit Manager) both of Audit NZ.

## **3 APOLOGIES**

### **APOLOGIES**

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#### **RESOLUTION APLTP21-1.1**

Moved: Mayor G Webber  
Seconded: Cr M Murray-Benge

That an apology for absence from Cr Dally, and apologies for lateness from Cr Marsh and Cr Gray be accepted.

**CARRIED**

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## **4 CONSIDERATION OF LATE ITEMS**

Nil.

## **5 DECLARATIONS OF INTEREST**

Nil.

## **6 PUBLIC EXCLUDED ITEMS**

Nil.

## **7 PUBLIC FORUM**

Nil.

## **8 PRESENTATIONS**

Nil.

## **9 REPORTS**

### **9.1 ADOPTION OF DRAFT OVERALL REVENUE AND FINANCING POLICY (INCLUDING THE SPECIFIC RATES POLICIES) FOR INCLUSION INTO THE LONG TERM PLAN 2021-31 SUPPORTING INFORMATION**

The Senior Financial Planner introduced the report noting the following:

- The Revenue and Financing Policy had been reviewed at an 'overall' level and an 'individual activity' level. The report recommended that minor changes to the Policy be adopted and that it be taken out for public consultation.
- Specific Rates Policies had been considered at a workshop in May 2020. There were two that had been amended slightly through the Policy Committee on 18 February 2021, and these would be consulted on, alongside the Long Term Plan. There were no other changes to Council's Rates Policies.

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### **RESOLUTION APLTP21-1.2**

Moved: Mayor G Webber

Seconded: Cr M Dean

1. That the Senior Financial Planner's report dated 18 February 2021, titled 'Adoption of draft Overall Revenue and Financing Policy (Including the Specific Rates Policies) for inclusion into the Long Term Plan 2021-31 Supporting Information' be received.
2. That the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.
3. That the draft overall Revenue and Financing Policy (set out in pages 2 – 40 of Attachment 1 of the agenda report), including the specific rates policies (set out in page 40 of Attachment 1 of the agenda report), be adopted for public consultation, noting the amendments to the specific Revenue and Financing Policies for the following groups of activities: Community Building, Libraries and Service Centres, Recreation & Leisure, Storm Water and Natural Environment.
4. That the draft overall Revenue and Financing Policy (set out in pages 2 – 40 of Attachment 1 of the agenda report), including the specific rates policies (set out in page 40 of Attachment 1 of the agenda report), be included in the Supporting Information to the Consultation Document, to give effect to sections 82 and 102(4) of the Local Government Act 2002.
5. That in accordance with Sections 82 and 102 of the Local Government Act 2002, the draft Revenue and Financing Policy 2021 and the related draft statement of proposal and draft feedback form, (as set out in Attachment 2 of the agenda report) be adopted for public consultation.

**CARRIED**

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### **9.2 ADOPTION OF INTEREST RATE AND INFLATION ASSUMPTIONS**

The Senior Financial Planner introduced the report noting the following:

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- For inflation, the report recommended remaining with the 'Faster Re-build' Assumption as the most appropriate for the District. Recent events had shown a faster recovery than forecast in September 2020.
- Council had started with an Interest Rate inflation of 3.8%, which was adopted as part of the Annual Plan. In September 2020 there had been uncertainty about interest rates. Currently, interest rates were stabilising. The report recommended that Council remain at 3.8% as that would allow some flexibility should rates increase. This was expected sooner rather than later.
- It was important to remember that Council was not looking at the rate for the duration of ten years, but could choose to revise the rate, should the situation change as part of the Annual Plan process. It was beneficial for Council to have a level of financial prudence for the future.

9.38am Cr Marsh entered the meeting.

### RESOLUTION APLTP21-1.3

Moved: Deputy Mayor J Scrimgeour

Seconded: Cr A Henry

1. That the Senior Financial Planner's report dated 23 February 2021, titled 'Adoption of Interest Rate and Inflation Assumptions' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the Business and Economic Research Limited (BERL) Economic Inflation 'Faster Rebuild' Assumptions (as set out in Attachment 1 of the agenda report) are adopted for the purposes of preparing the 2021–2031 Long Term Plan.
4. That the Interest Rate Assumptions, as follows, are adopted for the purpose of preparing the 2021–2031 Long Term Plan.

Year	2022	2023	2024	2025	2026	2027	2028	2029	2030	2031
Borrowing	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%	3.80%
Lending	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%	3.30%

**CARRIED**

### 9.3 ADOPTION OF THE CONSULTATION DOCUMENT AND THE SUPPORTING INFORMATION FOR THE LONG TERM PLAN 2021-2031, AND THE DRAFT SCHEDULE OF FEES AND CHARGES 2021-2022

The Chairperson welcomed Audit New Zealand representatives, Clarence Susan (Audit Director) and Warren Goslett, (Audit Manager), who were in attendance for the item.

The Policy and Planning Manager introduced the report noting the following:

- The report sought the adoption of the Consultation Document, Supporting Information and draft Schedule of Fees and Charges.
- Council had undertaken a series of workshops over the last fourteen months and had robustly considered these documents. The package of information reflected the direction that Elected Members had given to staff in those workshops, and the resolution they had passed in September 2020.
- The proposed consultation approach was also set out in the report and was consistent with discussions held at the LTP workshop held on 2 February 2021.



- A 'Frequently Asked Questions' sheet providing a guide for engagement purposes was being prepared by staff and would be circulated to Councillors in advance of the consultation period.

### **Audit NZ in response to questions of clarification**

At the invitation of the Chairperson, Clarence Susan, (Audit Director), provided comments and responses to questions as follows:

- In terms of change happening in the region, the Bay of Plenty Regional Council (BOPRC) recently had its Consultation Document adopted with a significant rates increase. Tauranga City Council (TCC) had not yet issued its Consultation Document, although there were indications of a rates increase.
- It was suggested that Western Bay of Plenty District Council (WBOPDC) could manage any communications relevant to the Consultation Document, to inform its communities, in an appropriate way through its Communications Team.
- Audit NZ's role was to ensure that the documentation was clear in its intent, and that it fulfilled the purpose of section 93G, which was to form a good basis for consultation. If it was not appropriately and clearly informing the public, ergo, it would not fulfil the purpose of section 93G.
- From Audit NZ's perspective, when reviewing WBOPDC's Consultation Document, it was considered that it fulfilled its purpose under section 93G, and the document was based on the best available underlying information. As it was a document that was "looking forward", it was based on assumptions, growth projections, inflation, and all related matters that "came into play". In the next 2-3 years, WBOPDC also had its Annual Plans and, in Audit's opinion, to address the potential impact of the 'Three Waters Reform'. Currently, the LTP assumption was that three waters activities would stay with WBOPDC, although there were further decisions being made in 2021, in respect of this. If that did not have a significant impact on WBOPDC, then a LTP amendment would have to be done for the next two years to the end of that project.
- WBOPDC was advised to proceed to go out with its Consultation Document as prepared.

Through the Chair, the Chief Executive Officer advised that, in response to matters raised by the Mayor, and in respect of Audit NZ's advice, there was no issue with Council managing appropriate and timely communications through its Communications Team, in support of the Consultation Document, which would remain as prepared.

9.49am Cr Gray entered the meeting.

The Chairperson advised that the motion would be **taken in parts** as follows:

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**RESOLUTION APLTP21-1.4****PART 1**

Moved: Mayor G Webber

Seconded: Cr A Henry

1. That the Policy and Planning Manager's report dated 11 February 2021, titled 'Adoption of the Consultation Document and the Supporting Information for the Long Term Plan 2021-2031, and the draft Schedule of Fees and Charges 2021-2022', be received.
2. That the report relates to an issue that is considered to be of high significance in terms of Council's Significance and Engagement Policy.
3. That in accordance with section 93G of the Local Government Act 2002, the Long Term Plan 2021-2031 Supporting Information, (shown as Attachment B of the agenda report), be adopted for the purposes of providing supporting information for the Long Term Plan 2021-2031 Consultation Document.

**CARRIED**

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**Audit NZ Report**

At the invitation of the Chairperson, Clarence Susan gave a brief overview, noting that the Auditors had considered all information provided, including financial strategy and infrastructure strategy. He advised that, coming out of a 'Covid-19 environment', councils had found themselves in a pressured position and that was still the case. Mr Susan commended the WBOPDC staff who had produced the Consultation Document under such circumstances.

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**RESOLUTION APLTP21-1.5****PART 2**

Moved: Cr J Denyer

Seconded: Cr A Henry

4. That in accordance with section 93C(4) of the Local Government Act 2002, the Audit Report on the draft Long Term Plan 2021-2031 Consultation Document be received.
5. That in accordance with section 93A of the Local Government Act 2002, the audited draft Long Term Plan 2021-2031 Consultation Document (as set out in Attachment A of the agenda report) be adopted for the purpose of consultation from 8 March 2021 to 9 April 2021.
6. That in accordance with Sections 82 and 150 of the Local Government Act 2002, the draft Schedule of Fees and Charges 2021-2022, (amended to retain the fee category for fireworks permits), and the related draft statement of proposal and draft feedback form, (as set out in Attachment C of the agenda report), be adopted for public consultation.
7. That the Chief Executive Officer be delegated authority to make minor editorial changes to the supporting information documentation if required.

**CARRIED**

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#### **9.4 COMMUNITY BOARD REQUESTS - RECOMMENDATIONS FOR INCLUSION INTO LONG TERM PLAN 2021 - 2031**

The Committee considered an information report from the Customer Services and Governance Manager. The Policy and Planning Manager introduced the report as follows:

- The report summarised recommendations received from the Community Boards late last year, in relation to 'project-related' items they sought to include in the Long Term Plan (LTP).
- The table in the report set out how those requests were currently provided for (or otherwise), within the supporting information and financials for the LTP.
- It was hoped this would be a useful document to inform submissions the Community Boards may wish to make to support the inclusion of items currently shown, or perhaps to ask for items that were currently not included.
- It appeared that the Community Boards may wish to wait for the formal consultation period to make their submissions.

The Group Manager Policy, Planning and Regulatory Services advised that, at the Waihi Beach Community Board meeting the previous night, the Board had indicated that, due to the timing of that Board's scheduled meetings, they had been unable to formally resolve a position in relation to the items they would like to see included in the LTP. However, an email had been sent in lieu of formal resolutions.

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#### **RESOLUTION APLTP21-1.6**

Moved: Cr M Murray-Benge

Seconded: Cr M Grainger

That the Customer Services and Governance Manager's report dated 23 February 2021, titled 'Community Board Requests – Recommendations for Inclusion into Long Term Plan 2021-2031', be received.

**CARRIED**

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#### **10 INFORMATION FOR RECEIPT**

Nil.

**The meeting was declared closed at 9.56am.**

**Confirmed as a true and correct record at a Council meeting held on 8 April 2021.**

#### **9.4 MINUTES OF THE COUNCIL MEETING HELD ON 25 FEBRUARY 2021**

**File Number:** A4018273

**Author:** Horowai Wi Repa, Governance Technical Support

**Authoriser:** Barbara Whitton, Customer Services and Governance Manager

##### **RECOMMENDATION**

That the Minutes of the Council Meeting held on 25 February 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

##### **ATTACHMENTS**

- 1. Minutes of the Council Meeting held on 25 February 2021**

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
COUNCIL MEETING NO. C21-2  
HELD IN THE COUNCIL CHAMBERS, BARKES CORNER, TAURANGA  
ON THURSDAY, 25 FEBRUARY 2021 AT 9.30AM**

**1 PRESENT**

Mayor G Webber (Chairperson), Deputy Mayor J Scrimgeour, Cr G Dally, Cr M Dean, Cr J Denyer, Cr M Grainger, Cr M Gray, Cr A Henry, Cr K Marsh, Cr M Murray-Benge and Cr D Thwaites.

**2 IN ATTENDANCE**

M Taris (Chief Executive Officer), G Allis (Deputy CEO/Group Manager Infrastructure Services), J Pedersen (Group Manager People and Customer Services), K Perumal (Group Manager Finance and Technology Services), R Davie (Group Manager Policy Planning and Regulatory Services), E Watton (Policy and Planning Manager), D Jensen (Senior Financial Planner), G Payne (Strategic Advisor), J Rickard (Senior Policy Analyst), T Miller (Senior Policy Analyst Resource Management), P Martelli (Resource Management Manager), R Woodward (Communications Specialist) and C Irvin (Senior Governance Advisor).

**OTHERS IN ATTENDANCE**

Bay of Plenty Regional Council (BOPRC)

Fiona McTavish (CEO), Cr Jane Nees, Cr Norm Bruning, Cr Stacey Rose, and N Poutasi (General Manager Strategy and Science)

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

**PUBLIC FORUM ADJOURN MEETING**

**RESOLUTION C21-2.1**

Moved: Cr M Grainger

Seconded: Cr K Marsh

That the meeting adjourn for the purpose of holding a public forum.

**CARRIED**

**A. Bay of Plenty Regional Council (BOPRC) – Long Term Plan Presentation**

Cr Nees, Cr Bruning and Fiona McTavish spoke to the power point presentation and summarised the following points:

- BOPRC was operating in a period of massive change especially given the circumstances of COVID-19, and was developing a Long Term Plan to try to cope with these changes.
- The strategic priorities included in the plan were:
  - Regulatory reform;
  - Regional recovery;
  - Climate change;
  - Land use and transport;
  - Partnerships with Māori;
  - Making the best use of our resources;
  - Sub-regional and regional view; and
  - Community participation and constructive relationships.
- The focus was on how BOPRC could help cover the region effectively and provide multiple benefits to the community.

**PUBLIC FORUM MEETING RECONVENED**

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**RESOLUTION C21-2.2**

Moved: Cr A Henry

Seconded: Cr M Gray

That the meeting reconvene in formal session.

**CARRIED**

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**8 COMMUNITY BOARD MINUTES FOR RECEIPT****8.1 MINUTES OF THE KATIKATI COMMUNITY BOARD MEETING HELD ON 3 FEBRUARY 2021**

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**RESOLUTION C21-2.3**

Moved: Cr J Denyer

Seconded: Cr A Henry

1. That the Minutes of the Katikati Community Board Meeting held on 3 February 2021 be received.

**CARRIED**

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**9 COUNCIL AND COMMITTEE MINUTES FOR CONFIRMATION****9.1 MINUTES OF THE DISTRICT PLAN COMMITTEE MEETING HELD ON 24 AUGUST 2020**

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**RESOLUTION C21-2.4**

Moved: Cr M Dean

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Seconded: Cr M Murray-Benge

That the Minutes of the District Plan Committee meeting held on 24 August 2020 are confirmed as a true and correct record and the recommendations therein are adopted.

**CARRIED**

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## **9.2 MINUTES OF THE KATIKATI - WAIHI BEACH WARD FORUM MEETING HELD ON 3 DECEMBER 2020**

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### **RESOLUTION C21-2.5**

Moved: Cr A Henry

Seconded: Cr J Denyer

That the Minutes of the Katikati - Waihi Beach Ward Forum Meeting held on 3 December 2020 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

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## **9.3 MINUTES OF THE KAIMAI WARD FORUM MEETING HELD ON 10 DECEMBER 2020**

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### **RESOLUTION C21-2.6**

Moved: Cr D Thwaites

Seconded: Cr M Murray-Benge

That the Minutes of the Kaimai Ward Forum Meeting held on 10 December 2020 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

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## **9.4 MINUTES OF THE MAKETU - TE PUKE WARD FORUM MEETING HELD ON 15 DECEMBER 2020**

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### **RESOLUTION C21-2.7**

Moved: Cr K Marsh

Seconded: Cr M Gray

That the Minutes of the Maketu - Te Puke Ward Forum Meeting held on 15 December 2020 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

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## **9.5 MINUTES OF THE COUNCIL MEETING HELD ON 17 DECEMBER 2020**

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### **RESOLUTION C21-2.8**

Moved: Cr M Grainger

Seconded: Cr M Dean

That the Minutes of the Council Meeting held on 17 December 2020 are confirmed as a true and correct record and the recommendations therein are adopted.

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**CARRIED**

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**9.6 MINUTES OF THE AUDIT AND RISK COMMITTEE MEETING HELD ON 17 DECEMBER 2020**

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**RESOLUTION C21-2.9**

Moved: Cr J Denyer

Seconded: Deputy Mayor J Scrimgeour

That the Minutes of the Audit and Risk Committee Meeting held on 17 December 2020 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

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**9.7 MINUTES OF THE PERFORMANCE AND MONITORING MEETING HELD ON 2 FEBRUARY 2021**

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**RESOLUTION C21-2.10**

Moved: Cr D Thwaites

Seconded: Cr A Henry

That the Minutes of the Performance and Monitoring Meeting held on 2 February 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

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**9.8 MINUTES OF THE COUNCIL MEETING HELD ON 9 FEBRUARY 2021**

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**RESOLUTION C21-2.11**

Moved: Cr M Murray-Benge

Seconded: Deputy Mayor J Scrimgeour

That the Minutes of the Council Meeting held on 9 February 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

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## 10 REPORTS

### 10.1 RECOMMENDATORY REPORT FROM AUDIT AND RISK COMMITTEE - REVIEW OF TREASURY POLICY

The Committee considered a report dated 25 February 2021 from the Group Manager Finance and Technology Services. The report was taken as read.

#### RESOLUTION C21-2.12

Moved: Cr M Grainger

Seconded: Cr J Denyer

1. That Council adopt the revised 'Treasury Policy' as presented at the Audit and Risk Committee meeting on 17 December 2020 (**attachment 1**).
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.

**CARRIED**

### 10.2 RECOMMENDATORY REPORT FROM PERFORMANCE AND MONITORING COMMITTEE - WAIHI BEACH ROCK REVETMENT - COUNCIL LANDOWNER CONSENTED COASTAL PROTECTION WORKS

The Committee considered a report dated 25 February 2021 from the Utilities Manager. The report was taken as read.

#### RESOLUTION C21-2.13

Moved: Cr D Thwaites

Seconded: Cr G Dally

1. That Council approves the private construction of consented coastal works on Council reserve, Lot 125 DP35465 Waihi Beach, subject to the conditions, including:
  - A resource consent being granted by Bay of Plenty Regional Council;
  - Consent and construction fully funded by owners;
  - Agreement with Council on operational cost and responsibilities; and
  - Council funding construction, but not design, and consenting costs for the Elizabeth Street Reserve section.
2. That the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.

**CARRIED**

### 10.3 RECOMMENDATORY REPORT FROM PERFORMANCE AND MONITORING COMMITTEE - TE REREATUKAHIA WASTEWATER SCHEME CONNECTION COSTS

The Committee considered a report dated 25 February 2021 from the Asset and Capital Manager. The report was taken as read.

**RESOLUTION C21-2.14**

Moved: Cr A Henry

Seconded: Cr M Dean

1. That Council approve that no connection charge is to be applied to the Te Rereatukahia Wastewater Scheme.
2. That Council notes the cost of connection is not being sought from individual property owners in this instance. Forgoing this revenue is recognised as Council's financial contribution to the project, given that the capital costs are met from external funding (Three Water's review CIP funding in this instance). The scale and proportion of the external funding has been a determining factor for this decision. Connection for Marae and Community Halls (Whare Kai, Whare Paku etc.) do not incur a connection fee, as this recognises the value of these facilities to community wellbeing.
3. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.

**CARRIED**

**10.4 LOCAL GOVERNMENT FUNDING AGENCY LIMITED'S 2020 ANNUAL GENERAL MEETING OUTCOME**

The Committee considered a report dated 25 February 2021 from Group Manager Finance and Technology Services. The report was taken as read.

**RESOLUTION C21-2.15**

Moved: Cr J Denyer

Seconded: Cr G Dally

That the Group Manager Finance and Technology Services' report dated 25 February 2021 titled 'Local Government Funding Agency Limited's 2020 Annual General Meeting Outcome' be received.

**CARRIED**

**10.5 MAYOR'S REPORT TO COUNCIL 25 FEBRUARY 2021**

The Committee considered a report dated 25 February 2021 from Executive Assistant Mayor/CEO. The Mayor spoke to the report noting the following updates:

- Tauranga City Council (TCC)  
New Commissioners had been appointed and it was encouraging to hear their comments and the questions they were asking.
- SmartGrowth  
There was now a vacancy for an independent Chairperson. It was necessary for SmartGrowth to implement change and to accomplish what had been put in the Long Term Plan.
- Three Waters  
The CEO thanked staff for work done to date as it hadn't been an easy task gathering data for the Request for Further Information (RFI) from the Department of Internal Affairs (DIA). Elected members were encouraged to attend the 'Zone Two' meeting to be held on 26 March 2021 in Hamilton where there would be a DIA status update.

- Boundary Change in Belk Road, Keenan Road and Tara Road Areas  
These changes had now been completed. There had been approaches from Tauriko Business Estate regarding further extension.

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**RESOLUTION C21-2.16**

Moved: Mayor G Webber

Seconded: Cr M Dean

That the Senior Executive Assistant - Mayor/CEO's report dated 25 February 2021 titled 'Mayor's Report to Council 25 February 2021' be received.

**CARRIED**

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**10.6 AUDIT AND RISK COMMITTEE MEMBERSHIP - REAPPOINTMENT OF CHAIRPERSON AND DEPUTY CHAIRPERSON**

The Committee considered a report dated 25 February 2021 from the Senior Governance Advisor. The report was taken as read.

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**RESOLUTION C21-2.17**

Moved: Cr A Henry

Seconded: Deputy Mayor J Scrimgeour

1. That Mayor Webber's report dated 25 February 2021 titled 'Audit and Risk Committee – Reappointment of Chairperson and Deputy Chairperson' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council be advised that the Chairperson of the Audit and Risk Committee, Mayor Webber, wishes to vacate the position, and hereby appoints Councillor James Denyer as Chairperson of the Audit and Risk Committee, pursuant to Section 41A(3)(c) of the Local Government Act 2002.
4. That Council appoints the following person as Deputy Chairperson of the Audit and Risk Committee:
  - Councillor Murray Grainger.
5. That Council accepts a recommendation from the Audit and Risk Committee to undertake a process to appoint an Independent Subject Matter Expert to the Audit and Risk Committee.

**CARRIED**

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**10.7 ŌMOKOROA SETTLERS HALL LEASE 2020 TO 2050**

The Committee considered a report dated 25 February 2021 from the Legal Property Officer Reserves and Facilities. The report was taken as read.

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**RESOLUTION C21-2.18**

Moved: Cr M Murray-Benge

Seconded: Cr M Grainger

1. That the Legal Property Officer's report dated 25 February 2021 titled 'Omokoroa Settlers Hall Lease 2020-2050' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. The Council, in its capacity as administering body of Part Allotment 247 SO 24060 Te Puna Parish, grants Omokoroa Settlers Hall Society a lease of approximately 506m<sup>2</sup> for the purpose of a Community Hall from 1 December 2020 to 30 November 2025 with the ability to renew the lease 5 more times for a period of 5 years each.

**CARRIED**

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**10.8 ŌMOKOROA PLAN CHANGE PROCESS**

The Committee considered a report dated 25 February 2021 from the Senior Policy Analyst Resource Management. The report was taken as read.

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**RESOLUTION C21-2.19**

Moved: Cr M Grainger

Seconded: Cr A Henry

1. That the Senior Policy Analyst's report dated 25 February 2021 titled 'Ōmokoroa Plan Change Process' be received.
2. That the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.
3. That staff continue to prepare an application to use the Streamlined Planning Process and report back to Council for confirmation prior to lodging the application.

**CARRIED**

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**10.9 CHIEF EXECUTIVE INFORMATION REPORT**

The Committee considered a report dated 25 February 2021 from the Executive Assistant Mayor/CEO. The report was taken as read.

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**RESOLUTION C21-2.20**

Moved: Mayor G Webber

Seconded: Cr J Denyer

That the Executive Assistant Mayor/CEO's report dated 25 February 2021 titled 'Chief Executive Information Report' be received.

**CARRIED**

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**11 INFORMATION FOR RECEIPT**

Nil

**12 RESOLUTION TO EXCLUDE THE PUBLIC****RESOLUTION C21-2.21**

Moved: Cr M Gray

Seconded: Cr A Henry

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>12.1 - Confidential Minutes of the Council Meeting held on 17 December 2020</b>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(ii) - the withholding of 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</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.2 - Confidential Minutes of the Audit and Risk Committee Meeting held on 17 December 2020</b>	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the

	<p>information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.3 - Confidential Minutes of the Council Meeting held on 9 February 2021</b>	<p>s7(2)(b)(i) - the withholding of the information is necessary to protect information where the making available of the information would disclose a trade secret</p> <p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.4 - Statute Barred Rates</b>	s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.5 - Application for Rates Remission on Omokoroa Slip Affected Properties</b>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.6 - Mayor's Confidential Report to Council - 25 February 2021</b>	s7(2)(c)(ii) - the withholding of 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	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	information would be likely otherwise to damage the public interest	
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**CARRIED**

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**The Meeting closed at 10.35am.**

**The minutes of this meeting were confirmed at the Council Meeting held on 8 April 2021.**

.....  
Mayor G Webber

**CHAIRPERSON / MAYOR**

**9.5 MINUTES OF THE PERFORMANCE AND MONITORING MEETING HELD ON 16 MARCH 2021****File Number: A4031187****Author: Carolyn Irvin, Senior Governance Advisor****Authoriser: Barbara Whitton, Customer Services and Governance Manager****RECOMMENDATION**

That the Minutes of the Performance and Monitoring Meeting held on 16 March 2021 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

- 1. Minutes of the Performance and Monitoring Meeting held on 16 March 2021**



**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
PERFORMANCE AND MONITORING MEETING NO. PM21-2  
HELD IN THE COUNCIL CHAMBERS, BARKES CORNER, TAURANGA  
ON TUESDAY, 16 MARCH 2021 AT 9.30AM**

## **1 PRESENT**

Cr D Thwaites (Chairperson), Mayor G Webber, Cr G Dally, Cr M Dean, Cr J Denyer, Cr M Grainger, Cr M Gray, Cr A Henry, Cr M Murray-Benge and Deputy Mayor J Scrimgeour

## **2 IN ATTENDANCE**

M Taris (Chief Executive Officer), G Allis (Deputy CEO/Group Manager Infrastructure Services), J Pedersen (Group Manager People and Customer Services), K Perumal (Group Manager Finance and Technology Services), R Davie (Group Manager Policy Planning and Regulatory Services), D Jensen (Senior Financial Planner), D Pearce (Community Manager), G Payne (Strategic Advisor), L Balvert (Senior Communications Specialist), E Watton (Policy and Planning Manager), J Rickard (Senior Policy Analyst), P Watson (Reserves and Facilities Manager), J Paterson (Transportation Manager), K Little (Operations Manager), K Hill (Utilities Manager), T Rutherford (Policy Analyst), Ilze Kruis (Resource Recovery and Waste Team Leader), K Buckley (Project Manager Kerbside Services) and C Irvin (Senior Governance Advisor).

## **OTHER ATTENDEES**

### Tauranga City Council (TCC)

G Wallis (General Manager Community Services)  
P Dunphy (Director Spaces and Places)  
C Ellis (Manager: Strategic Māori Engagement)  
W Aitken (Team Leader: Parks and Environment)

### Representatives Ngati Hanarau Hapu

T O'Brien  
K Nicholas

### Tourism Bay of Plenty (TBOP)

L Cooney (Chairperson Tourism Bay of Plenty)  
S Phillips (Kaihautū, Maori Economy)

### Omanawa Falls Residents

S Turner  
S Cornelius  
M Evans  
M Campbell  
H Campbell  
V Peatrie

### Beca

A Belz (Senior Planner)  
A Hutchison (Civil Engineering Senior Associate)  
A McCaw (Principal – Asset Management)

### Waka Kotahi (NZTA)

C Farnsworth (Senior Project Manager)

### 3 APOLOGIES

#### APOLOGY

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##### RESOLUTION PM21-2.1

Moved: Cr M Murray-Benge

Seconded: Cr M Dean

That the apology for lateness from Cr M Grainger and for absence from Cr K Marsh be accepted.

**CARRIED**

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### 4 CONSIDERATION OF LATE ITEMS

#### LATE ITEM

The Chairperson advised there was a confidential late item for the Committee to consider for inclusion in the Public Excluded section of the agenda, being 'Property Acquisition – 109 Clarke Road'.

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##### RESOLUTION PM21-2.2

Moved: Mayor G Webber

Seconded: Deputy Mayor J Scrimgeour

That, in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act, the report titled 'Property Acquisition – 109 Clarke Road' be accepted as a late item of business and be included as an item on the public excluded section of the agenda.

**CARRIED**

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### 5 DECLARATIONS OF INTEREST

Nil

### 6 PUBLIC EXCLUDED ITEMS

Nil

### 7 PUBLIC FORUM

#### PUBLIC FORUM ADJOURN MEETING

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##### RESOLUTION PM21-2.3

Moved: Cr A Henry

Seconded: Cr M Gray

That the meeting adjourn for the purpose of holding a public forum.

**CARRIED**

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**A. Wayne Lowry – Chairperson Kaimai Omanawa Rural Ratepayers Association (KORRA)**Wayne Lowry

- Mr Lowry introduced Denise Kilgar (Committee Member KORRA) and Lance Brough (Manager Poripori Farm Trust).
- He thanked Western Bay of Plenty District Council (WBOPDC) for the way they had received KORRA, and for engaging in dialogue with them.
- KORRA's purpose was to bring people and their ideas together to create a sensible community plan and vision for the area.
- Two key aspects of the community plan were the safety and well being (mental health) of the residents, and the safety of tourists.
- KORRA wanted to foster and advocate the idea that the Kaimai area was seen as a 'gateway' to Tauranga for tourists, and felt WBOPDC could play more of an active role in this.
- Making the area safe, promoting commercial activity and connecting tourist attractions would be a way to promote the area as a complete 'tourist destination' package.
- It was also important to look at the wider picture that included roading and funding. KORRA felt that more funding could be allocated to create and maintain the area as a tourist attraction.

Lance Brough

- Mr Brough managed Poripori Farm Trust, a four thousand acre station, consisting of the Trust Board and fifteen hundred shareholders. He advised that the Trust Board and its shareholders would like Kumikumi Road tar sealed as it was felt that there were health issues arising from road dust. There were also issues with crop dusting.

Denise Kilgar

- Ms Kilgar presented an updated submission on the sealing criteria of Kumikumi Road, which included an article on a trial being done by New Plymouth District Council using a new product (called 'Plas Mix', which utilized plastics) to seal roads.

Presenters responded to questions as follows:

- Mr Brough confirmed that he felt that Kumikumi Road, unsealed, was not fit for purpose any more as there was now a lot of traffic on the road, including heavy trucks.

**B. Keith Hay – Secretary, Katikati - Waihi Beach Residents and Ratepayers Association (KKWBRRRA)**

- Also in attendance with Keith Hay were Norm Mayo (Chairperson KKWBRRRA) Ewen Luskaie (Committee KKWBRRRA) Chris Reed (Committee KKWBRRRA), and Phillip Foster (supporter KKWBRRRA).
- Mr Hay presented a petition which requested that WBOPDC hold consent hearings before allowing any dispensation from District Plan rules for developers who wish to build in the Waihi Beach Commercial and Commercial Transition Zones.
- He advised that there had been several blocks of apartments built, and some to be built, that did not seem to have complied with District Plan rules. This included buildings being over-height, not complying with front yard requirements and not providing parking spaces.
- There was an area where a developer had built a block of apartments that had reduced visibility lines at an intersection, making it a serious traffic hazard.
- KKWBRRRA asked that Council staff stop making pre-application agreements, and would like applications for projects in the Commercial and Commercial Transition Zone to be publicly notified.
- Cr D Thwaites received the petition from Keith Hay in Public Forum.

**C. Anthony Thompson (resident Waihi Beach)**

- Mr Thompson said he felt that the methodology of the bin system was fine but the payment system was problematic for some people.

- Council had set up a double payment system – the Kerbside Collection ‘Pay As You Throw’ system and an annual charge rate.
- He had been given feedback that some people preferred a ‘one stream’ payment of ‘Pay As You Throw’.

#### **D. Mike Hickey – Waihi Beach**

- Mr Hickey was very concerned about the preservation of the environment at Waihi Beach, especially the wildlife.
- The residents cared greatly about the area and did not want it to become a place full of high-rise buildings, which would spoil the nature of the area.
- Both Mr Hickey and the residents were asking Council to consider this before allowing any more high rise developments. They wanted Waihi Beach to remain much the same as it was now.

10:05am Cr M Grainger entered the meeting.

The Chairperson thanked everyone for their contribution to Public Forum.

### **PUBLIC FORUM MEETING RECONVENED**

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#### **RESOLUTION PM21-2.4**

Moved: Cr M Grainger

Seconded: Cr M Dean

That the meeting reconvene in formal session.

**CARRIED**

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### **8 PRESENTATIONS**

Nil

### **9 REPORTS**

#### **9.1 GROUP MANAGER FINANCE AND TECHNOLOGY SERVICES REPORT**

The Committee considered a report dated 16 March 2021 from the Group Manager Finance and Technology. The report was taken as read.

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#### **RESOLUTION PM21-2.5**

Moved: Cr J Denyer

Seconded: Cr M Dean

That the Group Manager Finance and Technology Services report dated 16 March 2021 titled ‘Group Manager Finance and Technology Services Report’ be received.

**CARRIED**

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#### **9.2 SCHEDULE OF PAYMENTS FOR THE MONTH OF JANUARY 2021**

The Committee considered a report dated 16 March 2021 from the Group Manager Finance and Technology Services. The report was taken as read.

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**RESOLUTION PM21-2.6**

Moved: Cr M Murray-Benge

Seconded: Cr A Henry

That the Acting - Finance Manager's report dated 16 March 2021 titled 'Schedule of Payments for the Month of January 2021' be received.

**CARRIED**

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**9.3 OMANAWA FALLS & MCLAREN FALLS BRIEFING - TAURANGA CITY COUNCIL**

The Committee considered a report dated 16 March 2021 from the Executive Assistant Senior Team Administrator Infrastructure Services.

The Chairperson welcomed the representatives from TCC, TBOP and the Omanawa Falls residents. Mr Koro Nicholas (representative Ngāti Hangarau Hapu) opened the presentation with a welcome in Te Reo, and the TCC Director Spaces and Places spoke to a power point presentation providing a summary under the following headings:

- Omanawa Background;
- Omanawa Principles (developed by Ngāti Hangarau Hapu to guide decision making on the project);
- Omanawa Falls Project (including Council direction, partnership and active collaboration, and cultural significance);
- Omanawa Access programme (a timeline);
- Omanawa Falls – Summer 2020/2021 (Ngātai Hangarau Kaitiaki programme: 22 December 2020 – April 2021 and outcomes);
- Communication (informing neighbours, active consultation, Project Leo);
- The Omanawa Experience; and
- Omanawa ownership.

The General Manager Community Services thanked WBOPDC for the opportunity and said that Tauranga City Council's door was always open for questions.

Presenters responded to questions as follows:

- The flying fox located on the site was used by workers only, to get to the power station to carry out any works needed – it was not for public use.
  - Currently there were three stages to the programme – green, amber and red. TCC were still completing the design process and wheelchair accessibility was still to be considered.
  - There was no thought, at this stage, to charge people to access the Falls. However, there had been suggestions around charging for guided tours.
  - There had been a number of signs put up around the area to divert traffic to McLaren Falls.
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**RESOLUTION PM21-2.7**

Moved: Cr A Henry

Seconded: Cr M Gray

That the presentation by the General Manager Community Services, Tauranga City Council, dated 16 March 2021 titled 'Omanawa Falls & McLaren Falls Briefing – Tauranga City Council' be received.

**CARRIED**

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10:46am The meeting adjourned.

11:00am The meeting reconvened.

#### **9.4 WAKA KOTAHI - SH2 SAFETY WORKS**

The Committee considered a report dated 16 March 2021 from the Executive Assistant Senior Team Administrator Infrastructure Services.

The Chairperson welcomed Chris Farnsworth and Alister McCaw of Waka Kotahi who spoke to a power point presentation regarding Options 3 and 4a for State Highway 2 – Waihi to Omokoroa, noting the following:

- All in all the project was progressing well, ahead of time and budget.
- Traffic flows had been relatively good, with some problems in some areas that were being worked on.
- There had been delays due to difficulties in getting earthworks and storm water consents, but work was continuing on this.
- Crash statistics had dropped significantly since 2020. This was possibly due to all the data not being collected at this stage and the traffic management in place in many areas.
- Waka Kotahi now had approval to start the design process for a median barrier between Katikati and Omokoroa. The focus was to try to build two roundabouts this coming summer.
- A median barrier could only be installed if there was 'safe turning' at regular frequencies (about every three kilometres). When putting in a roundabout, technical issues, consents and land availability had to be taken into consideration.
- There were eight locations being considered for roundabouts, although only five or possibly six were needed.
- Upon completion of two roundabouts, in a very short time frame a median barrier would be built between them.
- When looking at options available for State Highway 2, 'Option 3' was to widen the road, and 'Option 4a' was to put a median barrier from Waihi to Omokoroa. Option 4a was estimated to provide an eighty percent reduction in 'serious death and injury'.

11:14am Cr Henry entered the meeting.

Presenters responded to questions as follows:

- The speed limit, after the installation of the roundabouts, was still to be determined and would have to take into consideration the extra journeys people would have to make because of the roundabouts .
  - The site of the two roundabouts due to be built this summer would be the ones that would be easiest to build, taking into consideration site, consents and technical issues.
-

**RESOLUTION PM21-2.8**

Moved: Cr J Denyer

Seconded: Cr A Henry

That the presentation by Waka Kotahi (NZTA) dated 16 March 2021 titled 'Waka Kotahi – SH2 Safety Works' be received.

**CARRIED**

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**9.5 TIROHANGA ROAD SEALING**

The Committee considered a report dated 16 March 2021 from the Transportation Manager who spoke to the report noting the following:

- Mr R Rolleston came to the Performance and Monitoring Committee meeting on 13 October 2020 asking Council to reconsider their Seal Extension Policy for Matakana Island.
- As a result of a decision relating to the Tirohanga Road seal extension at the Performance and Monitoring Committee Meeting on 2 February 2021, Mr R Rolleston was informed that the extension would be progressed. In response, residents of the area had submitted a petition suggesting options and alternatives in delivering the seal extension on Matakana Island.
- The main request was for Council to re-consider the criteria and potentially move some of the Tirohanga Road investment down on to Matakana Point Road, effectively swapping/taking off 800 metres off the end of Tirohanga Road and putting it down on Matakana Point Road. Doing this would mean that other pieces of the unsealed road would sit uncompleted.
- The recommendation, at this time, was to place the project on hold and arrange to meet with the residents of the two Roads in question, to inform them of Council's Policy and why it was planned to fully seal Tirohanga Road as opposed to Matakana Point Road. It would also be an opportunity to discuss the options of whether or not there was support for delaying or changing the delivery and obtaining feedback from the residents.

Staff responded to questions as follows:

- The Deputy CEO clarified that, in terms of rankings, if the two roads were split, the part that was left out at the top of Tirohanga Road would be at the top of Council's next program.
- Council had a 'Stock Policy' where farmers were required to maintain their entranceways and stock crossings. Some adhered to this, but others did not, which created extra work for Council.
- Council did a count of the unsealed roads every year. The last three counts were taken as an average, which was a 'floating average' over time. Anything that was outside the standard deviation was not used, for example, Kiwifruit picking season where there was a lot more traffic.

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**RESOLUTION PM21-2.9**

Moved: Mayor G Webber

Seconded: Deputy Mayor J Scrimgeour

1. That the Transportation Manager's report dated 16 March 2021 titled 'Tirohanga Road Sealing' be received.
  2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
  3. That the Committee notes the Tirohanga Road Sealing Project is on hold.
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- 
4. That a meeting is held with the residents of Matakana Island to discuss the issues raised in the petition dated 11 February 2021.

**CARRIED**

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## **9.6 ROAD CONTROLLING AUTHORITIES (RCA) REPORT - 2019/2020 WESTERN BAY OF PLENTY DISTRICT COUNCIL**

The Committee considered a report dated 16 March 2021 from the Transportation Manager. The report was taken as read.

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### **RESOLUTION PM21-2.10**

Moved: Cr M Grainger

Seconded: Cr M Murray-Benge

That the Transportation Manager's report dated 16 March 2021 titled 'Road Controlling Authorities (RCA) Report - 2019/2020 Western Bay of Plenty District Council' be received.

**CARRIED**

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## **9.7 ŌMOKOROA CYCLEWAY SAFETY REPORT**

The Committee considered a report dated 16 March 2021 from the Transportation Manager. The report was taken as read.

Staff responded to questions as follows:

- The Deputy CEO advised that Council was going through the process of fixing minor issues along the cycleway. However, there were issues with Te Puna Road, Borell Road and Snodgrass Road that they were addressing. Placing cones around entranceways was a more economical option for some of the issues.
- The project section from the Bridge into Bethlehem had been transferred to TCC.
- Council would implement improvements at certain places, monitor and then assess the area. The more minor issues would be attended to first. The Committee supported this approach.
- Creating visibility around driveways was the responsibility of the driveway owners.
- The 'shared path' standard width was now three metres. Not all areas had pathways this width.

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### **RESOLUTION PM21-2.11**

Moved: Cr M Murray-Benge

Seconded: Cr A Henry

1. That the Transportation Manager's report dated 16 March 2021 titled 'Ōmokoroa Cycleway Safety Report' be received.
  2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
  3. That staff investigate the options and costs required to address the variable path width along Borell Road.
  4. That Council addresses the key entranceways along the cycle path and advise the owners what they are able to do as far as signage is concerned.
  5. That staff monitor the Ōmokoroa to Tauranga Cycleway safety concerns raised by the safety audit team concerning the path along Borell Road.
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**CARRIED**

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## **9.8 TWO MILE CREEK BANK PROTECTION WORKS**

The Committee considered a report dated 16 March 2021 from the Utilities Manager. The report was taken as read.

Staff responded to questions as follows:

- The new proposed contract had reduced the cost of the works by \$1 million.
- Council needed to inform the property owners of the new design and finalise getting the remaining owners to sign off on the works. A meeting would be scheduled with owners at Waihi Beach.
- Bay of Plenty Regional Council (BOPRC) was being consulted around the new design.
- The Contract needed to be finalised with Brian Perry Civil (Engineering).
- Under their current Resource Consent, Council could not enter the stream from June through to November. As a result of this, the works process would be spread over two years.

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### **RESOLUTION PM21-2.12**

Moved: Cr J Denyer

Seconded: Cr A Henry

1. That the Utilities Manager's report dated 16 March 2021 titled 'Two Mile Creek Bank Protection Works' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council increase the budget for Two Mike Creek Bank Protection Works from \$4,000,000 to \$5,975,000, funded from a transfer from other stormwater projects, in accordance with the attached schedule.
4. That it be noted the construction period for the Two Mile Creek works will be over the 2020/21/22/23 financial years, subject to resolving land entry agreements.

**CARRIED**

Cr Thwaites voted against the recommendations.

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## **9.9 KERBSIDE COLLECTION IMPLEMENTATION**

The Committee considered a report dated 16 March 2021 from the Utilities Manager who spoke to a power point presentation summarising the following points:

- Service Connections;
- Cost for Recycling Kerbside Collection Service;
- Other Customers;
- Private Roads;
- Map of Outlets – Eastern/Western;
- Top six customer questions;
- Communication;
- Website;
- Collection Day Map (Provisional);
- Roads that had been added either by public demand or missed on database;
- Collection area future draft policy to extend collection;

- Multi-dwelling properties;
- WBOPDC municipal truck build programme update and fleet profile;
- Implementation plan;
- What the team were working on;
- Next Steps;
- Calendar Year (continue with collections as scheduled on public holidays);
- Central Government announcement; and
- No. 5 Plastics – in or out?

Staff responded to questions as follows:

- Residents needed to be informed about 'No. 5 plastics' and a decision needed to be made whether or not to include this type of plastic in the recycling process.
- Council staff were continuously working on refining the processes being set for the pick up of rubbish/waste, especially regarding disadvantaged residents.
- Council was considering the use of smaller Contractors to cover private roads.

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### RESOLUTION PM21-2.13

Moved: Cr A Henry

Seconded: Cr M Murray-Benge

That the Utilities Manager's report dated 16 March 2021 titled 'Kerbside Collection Implementation' be received.

**CARRIED**

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12:45pm The meeting adjourned.  
1:10pm The meeting reconvened.

### 9.10 OPERATIONAL RISK REPORT MARCH 2021

The Committee considered a report dated 16 March 2021 from the Deputy Chief Executive Officer/ Group Manager Infrastructure Services (Deputy CEO), who along with the Transportation Manager, spoke to a power point presentation noting the following:

- Possible options for Beach Road;
- No. 1 Road Traffic Management;
- Waiari Water Main – No. 1 Road;
- Seal Extension prioritisation (to note was that the new priority list being developed in accordance with Policy was due for the 27 April 2020 meeting);
- Mountain Road update; and

1:20pm Cr Gray entered the meeting.

- Maketu Road Cycleway.

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### CHANGE TO ORDER OF BUSINESS

The Chairperson requested that the next item of business be confidential item 11.4: 'Property Acquisition – 109 Clarke Road' in order to allow four Committee members to be released from the meeting.

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**RESOLUTION PM21-2.14**

Moved: Cr M Grainger

Seconded: Cr M Dean

That confidential agenda item 11.4 'Property Acquisition – 109 Clarke Road' be the next item of business in order to allow four Committee members to be released from the meeting.

**CARRIED**

**RESOLUTION PM21-2.15**

Moved: Cr G Dally

Seconded: Cr J Denyer

1:25pm

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>11.1 - 'Property Acquisition – 109 Clarke Road'</b>	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information  s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>11.2 - Council Contracts Awarded Or Renegotiated For The Months Of November 2020 - January 2021</b>	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>11.3 - Operational Risk Report March 2021 Confidential</b>	s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

<b>11.4 - Te Puna - Proposed Reserve Acquisition</b>	s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities  s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
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**CARRIED**

## **MINUTES RESUMED IN OPEN SESSION AT 1:51PM**

### **PRESENT**

Cr D Thwaites (Chairperson), Mayor G Webber, Cr G Dally, Cr M Dean, Cr J Denyer, Cr M Grainger, Cr M Gray, Cr A Henry, Cr M Murray-Benge and Deputy Mayor J Scrimgeour

### **IN ATTENDANCE**

M Taris (Chief Executive Officer), G Allis (Deputy CEO/Group Manager Infrastructure Services), J Pedersen (Group Manager People and Customer Services), K Perumal (Group Manager Finance and Technology Services), R Davie (Group Manager Policy Planning and Regulatory Services), G Payne (Strategic Advisor), J Paterson (Transportation Manager), K Hill (Utilities Manager), P Watson (Reserves and Facilities Manager), and C Irvin (Senior Governance Advisor).

### **9.10 Operational Risk Report March 2021 continued:**

The Deputy CEO spoke to a power point presentation noting the following:

- Eastern Comprehensive Water Take Consent;
- 3 Waters CIP – Key Updates;
- Omokoroa Road Urbanisation

1:55pm Mayor Webber, Cr Scrimgeour, Cr Gray and Cr Henry withdrew from the meeting.

- Precious Reserve Golf Course Stormwater Bund;
- Waihi Beach Trig Lookout to Dam Loop Trail;
- Te Puke to Rangiuru Business Park shared path; and
- Omokoroa to Pahoia cycleway connection.

### **RESOLUTION PM21-2.16**

Moved: Cr M Grainger

Seconded: Cr G Dally

That the Deputy Chief Executive's Report dated 16 March 2021 titled 'Operational Risk Report March 2021' be received.

**CARRIED**

**The Meeting closed at 2.05pm.**

**Confirmed as a true and correct record by Council on 8 April 2021.**

unconfirmed

## 10 REPORTS

### 10.1 RECOMMENDATORY REPORT FROM PERFORMANCE AND MONITORING COMMITTEE - TWO MILE CREEK BANK PROTECTION WORKS

**File Number:** A4027719

**Author:** Gary Allis, Deputy Chief Executive

**Authoriser:** Miriam Taris, Chief Executive Officer

#### EXECUTIVE SUMMARY

Council is required to consider the recommendations and resolve accordingly. The following options are available to Council and where appropriate the preferred option has been recommended.

Please note the following is a recommendation only. The Council may resolve to:

1. Adopt as recommended
2. To modify
3. Refer to another Committee
4. To decline (giving reasons) and refer back to the Performance and Monitoring Committee.

#### RECOMMENDATION

1. That Council increases the budget for Two Mike Creek Bank Protection Works from \$4,000,000 to \$5,975,000, funded from a transfer from other stormwater projects, in accordance with the attached schedule.
2. That it be noted the construction period for the Two Mile Creek works will be over the 2020/21/22/23 financial years, subject to resolving land entry agreements.
3. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.

#### RECOMMENDATION FROM THE PERFORMANCE AND MONITORING COMMITTEE ON 16 MARCH 2021

##### Remit No. PM21-2.12 TWO MIKE CREEK BANK PROTECTION WORKS

Moved: Cr J Denyer

Seconded: Cr A Henry

1. That the Utilities Manager's report dated 16 March 2021 titled 'Two Mile Creek Bank Protection Works' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council increase the budget for Two Mike Creek Bank Protection Works from \$4,000,000 to \$5,975,000, funded from a transfer from other stormwater projects, in accordance with the attached schedule.
4. That it be noted the construction period for the Two Mile Creek works will be over the 2020/21/22/23 financial years, subject to resolving land entry agreements.

#### STAFF COMMENTS

Staff support the recommendation in accordance with the report titled 'Two Mike Creek Bank Protection Works' as considered by the Performance and Monitoring Committee on 19 March 2021.

**10.2 RECOMMENDATORY REPORT FROM AUDIT AND RISK COMMITTEE - REPAYMENT OF DEBT MATURITY****File Number: A4025806****Author: David Jensen, Senior Financial Planner****Authoriser: Barbara Whitton, Customer Services and Governance Manager****EXECUTIVE SUMMARY**

Council is required to consider the recommendations and resolve accordingly. The following options are available to Council and where appropriate the preferred option has been recommended.

Please note the following is a recommendation only. The Council may resolve to:

- a. Adopt as recommended
- b. To modify
- c. Refer to another Committee
- d. To decline (giving reasons) and refer back to the Audit and Risk Committee.

**RECOMMENDATION**

1. That Council repay the \$20 million debt maturity payable to the Local Government Funding Agency Limited on 15 April 2021 from Council's cash balance.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.

**RECOMMENDATION FROM THE AUDIT AND RISK COMMITTEE ON 19 MARCH 2021****Remit No. AR21-1.5: REPAYMENT OF DEBT MATURITY****W**

Moved: Cr M Grainger

Seconded: Cr J Denyer

**RECOMMENDATION**

1. That the Senior Financial Planner's report dated 19 March 2021 titled 'Repayment of Debt Maturity' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the Committee recommend to Council that the \$20 million debt maturity payable to the Local Government Funding Agency Limited on 15 April 2021 be repaid from Council's cash balance.

**OR**

4. That the Committee recommend to Council that the \$20 million debt maturity payable to the local government funding agency limited on 15 April 2021 be refinanced.

**STAFF COMMENTS**

Staff support the recommendation in accordance with the report titled 'Repayment of Debt Maturity' as considered by the Performance and Monitoring Committee on 19 March 2021.

**10.3 BOPLASS LTD HALF YEARLY REPORT TO SHAREHOLDERS 2020-2021 (PERIOD ENDED 31 DECEMBER 2020) AND DRAFT STATEMENT OF INTENT 2021-2024****File Number: A4003980****Author: David Jensen, Senior Financial Planner****Authoriser: Kumaren Perumal, Group Manager Finance and Technology Services****EXECUTIVE SUMMARY**

Council is required to receive the Bay of Plenty Local Authority Shared Services Limited (BOPLASS) Half Yearly report to Shareholders 2020-2021 (period ended 31 December 2020) and requested to receive and comment on, if applicable, the draft Statement of Intent 2021-2024.

**RECOMMENDATION**

1. That the Senior Financial Planner's report dated 8 April 2021 titled 'BOPLASS Limited Half Yearly Report to Shareholders 2020-2021 (Period Ended 31 December 2020) and Draft Statement of Intent 2021-2024' be received.
2. That the BOPLASS Limited Half Yearly Report to Shareholders 2020-2021 (Period Ended 31 December 2020) and Draft Statement of Intent 2021-2024 relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the BOPLASS Limited Half Yearly Report to Shareholders 2020-2021 (Period Ended 31 December 2020) be received.
4. That the BOPLASS Limited Draft Statement of Intent 2021-2024 be received.
5. That the Board of BOPLASS Limited be advised of any comments on their Draft Statement of Intent 2021-2024.

**BACKGROUND**

1. Bay of Plenty Local Authority Shared Services Limited (BOPLASS) is designated a council-controlled organisation under the Local Government Act 2002. The company was formally established in January 2008 by the nine local authorities in the Bay of Plenty and Gisborne regions to foster collaboration between councils in the delivery of services, particularly back office or support services.

**BOPLASS Limited Half Yearly Report to Shareholders 2020-2021 (Period ended 31 December 2020)**

2. Under Section 66 of the Local Government Act 2002, within two months after the end of the first half of each financial year, the Board of a council-controlled organisation must deliver to the shareholders a report on the organisation's operations during that half year. The report is required to provide information against the objectives set out in the Statement of Intent 2020-2023. Please refer **Attachment 1**.

**SIGNIFICANCE AND ENGAGEMENT****BOPLASS Limited Draft Statement of Intent 2021-2024**

3. As a council-controlled organisation BOPLASS Ltd is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent. The company is governed by a Board of Directors, being the Chief Executives of the constituent local authorities. The Board also includes an independent Director, appointed with specific skills to add incremental value and appointed by the Board for a term of 12 months.
4. Under Schedule of 8 (9) of the Local Government Act 2002 the Board of a council-controlled organisation must deliver to its shareholders a draft Statement of Intent on or before 1 March



each year. Please see **Attachment 2**. The Board must consider any comments on the draft Statement of Intent that are made to it within two months of 1 March 2021 by the shareholders.

5. Following the two months allowed for submissions, the Directors of BOPLASS will consider any submissions made by Shareholders and approve a final Statement of Intent by 30 June 2021.
6. Council is therefore required to receive and comment on, if applicable, the draft Statement of Intent 2021-2024.
7. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy in order to guide decision on approaches of engagement and degree of options analysis. In making this formal assessment it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
8. In terms of the Significance and Engagement Policy, this decision is considered to be of low significance because it is a statutory requirement for council-controlled organisations to deliver to the Shareholders a report on the organisations operations. Receiving the Statement of Intent from a council-controlled organisation for shareholders comment is statutory, therefore the effect on ratepayers is low.

### ENGAGEMENT, CONSULTATION AND COMMUNICATION

Interested/Affected Parties	Completed/Planned Engagement/Consultation/Communication		
The Board of BOPLASS Limited	Any comments on BOPLASS Limited's draft Statement of Intent 2021-2024 must be received by the Board for its consideration within two months of 1 March 2021.	Planned	
The Shareholders of BOPLASS Limited	Shareholders are invited to provide comment and feedback on the draft Statement of Intent 2021-2024 within two months of 1 March 2020.		

### ISSUES AND OPTIONS ASSESSMENT

THAT the Board of BOPLASS Limited be advised of the following comments on the BOPLASS draft Statement of Intent 2021-2024 within two months of 1 March 2021:	
Reasons why no options are available Section 79 (2) (c) and (3) Local Government Act 2002	Legislative or other reference
The Board of a council-controlled organisation must deliver to its Shareholders a draft Statement of Intent on or before 1 March each year.	Schedule 8 (Statement of Intent) of the Local Government Act 2002 refers.



### STATUTORY COMPLIANCE

9. This report and its recommendations comply with the relevant legislation.

**FUNDING/BUDGET IMPLICATIONS**

Budget Funding Information	Relevant Detail
	The recommendations in this report have no budgetary or funding implications.

**ATTACHMENTS**

1. BOPLASS Ltd Half Yearly Report 2020-2021 (Period Ended 31 December 2020) [↓](#) 
2. BOPLASS Ltd Statement of Intent 2021-2024 Approved Draft [↓](#) 



# HALF YEARLY REPORT TO SHAREHOLDERS



Period ended 31 December 2020

**“COUNCILS PARTNERING FOR VALUE AND SERVICE”**



## BOPLASS Chair's Report

It is with pleasure the Directors present their 2020/2021 Half Yearly Report to Shareholders demonstrating the considerable contribution the company makes to collaboration between councils.

The MahiTahi LG Collaboration Portal has continued to add national value in Local Government through providing an easily accessible platform for the sharing of council and project information across a wide audience of councils. This has helped lead towards improved visibility of inter-regional opportunities for collaboration and the sharing of information. Early this year the Regional Council National Alliance Group began migrating to the MahiTahi Collaboration Portal and this will deliver further opportunities for collaboration within specific focus groups. In addition to the national growth, the Portal remains a valuable tool for BOPLASS councils project advisory groups to progress initiatives and share learnings.

With BOPLASS now managing a number of established procurement contracts on behalf of the councils, the Board continues to place importance upon reviewing, renewing or replacing these contracts to ensure appointed vendors remain competitive and continued best value is returned to our shareholding councils.

The significant changes within the global insurance markets brought about by COVID-19, and a record level of natural disaster claims, created a situation where a steadfast focus was required by BOPLASS to actively promote our councils into the markets and ensure quality data was provided to insurers and underwriters. BOPLASS has been extremely successful in this endeavour, with all councils' insurance programmes renewed earlier this year on favourable terms and at competitive rates.

In late 2020, BOPLASS ran a regional tender for aerial imagery which has provided very good outcomes for the councils – both in cost savings and quality and standard of the imagery. While financial benefits were achieved by all councils in the capture and processing of imagery, managing a single tender itself provided significant resource savings to the participating councils.

BOPLASS remains focussed on championing the most effective procurement practices for its councils. As an example of this, BOPLASS was actively involved in submitting to MBIE on the proposed changes to the All of Government (AoG) procurement rules that have the potential to have a significant impact on Local Government entities.

Additional information about current projects is available in the attached report.

We thank staff from the participating councils and acknowledge the support we have received from them.

Yours faithfully

A handwritten signature in blue ink, appearing to read 'Craig O'Connell', with a stylized flourish at the end.

Craig O'Connell

**Chair**



**BOPLASS Ltd**  
"COUNCILS PARTNERING FOR VALUE AND SERVICE"

# HALF YEARLY REPORT TO SHAREHOLDERS

17 FEBRUARY 2021

## 1 INTRODUCTION

The Local Government Act 2002 requires that the Directors deliver to the Shareholders a report within two months of the end of the first six months of the financial year. The report is required to provide information against the objectives set out in the Statement of Intent. The following report records the objectives of the company and reports on performance against a table of specific performance requirements set out in the Statement of Intent.

## 2 OBJECTIVES OF BOPLASS LTD

The company exists to provide councils in the Bay of Plenty and Gisborne regions with an umbrella vehicle to investigate, procure, develop and deliver shared services.

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

These will be achieved primarily through:

### **JOINT PROCUREMENT**

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

### **SHARED SERVICES**

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

## 3 GOVERNANCE

In the year to date the governance structure has remained stable with no changes to the Board of Directors or Shareholder Representatives.

## 4 NATURE AND SCOPE OF ACTIVITIES

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

- *Use joint procurement to add value to goods and services sourced for its constituent councils.*
- *Facilitate shared services that benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value.*
- *Pursue best practice in the management of all activities to obtain best value and minimise risk.*
- *Demonstrate fiduciary responsibility by ensuring that its activities are adequately funded from savings achieved, levies, council contributions, or Government funding where available.*
- *Allow other councils or organisations to participate in its activities where this will benefit its constituent councils directly or indirectly.*
- *Represent the collective views of its shareholders in matters with which it is associated.*

## 5 FUTURE DEVELOPMENTS

BOPLASS Ltd will continue to work on business cases for joint procurement and shared services that may be provided in the region or cross-regionally.

The Board has adjusted its strategy to ensure that BOPLASS is focused on continuing to deliver savings and value to councils through new and existing joint procurement initiatives.

Current feasibility studies for joint procurement and shared services cover but are not limited to:

- *GIS;*
- *ICT strategy and services;*
- *Joint software support;*
- *High speed fibre network services;*
- *Digitalisation Services;*
- *Accounts payable processing;*
- *Collaboration Portal;*
- *Archive services;*
- *Health and safety;*
- *Radio-telephony;*
- *IT datacentre/hosting;*
- *Regional waste facilities strategy;*
- *Diversion of putrescible waste from landfill;*
- *Waste collections licensing and data;*
- *Insurance valuations;*
- *Robotic Process Automation.*



Other collaborative opportunities may be progressed after the Board has considered individual business cases and formally agreed to take on and deliver (or host/procure etc.) the project.

Joint procurement opportunities will continue to be identified and developed with individual councils engaging under the opt-in principle established by the Board. Joint procurement initiatives will be considered by the Board and/or its advisory groups where there is demonstrated support from two or more member councils.

The Board supports BOPLASS continuing to develop collaboration opportunities outside of the regional boundaries. BOPLASS will continue to proactively explore opportunities to partner with other Local Authorities and shared services organisations within New Zealand where they are developing, or considering developing, cost effective shared services and products that are of value to the Bay of Plenty and Gisborne councils.

BOPLASS development of the Collaboration Portal for the sharing of information on joint procurement or shared services opportunities within the constituent councils identified a number of duplicate projects across councils that present an opportunity for further collaboration. The BOPLASS Collaboration Portal is now used by other LASS, councils and local government organisations and provides an opportunity to assist with the identification and management of inter-regional collaboration opportunities. BOPLASS will continue to develop the Collaboration Portal and make it available to the wider local government community.

The BOPLASS Operations Committee will continue to manage responsibility for regular monitoring and governance of operational aspects of BOPLASS projects, allowing the Board to primarily focus on supporting the strategic development of the organisation. The committee members will also be responsible for identifying additional BOPLASS projects that add value to the shareholding councils and advocating these projects within their respective councils.

## 6 PERFORMANCE TARGETS

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

- Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.
- Investigate new joint procurement initiatives for goods and services for BOPLASS councils.
- Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.
- Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.
- Communicate with each shareholding council at appropriate levels.
- Ensure current funding model is appropriate.

The Board believes that all targets are being achieved or are on-track to be achieved, as is demonstrated by the following list of current initiatives.

## 7 CURRENT INITIATIVES

The following initiatives have been under consideration or operating during the first part of the year:

### HIGHLIGHTS

- E-Plan Development – BOPLASS councils are required to move current operative plans to an online environment by 2023. BOPLASS is reviewing current providers to explore collaborative options and opportunities to leverage a collective group rate.
- GIS Regional Technical Support – The majority of core GIS software used within councils is now procured through collective BOPLASS agreements. However, there are a variety of support models in place with most support currently being provided on an ad-hoc basis. BOPLASS is investigating the opportunity to negotiate a discounted enterprise support agreement covering all councils and providing an improved model for sharing of information and learnings across the GIS teams.
- Aerial Imagery – BOPLASS has managed a collective regional tender for orthophotography with aerial capture being undertaken during the summer of 2020-21. The tender received strong competitive interest with the awarded contract providing substantial savings and efficiencies for all participating councils.
- BOPLASS LiDAR – LiDAR capture is being undertaken under a separate contract to the aerial imagery but during an overlapping period. This contract is being managed by BOPLASS and completed with assistance from the Provincial Growth Fund.
- Video Conference Services – BOPLASS has continued to develop Zoom and meeting room video conference services across the councils. While these services proved invaluable during lockdown, there has been continued growth and usage. Further work is being undertaken to ensure participating councils continue to have a reliable and secure service.
- AoG Submission – MBIE recently undertook public consultation on extending the Government's Procurement Rules to local government entities. BOPLASS worked with other LASS, councils and SOLGM to review the MBIE proposal and submit feedback to ensure efficient procurement can continue to be undertaken by BOPLASS councils.
- Inter-Council Network review and redesign – A tender is being undertaken to complete a review of vendors and configuration of services to further reduce costs for the high-speed inter-council network.
- Print Media Copyright Agency (PMCA) – A collective contract providing savings for all BOPLASS councils has been renewed with PMCA for councils' print and media copyright services.
- GIS Software and Services – A number of key contracts for councils' geospatial software have been reviewed and renewed through collective BOPLASS agreements.
- Driver Training – BOPLASS is investigating options for appointing a preferred provider for driver training services.
- Cross-Regional Licencing of Waste Operators and Waste Data Collection – this project is being undertaken in conjunction with the Waikato group of councils. Initial scoping has been completed and the project team is now developing options for the establishment of an entity to collectively manage licensed operators and data collection across the BOPLASS and Waikato regions. The project includes engagement with the Ministry for the Environment and WasteMINZ to ensure that the proposed approach is aligned with national strategies.



- Contractor and Employee H&S Inductions – A project is underway to develop a common platform and standard for the development and management of H&S inductions – for both staff and contractor purposes. In addition to the financial savings, a common platform would also provide an opportunity for the single development of modules that could be used across multiple councils.
- Media Monitoring Service – BOPLASS continues to manage a collective media monitoring service with Isentia that automatically monitors and reports on broadcast, print and social media based upon council requirements. The single BOPLASS portal provides substantial savings to councils while also providing a significant reduction in internal resource requirements. This service has proven to be invaluable for councils during the pandemic.
- Health and Safety Advisory Group – The BOPLASS and Waikato LASS Health and Safety groups are collectively developing policies and protocols, significantly reducing the resources required by individual councils and helping ensure common standards and best practice are established across the greater region.
- Treasury/Finance staff – BOPLASS co-ordinated presentations and workshops with senior NZ economists to better inform councils on the financial impact of COVID-19 on local communities and the national economy.
- GIS Technical Group – A GIS Technical Group has been established to facilitate sharing of information and skills at a practitioner level within BOPLASS councils.
- Infrastructure Insurance – Councils infrastructure insurance was renewed in late 2020 through direct placements into the London markets – with very good outcomes achieved for all councils. Due to an unprecedented level of international natural disaster claims, markets have become extremely cautious about the risk they are prepared to write. The high standard of the information being provided by BOPLASS councils and our historical relationships with the international markets have proven to be a strength for us at renewal time.
- Insurance Workshops – Market Changes – As the insurance markets become more difficult and more expensive to access, there is a need for councils to review the types of cover they purchase, the levels of cover, and the levels of deductibles. BOPLASS is engaging with our insurance brokers to develop workshops for key council staff that will become more involved in these decisions as global insurance markets continue to harden.
- Insurance Risk Loss Modelling – A project has been undertaken to review and update councils' loss modelling and loss limits to ensure appropriate insurance levels are in place for infrastructure, material damage and business interruption cover.
- Insurance Valuations – A collective project to complete reviews of councils' asset valuation processes is underway to ensure a consistent and accurate valuation methodology is used across all councils. This is essential in securing competitively priced insurance and for maintaining full coverage.
- MahiTahi Collaboration Portal – The Collaboration Portal continues to support opportunities for collaboration between New Zealand local government organisations. Membership and the number of projects has continued to grow. BOPLASS is currently assisting the regional council national alliance group to migrate their collaboration platform onto the MahiTahi Collaboration Portal.
- Inter-LASS collaboration – A number of procurement projects are underway covering multiple LASS and benefitting from the increased volumes. Collaboration across the regions is driving greater efficiencies within projects under consideration by more than one LASS and allows the projects to be better resourced.

- Communication – BOPLASS continues to regularly engage with our constituent councils, senior management and shareholders to ensure opportunities continue to be developed to the benefit of all stakeholders.
- Viability of Current Funding Model – The sources of BOPLASS funding and the viability of the funding model are regularly reviewed with financial reporting provided to the BOPLASS Board.

## 8 FINANCIAL REPORTS

### 8.1 Financial Support and Accounting Services

Accountancy services and support continue to be provided by Tauranga City Council.

### 8.2 Accounting Policies

The company is compliant with the accounting policies stated in the Statement of Intent.

### 8.3 Tier 2 PBE Accounting Standards Applied

The financial accounts are prepared with application of Tier 2 accounting standards.

### 8.4 Financial Reports

Financial Reports for the period to 31 December 2020 are attached.

### 8.5 Variations

Included are the service-related payments for services accessed by councils.

The organisation is operating within budget and has achieved a reasonable revenue stream for the first half of the year.

The organisation carries an operating deficit due to the prior year's adjustment for Tax Payable and Receivable.

Aerial photography revenue and expenditure remain lower than budget due to delays in the initial flying of LiDAR capture and incremental cost savings made with the 2020 aerial imagery tender.

Collaboration Portal revenue will increase as additional councils are on-boarded in the following six months.

Variances with Project Recoveries revenue and expenditure are due to project and invoice timing.

## 9 STAFFING, ACCOMMODATION AND SUPPORT

### Staff

Staffing levels are unchanged with a part-time administrator continuing to provide additional project support and management of existing activities.

### Accommodation and Support

We continue to appreciate the office space provided at Tauranga City Council and the support that is offered for IT and Accounting services. Although there is a monthly fee there is still a contribution in kind.

<b>BOP LASS LTD</b> <b>STATEMENT OF COMPREHENSIVE INCOME</b> <b>FOR THE MONTH ENDED 31 DECEMBER 2020</b>				
	Actual YTD	Budget YTD	Total Budget	YTD Variance
<b>REVENUE</b>				
<b>Revenue - Core</b>	<b>139,172</b>	<b>137,255</b>	<b>274,510</b>	<b>1,917</b>
Bank Interest Received	48	498	1,000	-450
Council Contribution	139,124	136,757	273,510	2,367
Sales of Service	0	0	0	0
<b>Revenue - Projects</b>	<b>768,150</b>	<b>1,364,250</b>	<b>1,533,000</b>	<b>-596,100</b>
Bank Interest Received	2,066	8,250	16,500	-6,184
Aerial Photography Income	116,659	600,000	600,000	-486,341
Collaboration Portal	31,200	75,000	75,000	-43,800
Lease Income - ICN	65,211	67,500	135,000	-2,289
Lease Income - Video Confer.	47,912	30,500	30,500	17,412
Recoveries	501,758	580,000	670,000	-78,242
Rebates	6,345	3,000	6,000	3,345
<b>Total Operating Revenue</b>	<b>907,322</b>	<b>1,501,505</b>	<b>1,807,510</b>	<b>-594,183</b>
<b>EXPENSES</b>				
<b>Expenditure - Core</b>	<b>201,811</b>	<b>186,530</b>	<b>383,650</b>	<b>15,281</b>
ACC	559	1,000	1,000	-441
Accommodation & Travel	745	1,500	1,500	-755
Accounting & Audit	2,649	17,500	17,500	-14,851
Administration	7,161	7,650	15,300	-489
Amortisation	2,208	4,004	8,000	-1,796
Bank Fees	132	202	400	-70
Conferences	0	1,004	2,000	-1,004
Depreciation	153	326	650	-173
Directors Costs	8,928	9,000	18,000	-72
Fringe Benefit Tax	1,436	3,500	7,000	-2,064
General & Catering Expenses	615	1,004	2,000	-389
Health & Safety	14	1,000	1,000	-986
Insurance	9,453	9,000	9,000	453
Interest Paid – TCC Loan	0	500	500	-500
Legal	0	2,000	2,000	-2,000
Salaries	138,647	114,540	285,000	24,107
Salaries – Projects Opex	-11,020	-12,000	-12,000	981
Staff Support Costs	9,973	16,500	16,500	-6,527
Staff Training Costs	7,522	2,000	2,000	-5,522
Subscriptions	1,616	1,000	1,000	616
Tax Advice	500	5,300	5,300	-4,800
Tax Expense – Prior Years	20,521	0	0	20,521
<b>Expenditure – Projects</b>	<b>723,578</b>	<b>1,299,308</b>	<b>1,423,860</b>	<b>-575,730</b>
Aerial Photography Expense	113,659	600,000	600,000	-486,341
Collaboration Portal Opex	10,420	26,150	26,150	-15,730
Lease Expense - ICN	57,628	64,548	129,100	-6,920
Lease Expense – Video Confer.	44,484	28,610	28,610	-15,874
Projects - Recoveries	497,387	580,000	640,000	-82,613
<b>Total Operating Expenditure</b>	<b>925,388</b>	<b>1,485,838</b>	<b>1,807,510</b>	<b>-560,450</b>
<b>Operational Surplus / (Deficit) before Tax</b>	<b>-18,067</b>	<b>15,667</b>	<b>0</b>	<b>-33,734</b>

See 8.5 for variances

BOP LASS LTD STATEMENT OF FINANCIAL POSITION AS OF DECEMBER 2020	
	Actual YTD
<b>Current Assets</b>	
Cheque Account	\$118,468
Trust A/c Aerial Photography	\$498,292
Term Deposit – #1	\$300,000
Term Deposit – #2	\$250,000
Term Deposit – #3	\$250,000
Trade Debtors	\$89,034
Accrued Revenue	\$108,988
Tax Payable (Tax Receivable)	\$9,777
Prepayments	\$0
<b>Total Current Assets</b>	<b>\$1,624,559</b>
<b>Non-current assets</b>	
Intangible - Computer Software	\$79,175
Amortisation	(\$64,489)
Computer Equip at cost	\$3,995
Computer Equip depreciation	(\$3,289)
Office equip at cost	\$0
Office equip depreciation	\$0
<b>Total Non-current assets</b>	<b>\$15,393</b>
<b>TOTAL ASSETS</b>	<b>\$1,639,952</b>
<b>Current Liabilities</b>	
Trade Creditors	\$53,626
Accrued Expenses	\$20,321
GST Collected, Paid, Payments/refunds	\$2,695
Retentions	0
Accrued Salaries and Wages	\$6,200
Accrued Leave Entitlements	\$23,398
PAYE Accruals Payable	\$8,297
Income in Advance	\$1,508,586
TCC Loan	\$0
<b>Total Current Liabilities</b>	<b>\$1,623,122</b>
<b>TOTAL LIABILITIES</b>	<b>\$1,623,122</b>
<b>NET ASSETS</b>	<b>\$16,830</b>
<b>Equity</b>	
Current Year Earnings	(\$18,067)
Retained Earnings	(\$69,146)
Share capital	\$99,002
<b>TOTAL EQUITY</b>	<b>\$11,789</b>



# STATEMENT OF INTENT FOR 2021-2024



June 2021

**“COUNCILS PARTNERING FOR VALUE AND SERVICE”**

## 1. Introduction

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

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

## 2. Background

The councils that operate within the Bay of Plenty and Gisborne Regions have formed a Council Controlled Organisation (CCO) to investigate, develop and deliver Joint Procurement and Shared Services projects where delivery is more effective for any combination of some or all of the councils.

Benefits that can be achieved through collaboration are:

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

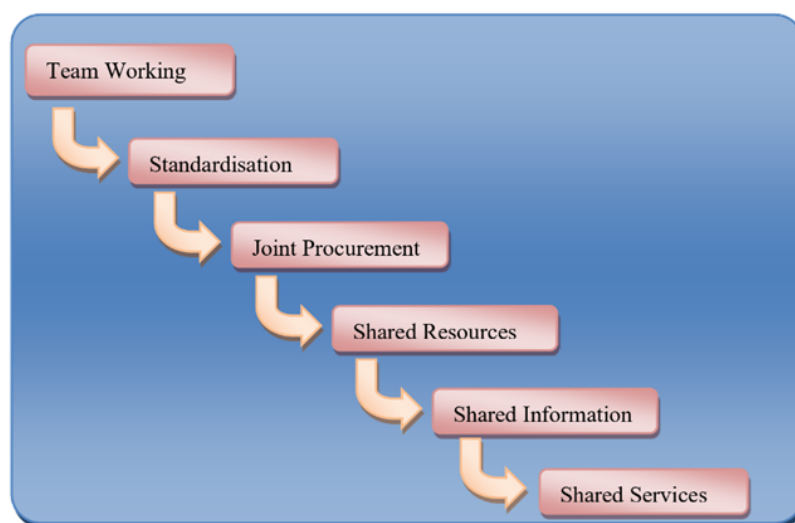
These benefits and opportunities can apply to all councils irrespective of location or size.

Business processes, information architectures and functional tools differ in each council to varying degrees. The BOPLASS strategies facilitate a journey of progressive development using the approach identified in the BOPLASS Strategy and Action Plan to:

- enhance the capability to collaborate;
- encourage the elimination of barriers to collaborative action; and
- identify services that deliver viable business cases.



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



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

Examples of Joint Procurement and collaborative projects are:

- Infrastructure Insurance
- Collective Training
- Aerial Imagery and LiDAR
- Provincial Growth Fund Co-funding for LiDAR Capture
- Standardised Community Engagement App
- Lone Worker Field Solutions
- Robotic Process Automation
- Accounts Payable Automation Software
- Print Media Licencing
- Insurance Valuations
- Contractor Online Inductions
- Health and Safety Management Software
- Radio Telephony (RT) Strategy
- Solid Waste Management
- Insurance Forums
- Health and Safety Inter-Council Audits
- Asbestos Protocols
- Sustainable Public Procurement
- Health and Safety Benchmarking
- Video Conferencing Services
- Council Library and Cloud Services
- Inter-Council Network (ICN) Review, Redesign and Renegotiation
- Debt Collections
- Collaboration Portal
- Capital Construction and Civil Works Projects
- Fortigate Firewall Services
- Wireless WAN
- Inter-LASS Collaboration
- Human Resources Information Systems

### 3. Our Vision

#### **“COUNCILS PARTNERING FOR VALUE AND SERVICE”**

### 4. Objectives of BOPLASS Ltd

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

These will be achieved primarily through:

#### **Joint Procurement**

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

#### **Shared Services**

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

### 5. Nature and Scope of Activities

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

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



## 6. Governance

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

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

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

Shareholder	Appointed Director
Bay of Plenty Regional Council	Fiona McTavish
Gisborne District Council	Nedine Thatcher Swann
Kawerau District Council	Russell George
Opotiki District Council	Aileen Lawrie
Rotorua Lakes Council	Geoff Williams
Taupo District Council	Gareth Green
Tauranga City Council	Marty Grenfell
Western Bay of Plenty District Council	Miriam Taris
Whakatane District Council	Stephanie O'Sullivan
<b>Independent Director and Chair</b>	Craig O'Connell

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

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

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

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

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

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

## **7. Future Developments**

The company recognises the importance of remaining adaptive in what is a complex and changing working environment. BOPLASS continues to look at new opportunities or alternative approaches to progressing projects that benefit our shareholding councils.

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

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

Joint Procurement initiatives will be considered by the Board and/or its advisory groups where there is demonstrated support from two or more member councils, with councils participating on an opt-in basis.

The Board will be looking for commitment from councils to participate in collaborative services and to provide a lead in the identification and management of opportunities and projects.

BOPLASS will also proactively explore opportunities to partner with other local authorities and Shared Services organisations within NZ where they are either developing or considering developing cost effective services or Joint Procurement initiatives involving products or services that are of value to the BOPLASS councils. The Board recognise the significant savings BOPLASS has provided to member councils through joint procurement and has tasked BOPLASS with leading inter-regional joint procurement initiatives that will provide benefit to all parties through an aggregated approach.

The Collaboration Portal, established by BOPLASS for the sharing of information on Shared Services or Joint Procurement opportunities, has been made available to the

wider local government community to provide better visibility of common projects and to encourage further cross-regional collaboration. BOPLASS will continue to market the benefits of inter-region collaboration and assist other councils through providing support and access to the Collaboration Portal.

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

The Board recognise that the drive for change and/or collaboration in some key areas of council business will often be led by other groups, e.g. three waters reform, RMA changes. Although BOPLASS may not be leading these specific projects, the organisation may be considered as one of the vehicles available to assist with managing collective regional outputs from these projects.

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

Although BOPLASS has continued to deliver significant benefits and savings in the placement of councils' insurance, there is recognition that cost-effective placements and coverage are becoming more challenging to achieve as a result of the hardening global insurance market. Working closely with other LASS, opportunities for sharing specialised internal resource to ensure we remain positioned at the forefront of the industry will be investigated. This will assist with ensuring that capability, risk profiling and valuation data across all participating councils will be to the necessary standard to continue to attract a competitive range of underwriters and insurers.

## **8. Stakeholder Engagement**

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

- Regular engagement at project, management and governance level;
- Including councils' short, medium and long-term goals within BOPLASS planning;
- Using quality information from councils to guide our decision-making;
- Identifying and developing services that directly benefit councils and/or their communities;
- Monitoring councils' future plans and remaining agile to change to include these aspirations in our own planning;
- Ensuring Operation Committee members include regular communication about individual council LTP developments to assist BOPLASS with aligning with councils' strategic direction;
- Regularly communicating to ensure stakeholders are aware of what we are doing and why we are doing it;
- Involving councils in our decision-making and planning.

## 9. Performance Targets

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

Target	How	Measure
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Manage and/or renegotiate existing contracts.	Contracts reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration. (Current identified projects are listed in Appendix B.)	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
Further develop and extend the Collaboration Portal for access to, and sharing of, project information and opportunities from other councils and the greater Local Government community to increase breadth of BOPLASS collaboration.	Increase usage of the Collaboration Portal by providing support and training material for new and existing users. Proactively market the benefits to councils.	Number of listed projects to increase by 5% per year. Number of active users to increase by 10% per year.
Communicate with each shareholding council at appropriate levels.	Meeting with members of Executive Leadership Team.	At least one meeting per year.
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

## 10. Balance Sheet Ratios

The Local Government Act 2002 Schedule 8 (9) requires the SOI to include the projected ratio of shareholders' funds to total assets within the Forecast Statement of Financial Position. As at 30 June 2020 the consolidated Shareholder funds comprised \$29,856 and the total assets were \$1,384,644. The resulting ratio is 2.16%.

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

## 11. Accounting Policies

### 11.1 Statement of Accounting Principles

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

### 11.2 IPSAS Accounting Standards

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

### 11.3 Measurement Basis

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

### 11.4 Specific Accounting Principles

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

- Accounts Receivable are stated at their expected realisable value after writing off any known bad debts and providing for doubtful debts.
- Investments are valued at the prevailing market value.
- Fixed assets are recorded at cost, less accumulated depreciation.
- Any liability for overseas funding of equipment, systems or services is based on the prevailing exchange rate as at balance date.
- Where intangible assets are purchased, such as intellectual property, these are capitalised and written off on a straight line basis over their expected life, but no greater than four years.
- All assets are depreciated over their expected useful lives. Depreciation is provided on a diminishing value basis over the estimated useful life, at the same rate as is allowed by the Income Tax Act 1994.

- It is not envisaged that the Company will hold inventories, other than those that might relate to providing information services to a number of parties. They will be valued at net realisable value.
- Taxation will be provided as required in line with relevant legislation.
- In accordance with the Public Audit Act 2001 and the Local Government Act 2002, the office of the Auditor General will be responsible for the audit of the Company's financial statements.

## **12. Distributions to Shareholders**

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

## **13. Information to be Provided to Shareholders**

The Company will deliver the following statements to shareholders:

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

## **14. Procedures for the Purchase and Acquisition of Shares**

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

## **15. Activities for Which the Board Seeks Compensation**

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

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

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

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

## **16. Value of Shareholder's Investment**

The Directors estimate that, at this stage, BOPLASS Ltd has limited commercial value. As each shareholder's investment in BOPLASS Ltd is less than \$20,000, the Board believe that fairly represents the value of their investment. The Directors will reassess the value of this shareholding on or about the 1st of March each year.

## **17. Financial Forecasts**

The Forecast Financial Statements for the years 2021-2024 are included (Appendix A).

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

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

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

## Appendix A

SOI Forecast 2021/24	Budget 2020/21	Forecast 2021/22	Forecast 2022/2023	Forecast 2023/2024
<b>REVENUE</b>				
<b>Revenue - Core</b>	<b>274,510</b>	<b>306,339</b>	<b>313,992</b>	<b>321,837</b>
Bank Interest Received	1,000	200	200	200
Council Contribution	273,510	306,139	313,792	321,637
<b>Revenue - Projects</b>	<b>1,533,000</b>	<b>1,199,000</b>	<b>1,511,500</b>	<b>1,211,000</b>
Aerial Photography Income	600,000	300,000	600,000	300,000
Bank Interest Received	16,500	6,000	4,000	4,000
Collaboration Portal	75,000	45,000	50,000	55,000
Lease Income - ICN	135,000	135,000	130,000	125,000
Lease Income - Video Confer.	30,500	30,500	25,000	25,000
Rebates	6,000	2,500	2,500	2,000
Recoveries	670,000	680,000	700,000	700,000
<b>Total Operating Revenue</b>	<b>1,807,510</b>	<b>1,505,339</b>	<b>1,825,492</b>	<b>1,532,837</b>
<b>EXPENSES</b>				
<b>Expenditure - Core</b>	<b>383,650</b>	<b>374,950</b>	<b>385,070</b>	<b>396,453</b>
ACC	1,000	800	850	900
Accommodation & Travel	1,500	2,000	2,100	2,200
Accounting & Audit	17,500	20,700	21,300	22,000
Administration	15,300	17,300	17,500	18,000
Amortisation	8,000	5,000	7,700	8,700
Bank Fees	400	200	200	200
Conferences	2,000	2,000	2,100	2,200
Depreciation	650	650	650	650
Directors costs	18,000	21,000	21,000	23,000
Fringe Benefit Tax	7,000	3,500	4,000	4,000
General & Catering	2,000	2,000	2,200	2,400
Health and Safety	1,000	1,000	1,000	1,000
Insurance	9,000	9,500	10,500	12,000
Interest Paid - TCC Loan	500	500	500	500
Legal	2,000	2,000	2,000	2,000
Salaries	285,000	278,000	282,170	286,403
Salaries - C'Portal Opex	-12,000	-16,500	-16,500	-17,000
Staff Support Costs	16,500	17,000	17,500	18,500
Staff Training Costs	2,000	2,000	2,000	2,500
Subscriptions	1,000	1,000	1,000	1,000
Tax Advice	5,300	5,300	5,300	5,300
<b>Expenditure - Projects</b>	<b>1,423,860</b>	<b>1,130,389</b>	<b>1,440,422</b>	<b>1,136,384</b>
Aerial Photography Expense	600,000	300,000	600,000	300,000
Collaboration Portal Opex	26,150	26,119	27,122	27,884
Lease Expense - ICN	129,100	129,600	124,800	120,000
Lease Expense - Video Confer.	28,610	28,670	23,500	23,500
Projects - Recoveries	640,000	646,000	665,000	665,000
<b>Total Operating Expenditure</b>	<b>1,807,510</b>	<b>1,505,339</b>	<b>1,825,492</b>	<b>1,532,837</b>
<b>Operational Surplus/ (Deficit) before Tax</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>



## Appendix B

### Completed Joint Procurement Projects

Requiring ongoing management for performance, renewal or replacement:

- Collective Geospatial training
- Aerial Imagery
- Provincial Growth Fund co-funding for LiDAR Capture
- Antenno community engagement app
- Insurance Valuations
- Contractor online inductions
- Eastern BOP Electricity
- Health and Safety Management Software
- Solid Waste Management
- Insurance Forums
- Asbestos protocols
- Sustainable Public Procurement
- Health and Safety Benchmarking
- Council Library and cloud services
- Inter-Council Network (ICN) review, redesign and renegotiation
- Debt Collections
- Collaboration Portal
- Capital Construction and Civil Works Projects
- Inter-LASS collaboration
- Spark Fortigate Firewall Services
- Evolution Networks Wireless WAN
- Office supplies
- Banking
- Postal services
- Courier services
- Fuel
- Advertising services
- Travel and accommodation services
- Air travel
- Insurance brokerage
- Risk management
- N3/GSB
- GIS software
- Health insurance
- Security services
- Antivirus software
- Video conferencing
- Above ground asset insurance
- GPS vehicle tracking
- Archaeological services
- Telephony – voice, data, mobile
- Reprographic – printers/copiers
- Media monitoring services
- EFTPOS services
- Historical imagery digitisation
- Online services
- Internal audit services
- Health and safety training services
- Risk management workshops
- Infrastructure Insurance
- Collective H&S training
- EMA membership
- Environmental insurance
- Print Media Copyright Services
- Health and Safety software
- Tender Facilitation
- Regional LiDAR Capture
- Standards NZ
- Accounts Payable Automation Software
- FME Server
- Human Resources Information Systems

## Appendix B

### Identified Joint Procurement Projects

- Civil works contracts
- Civil works materials
- Infrastructure valuation services
- High volume print
- Electronic document management
- Archives
- Document storage
- Document scanning
- Agenda management software
- ICT security policies
- Business continuity
- IT applications
- Property valuation services
- Telephony platform
- Chemicals
- Digital signatures
- Recruitment/candidate management
- Surveys and research
- Media distribution services
- CD emergency notifications
- Fleet purchasing
- Push wireless
- Fleet management
- Community communication systems
- Lone worker field solutions
- LiDAR acquisition – PGF
- Drug & alcohol testing
- Electronic agenda and minute management
- Occupational health
- Health & Safety training

### Collaborative Projects

Managed by BOPLASS or by one or more constituent councils:

- IT hosting / IaaS
- Shared datacentre
- Internal audit services
- GIS web services
- Shared licence server
- Contractor H&S prequalification
- Radio telephony strategy
- Collaboration Portal
- After hours call management
- Archive service
- Debt management
- Health and safety auditing
- Inter-council network (ICN)
- Smart cities
- Section 17A reviews
- Video conferencing
- GIS imagery data storage
- Historic aerial imagery
- Sustainable procurement
- Diversion of putrescible waste from landfill
- Civil works projects marketing
- Robotics processing automation
- Civil Defence Emergency Management
- Insurance Valuations
- Inter-LASS collaboration
- Regional waste operator licensing and data collection
- Zoom licencing and group plan

## Appendix B

### Projects for Consideration

- Rates Collection
- Geospatial services
- Joint software support
- Asset Management
- Web services
- Payroll
- Consents Processing
- CCTV monitoring
- Information Services
- HR Information Systems
- Electronic Document and Records Management System
- Business continuity planning
- Infrastructure development codes
- Solid waste regional facilities strategy
- Building consents
- Regional Civil Defence
- Document digitisation
- Capital Expenditure projects
- Project management office
- Windscreen replacement
- Driver training
- Staff engagement survey systems
- Contractor online inductions
- Centralised insurance resource

## 10.4 LOCAL GOVERNMENT FUNDING AGENCY LIMITED (LGFA) DRAFT STATEMENT OF INTENT 2021-2022 AND HALF YEAR REPORT 31 DECEMBER 2020

**File Number:** A4022643

**Author:** David Jensen, Senior Financial Planner

**Authoriser:** Kumaren Perumal, Group Manager Finance and Technology Services

### EXECUTIVE SUMMARY

1. Council is required to receive Local Government Funding Agency Limited's (LGFA) Half Yearly Report to Shareholders and requested to receive and comment on, if applicable, the draft Statement of Intent.

### RECOMMENDATION

1. That the Senior Financial Planner's report dated 8 April 2021 titled 'Local Government Funding Agency Limited Draft Statement of Intent 2021-2022 and Half Year Report 31 December 2020' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the Local Government Funding Agency Limited's Half Year Report to Shareholders 31 December 2020 (**Attachment 1**) be received.
4. That the Local Government Funding Agency Limited's Draft Statement of Intent 2021-2022 and accompanying cover letter (**Attachment 2**) be received.
5. That the Board of the Local Government Funding Agency Limited be advised of any comments on their Draft Statement of Intent 2021-2022 within two months from 1 March 2021.

### BACKGROUND

2. The Local Government Funding Agency Limited (LGFA) is designated a council-controlled organisation under the Local Government Act 2002. The company was incorporated on 1 December 2011. As a council-controlled organisation, the LGFA is a separate legal entity from Council and is responsible for delivery of services in accordance with an agreed Statement of Intent.

### LGFA Half Year Report to Shareholders – 31 December 2020

3. Under Section 66 of the Local Government Act 2002, within two months after the end of the first half of each financial year, the board of a council-controlled organisation must deliver to the shareholders a report on the organisation's operations during that half year. Please see (**Attachment 1**).
4. The LGFA Chair of the Board of Directors is pleased to report another period of positive financial and non-financial performance by the company for the six-month period to 31 December 2020. While net interest income increased 2.9% over the 2019-20 comparable period, net operating profit decreased by 2.5% for the same comparable period due to the lower interest rate environment. It was however, ahead of the Statement of Intent forecast due to the early refinancing of Council loans maturing in May 2021 and a higher level of new Council borrowing. Expenses have been managed under budget the past six months. As at 31 December 2020, the LGFA has signalled that it has met eight out of the ten performance targets. Further detail on the company's performance targets is provided from page 12 of the Half Yearly Report.

### LGFA Draft Statement of Intent 2021-22

5. Under Schedule of 8 of the Local Government Act 2002 the board of a council-controlled trading organisation must deliver to its shareholders a draft statement of intent on or before 1 March each year. Please see **(Attachment 2)** with accompanying letter.
6. The Board must consider any comments on the draft statement of intent that are made to it within two months of 1 March by the shareholders or by any of them and deliver the completed statement of intent to the shareholders on or before 30 June each year.
7. The LGFA Shareholders' Council has reviewed the company's 2021-2022 draft Statement of Intent and set out its expectations **(Attachment 3)** of the company for the year ahead along with its support for the content of the document.
8. Council is therefore requested to receive and comment on, if applicable, the draft Statement of Intent 2021-2022.

### SIGNIFICANCE AND ENGAGEMENT

9. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.

The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.

In terms of the Significance and Engagement Policy this decision is considered to be of low significance because it is a statutory requirement for council-controlled organisations to deliver to the shareholders a report on the organisations operations. Receiving the Statement of Intent from a Council Controlled Organisation (CCO) for shareholders' comment is statutory, therefore the effect on ratepayers is low.

### ENGAGEMENT, CONSULTATION AND COMMUNICATION

Interested/Affected Parties	Completed/Planned Engagement/Consultation/Communication		
The Board of the Local Government Funding Agency Ltd	Any comments on the LGFA Ltd's draft Statement of Intent 2021-2022 must be received by the Board for its consideration within two months from 1 March 2021.	Planned	
Shareholders of the Local Government Funding Agency Ltd	Shareholders are invited to provide comment and feedback on the draft Statement of Intent 2021/2022 within two months from 1 March 2021.		

### ISSUES AND OPTIONS ASSESSMENT

THAT the Board of the Local Government Funding Agency Ltd be advised of the following comments on the Local Government Funding Agency Ltd Draft Statement of Intent 2021/2022 within two months from 1 March 2021	
Reasons why no options are available Section 79 (2) (c) and (3) Local Government Act 2002	Legislative or other reference
Section 66 of the Local Government Act 2002 requires Council to receive and provide comment on a CCO Statement of Intent	




**STATUTORY COMPLIANCE**

10. This report and its recommendations comply with the relevant legislation

**FUNDING/BUDGET IMPLICATIONS**

Budget Funding Information	Relevant Detail
	The recommendations in this report have no budgetary or funding implications.

**ATTACHMENTS**

1. LGFA Half Year Report 31 December 2020 [!\[\]\(d328bb1c8b293dce97ce8ae48fe06a23\_img.jpg\)](#) 
2. LGFA 2021-22 Draft Statement of Intent [!\[\]\(6c3f3105811ec6ad9c7c82c1ac88875f\_img.jpg\)](#) 
3. LGFA Shareholder Expectations and Statement of Intent 2021-2022 - Letter form Alan Adcock [!\[\]\(a018cbc70ca4f8300f04774122af480d\_img.jpg\)](#) 

# Financing New Zealand councils' infrastructure investment


**Te tuku pūtea  
ki te haumitanga  
hanganga kaunihera  
o Aotearoa**

Half Year Report

31 December 2020



NEW ZEALAND LOCAL  
GOVERNMENT FUNDING AGENCY  
TE PŪTEA KĀWANATANGA Ā-ROHE



*Ma te huruhuru ka rere te manu* is a traditional saying literally meaning 'birds need feathers to fly'.

Its wider meaning is that 'investment is needed for success'.



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# Message from the Chair and Chief Executive

## He karere mai i te Toihau me te Tumuaki

**for the six-months ended  
31 December 2020**

*“LGFA continues to meet the challenges of COVID-19 while providing cost effective financing solutions for its growing council membership base and offering New Zealand dollar fixed income investors a choice of high-grade investment maturities”*

We are pleased to highlight another period of positive financial and non-financial performance by the company for the six-month period to 31 December 2020.

### **Strong Financial and Operational Performance**

LGFA total interest income for the six-month period of \$190.38 million was a 2.9% increase over the 2019-20 comparable period result of \$185.10 million while net operating profit of \$5.92 million was a 2.5% decrease on the 2019-20 comparable period result of \$6.10 million.



Craig Stobo, Board Chair



Mark Butcher, Chief Executive

While operating profit was lower than the prior period due to the lower interest rate environment, it was ahead of the Statement of Intent (SOI) forecast due to the early refinancing of council loans maturing in May 2021 and a higher level of new council borrowing.

Expenses have been managed under budget over the past six months. In terms of composition, lower fees paid on the NZDM facility, and lower Approved Issuer Levy payments were somewhat offset by higher legal and NZX costs from higher than forecast lending and bond issuance activities.

LGFA bonds continue to be an attractive investment for investors while LGFA has also delivered savings in borrowing costs, extended the tenor of lending available by four years and rolled out the provision of standby facilities to council members.

The financial strength of LGFA was reaffirmed by Fitch Ratings who maintained our domestic currency credit rating at 'AA+' in November 2020 and our 'AA+' rating from S&P Global Ratings remains on positive outlook, both of which are the same as the New Zealand Government.

### Borrowing activity

LGFA issued a record \$1.90 billion of bonds over the past six months and just eclipsed the prior six-month record of \$1.80 billion. Nominal outstandings of LGFA bonds total \$13.71 billion (including \$950 million of treasury stock) across ten maturities from 2021 to 2037. The debut of a new April 2037 bond maturity by syndication of \$500 million in July 2020 was another successful issue and the bond tenders were well supported by market participants.

LGFA is the largest issuer of New Zealand dollar securities after the New Zealand Government and our bonds are amongst the largest and most liquid New Zealand dollar debt instruments available for investors. We have seen a shift in investor composition over the past six months as offshore investors have become less attracted to the lower yielding NZD fixed income asset class while domestic banks and investors have increased their nominal holdings based on the outlook for lower interest rates and lack of supply of other high-grade bonds. The Reserve Bank has continued to support the domestic capital markets through the purchase of LGFA bonds in the Large-Scale Asset Purchase Programme and hold \$1.79 billion or 14% of our bonds outstanding as at 31 December 2020. Our offshore investors hold 21.6% of LGFA bonds on issue while NZ Institutional and retail investors hold 29.7% and domestic banks hold 34.6%

The performance of LGFA bonds over the past six months has been pleasing with LGFA bond spreads to both swap and New Zealand Government Bonds (NZGB) tighter on positive credit market sentiment as well as investors seeking additional yield in what is a low interest-rate environment. Outright yields on LGFA bonds have declined modestly over the past six months by between 2 basis points (bps) (0.02%) on the 2022 maturity and 12 bps (0.12%) on the 2027 maturity. It was another period of volatility with the 2027 LGFA bond yield trading in a 60 bps (0.60%) range over the six-month period, trading to a low of 0.49% in early November before rising to 0.87% on 31 December 2020.

LGFA continues to issue short-dated LGFA Bills ranging in maturities from three months to 12 months through a combination of monthly tenders and private placements. As at 31 December 2020, outstandings under the programme were \$612.5 million. These instruments provide a source of funding for short-dated lending to our council borrowers and assist LGFA with liquidity management.

### Lending to the sector

LGFA was established in December 2011 to provide long-dated borrowing, certainty of access to markets and to reduce the borrowing costs for the local government sector. Over the past six months, we added four new members with South Waikato, Waitaki and Central Otago District Councils joining as guarantors and Kawerau District Council joining as a non-guarantor. Total membership of 71 councils is very pleasing and this is expected to increase slightly in the coming six months as several councils are partly through the joining process.

Long-dated lending over the six-month period was \$1.74 billion with the lending activity a mix of new borrowing and the refinancing of council loans due to mature on 15 May 2021. The average tenor of borrowing by councils at 7.1 years was longer than the average term of borrowing of 5.4 years over the 12-month period to June 2020.

Short-dated lending for terms less than 12 months has been well supported by councils and, as at 31 December 2020, LGFA had \$343.4 million of short-term loans outstanding to 26 councils.

The underlying credit quality of the sector continues to remain very strong with all member councils remaining compliant with the LGFA lending covenants.



### The impact from COVID-19 on the sector and LGFA

The local government sector has felt the impact from COVID-19, albeit there has been a divergence of the severity of impact amongst councils. Councils have in general experienced a reduction in revenue from fees and charges and reduced income from their investment portfolios. It has also been difficult for many councils to implement planned rate increases given the financial impact from COVID-19 on some ratepayers within the community. Meanwhile there has been a need to continue, if not increase, capital expenditure on infrastructure.

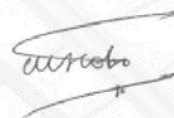
LGFA responded by increasing the Net Debt / Total Revenue covenant for councils with a long-term credit rating of 'A' equivalent or higher from 1 July 2020. This will assist councils with greater financial flexibility through the COVID-19 economic recovery phase as well as reflecting the strong financial position of the sector. We have also introduced standby facilities for councils as an alternative to sourcing from banks. We have also extended the term of the LGFA bond curve from 2033 to 2037 and in doing so can now offer longer borrowing terms for councils. In line with the legislative change to extend statutory reporting

deadlines by two months due to COVID-19, we allowed councils an extension to provide their compliance certificates to LGFA. All have provided their certificates, and all remain compliant with our financial covenants.

While COVID-19 has restricted travel, we were able to hold our annual shareholder-borrower day for council members and held events to update investors on the proposed water industry reform.

### Acknowledgments

On behalf of the Board we are pleased to be part of the continued success of this organisation and wish to thank our council shareholders, guarantors and borrowers as well as the Reserve Bank of New Zealand, NZ Debt Management, our financial intermediaries, investors and staff for their continued support.



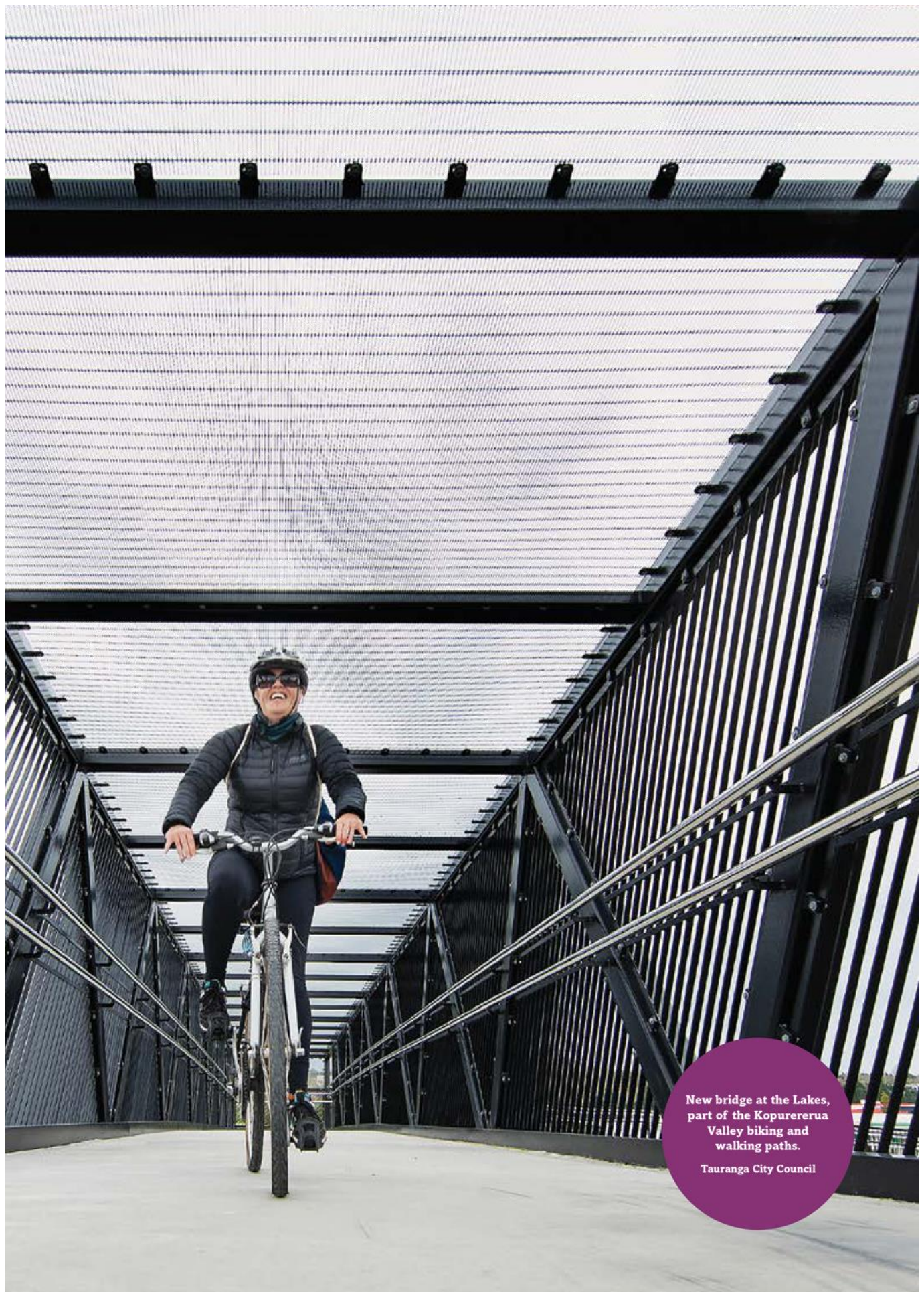
**Craig Stobo**  
Chair, LGFA Board



**Mark Butcher**  
Chief Executive







New bridge at the Lakes,  
part of the Kopurererua  
Valley biking and  
walking paths.

Tauranga City Council



# Performance against objectives Ko ngā whakatutukinga ki ngā whāinga

The statement of service performance details LGFA's performance for the first half of the year against the objectives and targets set out in the LGFA Statement of Intent 2020-21 (SOI)

## 2020-21 performance objectives

The SOI sets out two primary performance objectives and seven additional objectives for the year ended 30 June 2021.

### Primary objectives

LGFA will optimise the debt funding terms and conditions for Participating Borrowers. Among other things, this includes:

- Providing interest cost savings relative to alternative sources of financing;
- Offering flexible short and long-term lending products that meet Participating Borrowers' borrowing requirements;
- Delivering operational best practice and efficiency for its lending services;
- Ensuring certainty of access to debt markets, subject always to operating in accordance with sound business practice.

LGFA will ensure its asset book remains at a high standard by ensuring it understands each Participating Borrower's financial position, as well as general issues confronting the Local Government sector. Amongst other things, LGFA will:

- Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies;
- Analyse finances at the Council group level where appropriate and report to shareholders;
- Endeavour to visit each Participating Borrower annually, including meeting with elected officials as required, or if requested; and
- Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.

## Additional objectives

LGFA has the following seven measurable and achievable additional objectives which complement the primary objective. Performance against these objectives is reported annually.

LGFA will:

- Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.
- Provide at least 85% of aggregate long-term debt funding to the Local Government sector.
- Achieve the financial forecasts for net interest income and operating expenses, including provision for a shareholder dividend payment in accordance with approved dividend policy.
- Meet or exceed the Performance Targets.
- Comply with the Health and Safety at Work Act 2015.
- Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.
- Assist the local government sector with their COVID-19 response.

## Performance against primary objectives

This section sets out LGFA's performance for the six months ended 31 December 2020 against the two primary objectives set out in the 2020-21 SOI.

**LGFA will optimise the debt funding terms and conditions for Participating Borrowers. Among other things, this includes:**

***Providing interest cost savings relative to alternative sources of financing;***

LGFA continues to borrow at very competitive spreads compared to Sovereign, Supranational and Agencies (SSA) issuers who borrow in the New Zealand debt capital markets, the domestic banks and our closest domestic peer issuer Kainga Ora. The benefits are greater the longer the term of financing.

In the latest stakeholder survey result in August 2020, respondents recorded a 99% satisfaction result to the questions "How would you rate LGFA in adding value to your borrowing requirements?" and "How satisfied are you in general as a borrower?"

***Offering flexible short and long-term lending products that meet Participating Borrowers' borrowing requirements;***

Both short and long-term borrowing has been well supported by member councils. Over the six-month period to 31 December 2020:

- there were 37 new short-term loans transacted with loan terms ranging between one month and 12 months. As at 31 December 2020, \$343 million of short-term loans were outstanding to 26 councils.
- 46 councils borrowed \$1,738 million in 137 new long-term loans, across 169 maturity dates ranging between 2021 and 2037.

In July 2020, LGFA issued a new April 2037 bond providing councils with the opportunity to extend their long term borrowing if desired. The average borrowing term by councils (excluding short-dated borrowing) was 7.22 years for the September quarter and 6.77 years for the December quarter, with both quarters exceeding the average term of 5.42 years for the year to June 2020.

In December 2020, LGFA launched the Standby Facility Agreement as a new product that will help reduce overall financing costs for councils and we entered into the first agreement with a council for a \$100 million facility.

***Delivering operational best practice and efficiency for its lending services;***

Over the six months, LGFA operations successfully processed 2,900 financial payments and 2,386 financial receipts without settlement error.

In the latest stakeholder survey result in August 2020, respondents recorded a 94% satisfaction result to the question "How satisfied are you with the settlement process?"

***Ensuring certainty of access to debt markets, subject always to operating in accordance with sound business practice.***

For LGFA to provide certainty of access to markets for our council borrowers we need to have a vibrant primary and secondary market in LGFA bonds. The primary market is the new issuance market and we measure strength with participation by investors at our tenders through bid-coverage ratios and successful issuance yield ranges. The secondary market is the trading of LGFA bonds following issuance and a healthy market implies high turnover.

Over the six months, LGFA issued \$1.9 billion in bonds, through five tenders and a syndication, as well as \$612.5 million bills through six tenders and private



placements. LGFA uses proceeds from LGFA bills and LGFA bond issuances to fund lending to councils and invests the balance in our liquid asset portfolio.

We estimated secondary market turnover across all maturities in LGFA bonds of \$3.9 billion in the six month period. This compares favourably to turnover of \$3.7 billion in the prior corresponding period.

LGFA documented an Australian Medium-Term Notes Programme in November 2017. We have no immediate intention to use this programme, but it provides flexibility if there is a market disrupting event in the future.

***LGFA will ensure its asset book remains at a high standard by ensuring it understands each Participating Borrower's financial position, as well as general issues confronting the Local Government sector. Amongst other things, LGFA will:***

***Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies;***

LGFA reviews all councils' financial statements on an annual basis and the agendas and management reports on an ongoing basis for all councils on the LGFA borrower watch-list.

We have received compliance certificates from all Participating Borrowers, and all remain compliant as at 30 June 2020. There are seven councils who, due to COVID-19 delays in finalising the audit process, have provided outcomes based on unaudited financial statements. LGFA has reviewed these financial statements and are comfortable with them.

***Analyse finances at the Council group level where appropriate and report to shareholders;***

No council has yet to request to LGFA that they be measured on a group basis.

***Endeavour to visit each Participating Borrower annually, including meeting with elected officials as required, or if requested; and***

Following the lifting of COVID-19 travel restrictions, LGFA commenced council visits again in the later months of 2020. We met with 22 councils over the six months and that number will increase in the second half of the current financial year.

***Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.***

Over the six months, LGFA management met with representatives from Reserve Bank of New Zealand, Department of Internal Affairs, Office of

the Auditor General, SOLGM, the New Zealand Debt Management section of the Treasury (NZDM) and members of the Three Waters Reform Group. We held investor conference calls for investors and banks relating to bond issuance and provided updates on the impact on the local government sector from COVID-19 and the proposed water industry reforms.

In our 2020 Annual Report, LGFA outlined our commitment to develop lending products to assist councils finance projects that promote environmental and social wellbeing. LGFA is committed to exploring opportunities in Green, Social and Sustainable lending and we are actively progressing development in this area, with the objective of launching inaugural Green, Social and Sustainable lending products.

LGFA continues to assist the sector and the advisers in finding ways for LGFA to play a supporting role in providing solutions to off balance sheet financing for councils and are currently providing technical input into the Cameron Partners Ratepayer Financing Scheme.

## Additional objectives

***LGFA has the following seven measurable and achievable additional objectives which complement the primary objective. Performance against these objectives is reported annually. LGFA will:***

***Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.***

LGFA has an annual review process regarding our credit ratings from Standard and Poor's and Fitch Ratings and meets with both agencies at least annually. Formal review meetings were last held in November 2019 with S&P and in October 2020 with Fitch.

- **Standard and Poor's (S&P).** On 28 February 2020, S&P affirmed our long-term local currency credit rating (AA+) and our long-term foreign currency credit rating (AA). Both ratings remain on positive outlook and the same as the New Zealand Government.
- **Fitch Ratings (Fitch).** On 4 November 2020, Fitch affirmed our long-term local currency credit rating as AA+ and classified LGFA as a corporate mission, government-related entity (GRE) under its GRE rating criteria. Fitch equalises our ratings with those of the New Zealand Government. Our foreign currency credit rating of AA remains on positive outlook.



***Provide at least 85% of aggregate long-term debt funding to the Local Government sector.***

LGFA's estimated market share of 82% for the rolling twelve-month period to 31 December 2020 and our market share is strong compared to our global peers.<sup>1</sup>

Over the six months, four new councils became members of LGFA, lifting total participating members to 71 as at 31 December 2020. South Waikato District Council, Waitaki and Central Otago District Councils joined as guarantors and Kawerau District Council joined as a non-guarantor.

***Achieve the financial forecasts for net interest income and operating expenses, including provision for a shareholder dividend payment in accordance with approved dividend policy.***

Net interest income (NII) over the six months, on an unaudited basis, was \$609k above budget while expenses were \$30k below budget. The six-month net operating profit of \$5.918 million was \$673k above budget.

Included in the NII is the unrealised mark-to-market movement in fixed rate swaps that are not designated effective for hedge accounting purposes. These swaps reduce exposure to fixed rate loans made outside of the normal tender process and to reduce mismatches between borrowing and on-lending terms in our balance sheet. The unrealised loss increases as interest rates fall but turns to a profit if interest rates rise. Due to a rise in interest rates since June 2020, the year to date revaluation is a profit of \$317k.

Expenses for the six-month period, on an unaudited basis, were \$3.938 million which is \$30k below budget. Key drivers for the variance are:

- **Issuance and on-lending costs** (excluding Approved Issuer Levy) at \$1.4 million were \$14k above budget. A larger amount of bond issuance and short-term lending increased these costs relative to budget, primarily in relation to higher NZX costs and legal costs. These were offset to some extent from lower fees than budgeted relating to the NZDM facility.
- **Operating costs** at \$1.945 million were \$33k below budget due to lower travel and consulting costs offset by higher legal and personnel costs relative to budget.

- **Approved Issuer Levy** (AIL) payments of \$593k were \$11k below budget. We pay AIL on behalf of offshore investors at the time of semi-annual coupon payment and offshore investor holdings are just below our SOI forecasts.

***Comply with the Health and Safety at Work Act 2015.***

LGFA has a Health and Safety Staff Committee and reporting on health and safety issues is made to the LGFA board on a regular basis by the Risk and Compliance Manager. There were no health and safety incidents during the six months.

***Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.***

There were no compliance breaches during the six-month period.

***Assist the local government sector with their COVID -19 response.***

On 30 June 2020, in response to COVID-19, shareholders approved a change to LGFA's Foundation Policy covenants to provide short term relief to councils from any temporary reduction in revenue and to allow councils to co-invest alongside Central Government in infrastructure projects. For the financial year ending 30 June 2021, the net debt/total revenue covenant for borrowers with an external credit rating of at least A+ has been increased from 250% to 300%. In addition to this direct response:

- LGFA continues to provide input into the Ratepayer Financing Scheme project that, if successful, could offer temporary financial relief to ratepayers via rates postponement.
- The new Standby Facility product will provide greater certainty of access to cost-effective standby funding for councils as an alternative to the traditional bank provider.
- LGFA has extended the longest dated borrowing maturity for councils from 2033 to 2037 to enable councils to better match assets with liabilities and to benefit from record lows in interest rates and borrowings spreads.

1. LGFA use the PwC Local Government Debt Report as source data for calculating market share.

***Meet or exceed the Performance Targets.***

As at 31 December 2020, LGFA were meeting eight out of the ten performance targets.

Performance measure	Result to 31 December 2020	Outcome
LGFA net interest income for the period to June 2021 will be greater than \$18.8 million	\$9.85 million	✓
Annual issuance and operating expenses (excluding AIL) will be less than \$6.30 million	\$3.93 million	✓
Total nominal lending (short and long term) to participating councils to be at least \$9.79 billion	\$12,289 million	✓
Conduct an annual survey of councils and achieve 85% satisfaction score as to the value added by LGFA to council borrowing activities	August 2020 survey outcome of 98.8%	✓
Meet all lending requests from participating councils	100%	✓
Achieve 85% market share of all council borrowing in New Zealand <sup>1</sup>	81.8%	✗
Review each participating council's financial position, its headroom under LGFA policies and arrange to meet each council at least annually	22 council visits but behind plan due to COVID travel difficulties	✗
No breaches of Treasury Policy, any regulatory or legislative requirements including H&S	Nil	✓
Successful refinancing of existing loans to councils and LGFA bond maturities as they fall due	100%	✓
Maintain a credit rating equal to the New Zealand Government rating where both entities are rated by the same credit rating entity	AA+/AA+	✓

1. After excluding Auckland Council borrowing, LGFA's share of councils' borrowing in New Zealand was 94.0% at 31 December 2020.



Waikawa flood  
prevention work  
commences.  
Marlborough District  
Council

# Financial statements Nga taukī pūtea



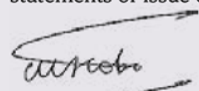
## Statement of comprehensive income

For the six months ended 31 December 2020 in \$000s

	Note	Unaudited six months ended 31 December 2020	Unaudited six months ended 31 December 2019
Interest income			
Cash and cash equivalents		385	216
Marketable securities		1,911	2,072
Deposits		3,493	3,065
Derivatives		107,810	69,933
Loans		76,776	109,786
Fair value hedge ineffectiveness	2	-	-
<b>Total interest income</b>		<b>190,375</b>	<b>185,072</b>
Interest expense			
Bills		1,149	3,521
Bond repurchase transactions		325	257
Lease liability		9	14
Bonds		177,963	169,918
Borrower notes		1,077	1,562
<b>Total interest expense</b>		<b>180,523</b>	<b>175,272</b>
<b>Net interest income</b>		<b>9,852</b>	<b>9,800</b>
Other operating income	3	5	-
<b>Total operating income</b>		<b>9,857</b>	<b>9,800</b>
Operating expenses			
Issuance and on-lending expenses	4	1,993	1,846
Operating expenses	5	1,945	1,851
<b>Total expenses</b>		<b>3,938</b>	<b>3,697</b>
<b>Net operating profit</b>		<b>5,918</b>	<b>6,103</b>
<b>Total comprehensive income</b>		<b>5,918</b>	<b>6,103</b>

These statements are to be read in conjunction with the notes to the financial statements.

The Board of Directors of the New Zealand Local Government Funding Agency Limited authorised these statements or issue on 26 February 2021.



Craig Stobo, Director  
Board Chair



Linda Robertson, Director  
Chair, Audit and Risk Committee

## Statement of changes in equity

For the six months ended 31 December 2020 in \$000s

	Note	Share capital	Retained earnings	Total equity
Equity as at 1 July 2019		25,000	49,149	74,149
Net operating profit			6,103	6,103
Total comprehensive income for the year			6,103	6,103
Transactions with owners			-	-
Dividend paid on 6 September 2019			(1,155)	(1,155)
Unaudited closing balance as at 31 December 2019		25,000	54,097	79,097
Equity as at 1 July 2020		25,000	58,616	83,616
Net operating profit			5,918	5,918
Total comprehensive income for the year			5,918	5,918
Transactions with owners			-	-
Dividend paid on 4 September 2020			(878)	(878)
Unaudited closing balance as at 31 December 2020		25,000	63,656	88,656

These statements are to be read in conjunction with the notes to the financial statements

## Statement of financial position

As at 31 December 2020 in \$000s

	Note	Unaudited as at 31 December 2020	Audited as at 30 June 2020
<b>Assets</b>			
Financial assets			
Receivables		5	-
Cash and bank balances		323,854	165,826
Marketable securities		613,360	589,124
Deposits		640,500	499,824
Derivatives in gain		913,793	1,018,775
Loans	6	12,319,999	10,899,756
Non-financial assets			
Prepayments		963	642
Other assets	11	471	419
<b>Total assets</b>		<b>14,812,945</b>	<b>13,174,365</b>
<b>Equity</b>			
Share capital	13	25,000	25,000
Retained earnings		57,738	58,616
Total comprehensive income for the period		5,918	-
<b>Total equity</b>		<b>88,656</b>	<b>83,616</b>
<b>Liabilities</b>			
Financial liabilities			
Payables and provisions		909	706
Bills	7	612,111	647,021
Bond repurchases	10	36,935	202,755
Derivatives in loss		41,351	19,075
Bonds	8	13,811,478	12,038,468
Borrower notes	9	221,088	182,272
Non-financial liabilities			
Other liabilities		417	453
<b>Total liabilities</b>		<b>14,724,289</b>	<b>13,090,749</b>
<b>Total equity and liabilities</b>		<b>14,812,945</b>	<b>13,174,365</b>

These statements are to be read in conjunction with the notes to the financial statements

## Statement of cash flows

For the six months ended 31 December 2020 in \$000s

	Note	Unaudited six months ended 31 December 2020	Unaudited six months ended 31 December 2019
Cash Flow from Operating Activities			
Cash applied to loans		(1,420,594)	(847,625)
Interest paid on bonds issued		(212,221)	(184,896)
Interest paid on bills issued		(1,149)	(3,498)
Interest paid on borrower notes		(137)	(48)
Interest paid on bond repurchases		(599)	(278)
Interest received from loans		77,156	117,942
Interest received from cash & cash equivalents		377	215
Interest received from marketable securities		5,376	1,711
Interest received from deposits		2,978	1,534
Net interest on derivatives		139,963	75,341
Payments to suppliers and employees		(4,177)	(4,270)
Cash proceeds from provision of standby facilities		5	-
<b>Net cash flow from operating activities</b>	<b>12</b>	<b>(1,413,023)</b>	<b>(843,872)</b>
Cashflow from Investing Activities			
Purchase of marketable securities		(27,701)	3,734
Purchase of deposits		(140,161)	(164,334)
<b>Net Cashflow from Investing Activities</b>		<b>(167,862)</b>	<b>(160,600)</b>
Cashflow from Financing Activities			
Cash proceeds from bonds issued		2,026,534	1,137,733
Cash proceeds from bills issued		(34,910)	(100,489)
Cash proceeds from bond repurchases		(165,546)	(23,570)
Cash proceeds from borrower notes		37,876	10,882
Dividends paid		(878)	(1,155)
Cash applied to derivatives		(124,161)	(29,729)
<b>Net Cashflow from Financing Activities</b>		<b>1,738,914</b>	<b>993,672</b>
<b>Net (Decrease) / Increase in Cash</b>		<b>158,029</b>	<b>(10,800)</b>
Cash, Cash Equivalents and Bank overdraft at beginning of year		165,826	56,198
<b>Cash, Cash Equivalents and Bank overdraft at end of year</b>		<b>323,854</b>	<b>45,398</b>

These statements are to be read in conjunction with the notes to the financial statements



## 1 Statement of accounting policies

### a. Reporting entity

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

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

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

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

These financial statements were authorised for issue by the Directors on 26 February 2021.

### b. Statement of compliance

The interim financial statements are for the six months ended 31 December 2020 and are to be read in conjunction with the annual report for the year ended 30 June 2020.

The financial statements have been prepared in accordance with New Zealand Generally Accepted Accounting Practice (NZ GAAP) and in compliance with NZ IAS 34 Interim Financial Reporting.

### c. Basis of preparation

Accounting judgements, estimates and assumptions

The judgements, estimates and assumptions used to prepare these interim financial statements are consistent with those used at 30 June 2020.

Measurement base

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

The financial statements are prepared on an accrual basis.

Functional and presentation currency

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

Foreign currency conversions

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

Changes in accounting policies

There have no changes to accounting policies.

Early adoption standards and interpretations

LGFA has not early adopted any standards.

Standards not yet adopted

LGFA does not consider any standards or interpretations in issue but not yet effective to have a significant impact on its financial statements.

### d. Financial instruments

Financial assets

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

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

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

At each balance date, an expected credit loss assessment is performed for all financial assets and is calculated as either:

- Credit losses that may arise from default events that are possible within the next 12 months, where no significant increase in credit risk has arisen since acquisition of the asset, or
- Credit losses that may arise from default events that are possible over the expected life of the financial asset, where a significant increase in credit risk has arisen since acquisition of the asset.

Impairment losses on financial assets will ordinarily be recognised on initial recognition as a 12-month expected loss allowance and move to a lifetime expected loss allowance if there is a significant deterioration in credit risk since acquisition.

Financial liabilities

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

#### Derivatives

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

#### Fair value hedge

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

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

### e. Other assets

#### Property, plant and equipment (PPE)

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

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

#### Intangible Assets

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

### f. Other liabilities

#### Employee entitlements

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

### g. Revenue and expenses

#### Revenue

#### Interest income

Interest income is accrued using the effective interest rate method.

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

#### Other operating income

Other operating income is recognised as services are performed and the related performance obligations are fulfilled.

#### Expenses

Expenses are recognised in the period to which they relate.

#### Interest expense

Interest expense is accrued using the effective interest rate method.

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

#### Income tax

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

#### Goods and services tax

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

### h. Segment reporting

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



### i. Judgements and estimations

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

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

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

## 2. Hedge accounting

LGFA is exposed to interest rate risk from fixed rate borrowing and variable rate lending to councils. LGFA uses interest rate swaps to manage this interest rate risk. For hedge accounting purposes, LGFA has designated these swaps in fair value relationships to its fixed rate borrowings and loans.

The following table shows the gain or loss on the hedging instrument and the hedged item attributable to the hedged risk for fair value hedge relationships.

in \$000s	Unaudited gain/(loss) for the six months ended 31 December 2020	Unaudited gain/(loss) for the six months ended 31 December 2019
Hedging instruments – interest rate swaps	635,001	465,184
Hedged items attributable to the hedged risk – fixed rate bonds	(635,001)	(465,184)
<b>Ineffectiveness recognised in profit or loss from fair value hedges</b>	-	-

The gains or losses on the hedging instrument (interest rate swaps) and the hedged item (bonds or loans) are mapped to the same fair value account.

For this reason, the statement of comprehensive income will only report any ineffectiveness arising from the fair value hedge.

## 3. Other operating income

in \$000s	Unaudited six months ended 31 December 2020	Unaudited six months ended 31 December 2019
Standby facilities fee income	5	-
<b>Total other operating income</b>	<b>5</b>	<b>-</b>

#### 4. Issuance and on-lending expenses

Issuance and on-lending expenses are those costs that are incurred as a necessary expense to facilitate the ongoing issuance of LGFA debt securities.

in \$000s	Unaudited six months ended 31 December 2020	Unaudited six months ended 31 December 2019
Rating agency fees	311	301
NZDM facility fee	308	308
Legal fees – issuance	294	223
NZX	340	235
Trustee fees	50	50
Regulatory, registry, other fees	97	79
Approved Issuer Levy <sup>1</sup>	593	650
	<b>1,993</b>	<b>1,846</b>

1. The amount of Approved Issuer Levy is a function of the number of the offshore holders of certain LGFA bond maturities.

#### 5. Operating expenses

Operating expenses are all other expenses that are not classified as issuance and on-lending expenses.

in \$000s	Unaudited six months ended 31 December 2020	Unaudited six months ended 31 December 2019
Information technology	367	358
Consultants	16	52
Directors fees	200	199
Insurance	42	35
Legal fees	95	73
Other expenses	159	192
Auditors' remuneration		
Statutory audit	54	53
Advisory services	-	-
Personnel	1,012	889
	<b>1,945</b>	<b>1,851</b>

## 6. Loans

in \$000s	Unaudited as at 31 December 2020		Audited as at 30 June 2020	
	Short-term loans	Loans	Short-term loans	Loans
Ashburton District Council	20,010	52,250	10,001	32,279
Auckland Council	-	3,215,451	-	2,766,155
Bay of Plenty Regional Council	-	232,150	-	192,077
Buller District Council	-	20,004	-	20,005
Canterbury Regional Council	6,002	64,145	6,002	48,129
Central Hawkes Bay District Council	-	20,108	-	20,107
Christchurch City Council	9,005	2,080,650	25,094	1,904,271
Clutha District Council	2,002	11,036	2,003	7,030
Far North District Council	-	56,714	10,001	46,686
Gisborne District Council	-	73,755	-	58,754
Gore District Council	6,011	23,554	6,004	16,538
Greater Wellington Regional Council	-	450,898	-	425,877
Grey District Council	3,991	15,144	3,967	15,196
Hamilton City Council	-	531,033	-	481,064
Hastings District Council	-	185,368	-	150,335
Hauraki District Council	-	49,104	-	44,102
Hawkes Bay Regional Council	-	8,821	-	2,507
Horizons Regional Council	6,993	37,202	6,987	37,199
Horowhenua District Council	16,003	90,213	16,003	90,618
Hurunui District Council	8,005	33,063	8,005	30,065
Hutt City Council	-	206,491	-	216,523
Invercargill City Council	25,013	78,698	25,013	65,165
Kaikoura District Council	-	5,014	4,007	3,008
Kaipara District Council	-	44,082	-	44,089
Kapiti Coast District Council	-	220,339	-	210,353
Manawatu District Council	11,523	72,687	11,519	65,669
Marlborough District Council	30,222	73,155	27,224	73,157
Masterton District Council	-	55,609	-	51,215
Matamata-Piako District Council	-	33,573	-	26,561
Nelson City Council	-	90,143	-	75,118
New Plymouth District Council	-	185,010	-	139,939
Northland Regional Council	-	14,148	-	9,729
Opotiki District Council	-	8,611	-	8,620
Otorohanga District Council	-	3,029	-	3,035
Palmerston North City Council	-	167,305	-	137,267

in \$000s	Unaudited as at 31 December 2020		Audited as at 30 June 2020	
	Short-term loans	Loans	Short-term loans	Loans
Porirua City Council	-	141,772	-	131,787
Queenstown Lakes District Council	25,025	120,481	20,027	95,525
Rangitikei District Council	-	3,020	-	3,020
Rotorua District Council	2,821	205,105	22,855	195,105
Ruapehu District Council	8,004	17,063	8,005	17,061
Selwyn District Council	-	60,117	-	35,092
South Taranaki District Council	-	107,214	-	101,232
South Waikato District Council	24,966	-	-	22,018
South Wairarapa District Council	-	22,020	-	-
Stratford District Council	-	22,774	-	15,571
Taranaki Regional Council	3,997	-	3,992	-
Tararua District Council	-	45,090	2,006	33,080
Tasman District Council	27,071	177,062	31,143	177,039
Taupo District Council	-	135,178	-	115,177
Tauranga City Council	19,986	566,724	-	526,768
Thames-Coromandel District Council	-	69,150	-	61,147
Timaru District Council	22,507	67,194	22,577	67,203
Upper Hutt City Council	-	57,120	2,993	46,108
Waikato District Council	-	95,201	-	95,222
Waikato Regional Council	-	32,079	-	32,085
Waimakariri District Council	-	160,529	-	160,550
Waipa District Council	15,805	57,113	13,503	40,053
Wairoa District Council	-	9,046	-	9,045
Waitaki District Council (WD)	2,498	12,517	-	-
Waitomo District Council	6,008	30,043	7,022	30,044
Wellington City Council	-	806,414	-	635,684
West Coast Regional Council	2,001	6,611	2,001	6,610
Western Bay Of Plenty District Council	-	90,183	-	90,212
Westland District Council	-	23,856	-	19,652
Whakatane District Council	-	78,185	-	67,178
Whanganui District Council	7,506	104,295	7,510	94,290
Whangarei District Council	9,994	165,317	9,992	142,301
	<b>322,970</b>	<b>11,997,029</b>	<b>315,456</b>	<b>10,584,299</b>

As at 31 December 2020, \$1,920 million of loans are due to mature within 12 months. This comprises all short-term loans and \$1,597 million of loans.

## 7. Bills on issue

Unaudited as at 31 December 2020 in \$000's	Face value	Unamortised premium	Accrued interest	Total
6 January 2021	20,000	-	(1)	19,999
15 January 2021	140,000	-	(16)	139,984
5 February 2021	25,000	-	(8)	24,992
10 February 2021	85,000	-	(30)	84,970
10 March 2021	50,000	-	(28)	49,972
15 March 2021	87,500	-	(58)	87,442
7 April 2021	25,000	-	(20)	24,980
15 April 2021	25,000	-	(20)	24,980
12 May 2021	55,000	-	(54)	54,946
9 June 2021	25,000	-	(32)	24,968
14 June 2021	25,000	-	(34)	24,966
14 September 2021	50,000	-	(88)	49,912
	<b>612,500</b>	<b>-</b>	<b>(389)</b>	<b>612,111</b>

Audited as at 30 June 2020 in \$000's	Face value	Unamortised premium	Accrued interest	Total
8 July 2020	110,000	-	(21)	109,979
17 July 2020	58,500	-	(31)	58,469
22 July 2020	12,000	-	(9)	11,991
6 August 2020	225,000	-	(102)	224,898
12 August 2020	75,000	-	(79)	74,921
9 September 2020	50,000	-	(59)	49,941
7 October 2020	17,000	-	(36)	16,964
11 November 2020	50,000	-	(63)	49,937
9 December 2020	25,000	-	(37)	24,963
15 December 2020	25,000	-	(43)	24,957
	<b>647,500</b>	<b>-</b>	<b>(479)</b>	<b>647,021</b>



## 8. Bonds on issue

Bonds on issue do not include \$950 million face value of issued LGFA bonds subscribed by LGFA and held as treasury stock. Refer Note 10: Treasury stock and bond repurchase transactions.

Unaudited as at 31 December 2020 in \$000's	Face value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
Fixed interest bonds					
15 May 2021	1,450,000	8,241	11,296		
14 April 2022	1,605,000	25,268	9,579		
15 April 2023	1,660,000	58,789	19,564		
15 April 2024	1,348,000	11,809	6,499		
15 April 2025	1,469,000	(22,584)	8,657		
15 April 2026	1,150,000	7,139	3,696		
15 April 2027	1,426,000	76,592	13,751		
20 April 2029	952,000	(4,577)	2,864		
14 April 2033	1,130,000	34,748	8,584		
15 April 2037	570,000	3,894	2,443		
<b>Total fixed interest</b>	<b>12,760,000</b>	<b>199,318</b>	<b>86,933</b>	<b>635,001</b>	<b>13,681,252</b>
Floating rate notes					
14 October 2022	130,000	(45)	272	-	130,226
<b>Total</b>	<b>12,890,000</b>	<b>199,272</b>	<b>87,204</b>	<b>635,001</b>	<b>13,811,478</b>

As at 30 June 2020 in \$000's	Face value	Unamortised premium	Accrued interest	Fair value hedge adjustment	Total
Fixed interest bonds					
15 May 2021	1,450,000	19,259	11,111		
14 April 2022	1,155,000	16,630	6,769		
15 April 2023	1,550,000	55,449	17,935		
15 April 2024	1,248,000	6,717	5,908		
15 April 2025	1,409,000	(31,014)	8,152		
15 April 2026	1,000,000	763	3,156		
15 April 2027	1,326,000	56,918	12,554		
20 April 2029	692,000	(14,904)	2,042		
14 April 2033	1,030,000	8,706	7,683		
<b>Total fixed interest</b>	<b>10,860,000</b>	<b>118,524</b>	<b>75,309</b>	<b>854,268</b>	<b>11,908,100</b>
Floating rate notes					
14 October 2022	130,000	(58)	426	-	130,368
<b>Total</b>	<b>10,990,000</b>	<b>118,465</b>	<b>75,735</b>	<b>854,268</b>	<b>12,038,468</b>



## 9. Borrower notes

Borrower notes are subordinated debt instruments which are required to be held by each local authority that borrows from LGFA in an amount equal to a fixed percentage of the aggregate borrowings by that local authority. The fixed percentage is 2.5% for loans issued from 1 July 2020. Prior to this date, the fixed percentage was 1.6%.

LGFA may convert borrower notes into redeemable shares if it has made calls for all unpaid capital to be paid in full and the LGFA Board determines it is still at risk of imminent default.

## 10. Treasury stock and bond repurchase transactions

Periodically, LGFA subscribes for LGFA bonds as part of its tender process and holds these bonds as treasury stock. LGFA bonds held by LGFA as treasury stock are derecognised at the time of issue and no liability is recognised in the statement of financial position. As at 31 December 2020, \$950 million of LGFA bonds had been subscribed as treasury stock.

LGFA makes these treasury stock bonds available to banks authorised as its tender counterparties to borrow under short-term repurchase transactions. The objective of the bond lending facility is to assist with improving secondary market liquidity in LGFA bonds. Bonds lent to counterparties are disclosed as a separate stock lending liability on the face of the statement of financial position.

As at 31 December 2020, bond repurchase transactions comprised:

Maturity date	Unaudited as at 31 December 2020	Audited as at 30 June 2020
15 May 2021	-	25,970
14 April 2022	-	25,196
15 April 2023	-	27,670
15 April 2024	-	25,139
15 April 2025	21,901	22,135
15 April 2026	-	-
15 April 2027	-	31,145
20 April 2029	-	22,899
14 April 2033	-	22,600
15 April 2037	15,034	-
	<b>36,935</b>	<b>202,755</b>

## 11. Other assets

	Unaudited as at 31 December 2020	Audited as at 30 June 2020
Intangible assets <sup>1</sup>	230	306
Right-of-use lease asset	241	113
<b>Total</b>	<b>471</b>	<b>419</b>

1. Intangible assets comprise acquired and internally developed software costs incurred on the implementation of LGFA's treasury management system.

## 12 Reconciliation of net profit to net cash flow from operating activities

For the year ended 30 June in \$000s	Unaudited six months ended 31 December 2020	Unaudited six months ended 31 December 2020
Net profit/(loss) for the period	5,948	6,103
Cash applied to loans	(1,420,594)	(847,625)
Non-cash adjustments		
Amortisation and depreciation	1,937	(1,700)
Working capital movements		
Net change in trade debtors and receivables	149	(248)
Net change in prepayments	(321)	(259)
Net change in accruals	(143)	(143)
<b>Net Cash From operating activities</b>	<b>(1,413,023)</b>	<b>(843,872)</b>

## 13 Share Capital

As at 31 December 2020, LGFA had 45 million ordinary shares on issue, 20 million of which remain uncalled.

All ordinary shares rank equally with one vote attached to each ordinary share. Ordinary shares have a face value of \$1 per share.

### Shareholder information

Registered holders of equity securities as at 31 December 2020	31 December 2020		30 June 2020	
New Zealand Government	5,000,000	11.1%	5,000,000	11.1%
Auckland Council	3,731,960	8.3%	3,731,960	8.3%
Christchurch City Council	3,731,960	8.3%	3,731,960	8.3%
Hamilton City Council	3,731,960	8.3%	3,731,960	8.3%
Bay of Plenty Regional Council	3,731,958	8.3%	3,731,958	8.3%
Greater Wellington Regional Council	3,731,958	8.3%	3,731,958	8.3%
Tasman District Council	3,731,958	8.3%	3,731,958	8.3%
Tauranga City Council	3,731,958	8.3%	3,731,958	8.3%
Wellington City Council	3,731,958	8.3%	3,731,958	8.3%
Western Bay of Plenty District Council	3,731,958	8.3%	3,731,958	8.3%
Whangarei District Council	1,492,784	3.3%	1,492,784	3.3%
Hastings District Council	746,392	1.7%	746,392	1.7%
Marlborough District Council	400,000	0.9%	400,000	0.9%
Selwyn District Council	373,196	0.8%	373,196	0.8%
Gisborne District Council	200,000	0.4%	200,000	0.4%
Hauraki District Council	200,000	0.4%	200,000	0.4%
Horowhenua District Council	200,000	0.4%	200,000	0.4%
Hutt City Council	200,000	0.4%	200,000	0.4%
Kapiti Coast District Council	200,000	0.4%	200,000	0.4%
Manawatu District Council	200,000	0.4%	200,000	0.4%
Masterton District Council	200,000	0.4%	200,000	0.4%
New Plymouth District Council	200,000	0.4%	200,000	0.4%
Otorohanga District Council	200,000	0.4%	200,000	0.4%
Palmerston North District Council	200,000	0.4%	200,000	0.4%
South Taranaki District Council	200,000	0.4%	200,000	0.4%
Taupo District Council	200,000	0.4%	200,000	0.4%
Thames - Coromandel District Council	200,000	0.4%	200,000	0.4%
Waimakariri District Council	200,000	0.4%	200,000	0.4%
Waipa District Council	200,000	0.4%	200,000	0.4%
Whakatane District Council	200,000	0.4%	200,000	0.4%
Whanganui District Council	200,000	0.4%	200,000	0.4%
	<b>45,000,000</b>	<b>100%</b>	<b>45,000,000</b>	<b>100%</b>

## 14 Related parties

### Identity of related parties

LGFA is related to the local authorities set out in the Shareholder Information in note 13.

LGFA operates under an annual Statement of Intent with the respective local authorities that sets out the intentions and expectations for LGFA's operations and lending to participating local authorities.

Shareholding local authorities, and non-shareholder local authorities who borrow more than \$20 million, are required to enter into a guarantee when they join or participate in LGFA. The guarantee is in respect of the payment obligations of other guaranteeing local authorities to the LGFA (cross guarantee) and of the LGFA itself.

### Related party transactions

LGFA was established for the purpose of raising funds from the market to lend to participating councils.

The lending to individual councils is disclosed in note 6, and interest income recognised on this lending is shown in the statement of comprehensive income.

The purchase of LGFA borrower notes by councils who borrow from LGFA is disclosed in note 9.

The Treasury (New Zealand Debt Management) provides LGFA with a committed credit facility and is LGFA's derivatives counterparty.

## Other disclosures

### Net Tangible Assets

Net tangible assets per \$1,000 of listed bonds as at 31 December 2020 is \$6.86 (30 June 2020: \$7.09).

# Directory

## Rārangi tauwaea



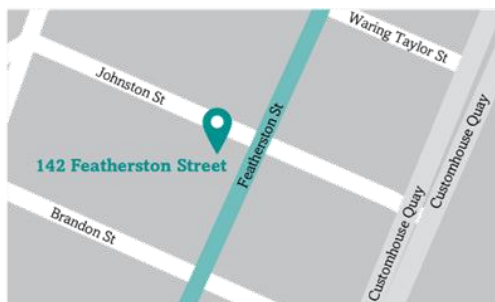
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26 February 2021

Dear Shareholder

### **Draft Statement of Intent 2021/22**

Please find attached a copy of the Draft Statement of Intent (SOI) for the 2021/22 year.

LGFA continues to focus on delivering strong results for both our council borrowers and shareholders.

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

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

For our shareholders we are focused on

- Delivering a strong financial performance
- Monitoring asset quality
- Enhancing our approach to treasury and risk management and
- Ensuring we have the correct governance framework and capital structure in place

For our guarantors we are focused on

- Minimising the risk of a call upon the guarantee through actively monitoring and managing the business risks faced by LGFA including operational, credit, liquidity, interest rate and funding risk.

The following points regarding the Draft SOI 2021/22 are worth noting:

- Profitability is forecast to remain strong with projections for Net Operating Gain of \$11.1 million, \$16.3 million, and \$19.9 million for the next three years, which is an improvement to actual results from previous years. However, we remain cautious in placing too much emphasis on the Year Three (2023/24) forecast given that over the next three years, we estimate that \$6.4 billion of our LGFA bonds and \$6.1 billion of council loans mature. Assumptions regarding timing of refinancing and interest rates have a meaningful impact on financial projections.
- Net interest income is expected to increase over the forecast period as the balance sheet grows from increased council lending and we hold additional liquid assets to manage the LGFA bond maturities. However, this is offset by a reduction in on-lending margins as loans to councils made in previous years at higher margins are refinanced by councils at maturity

with lower margin loans. Also, the improving credit quality of the sector has resulted in a reduced credit margin applied to council loans.

- We have increased our forecast for council loans (short and long term) outstanding as at June 2022 to \$12.87 billion and to \$13.29 billion as at June 2023 (from \$12.26 billion and \$12.68 billion in the previous SOI). This reflects a higher starting position as at 30 June 2021 and councils undertaking further capex and a continued high utilisation of short term borrowing from LGFA by councils. We have made no assumptions regarding the proposed Three Waters Reform programme as any changes to council borrowing requirements or the timing of change have not yet been confirmed.
- Compared to the previous SOI, issuance and operating expenses, excluding Approved Issuer Levy ("AIL") are forecast to be approximately \$200k higher in the 2021/22 financial year and 2022/23 financial year due to higher costs associated with higher levels of council lending and bond issuance.
- The SOI performance targets are the same as the targets in the previous SOI except we have included to assist councils with the proposed Three Waters Reform Programme.
- As noted above, there is some timing uncertainty within the SOI forecast relating to council loans and LGFA bonds outstanding as we need to project both the repayment amount and repayment timing of the council loans that are due to mature in April 2022, April 2023 and April 2024. Decisions made by our council members regarding early refinancing will have a phasing impact across all three years in the SOI forecast.

If you have any questions or wish to provide comments by 1 May 2021 then please feel free to contact myself or any member of the Shareholders Council. The LGFA board will consider any feedback received and provide a final version of the SOI to shareholders by 30 June 2021.

Yours sincerely



Mark Butcher  
Chief Executive





## Draft Statement of Intent 2021/22

### 1. Introduction

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

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

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

### 2. Nature and scope of activities

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

The LGFA will only lend to Councils and CCOs that enter into all the relevant arrangements with it (such Councils being "Participating Local Authorities" and such Councils and CCOs being "Participating Borrowers") and comply with the LGFA's lending policies.

In lending to Participating Borrowers, LGFA will:

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

### 3. Objectives

#### Principal Objectives

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

- Achieve the shareholder-agreed objectives and performance targets specified in this Statement of Intent;
- Be a good employer;
- Demonstrate social, economic, environmental and cultural responsibility;
- Maintain strong and sound corporate governance;
- Set and model high standards of ethical behaviour; and
- Operate in accordance with sound business practice.

#### Primary Objectives

LGFA will optimise the debt funding terms and conditions for Participating Borrowers. Among other things, this includes:

- Providing interest cost savings relative to alternative sources of financing;
- Offering flexible short and long-term lending products that meet Participating Borrowers' borrowing requirements;
- Delivering operational best practice and efficiency for its lending services;
- Ensuring certainty of access to debt markets, subject always to operating in accordance with sound business practice.

LGFA will ensure its asset book remains at a high standard by ensuring it understands each Participating Borrower's financial position, as well as general issues confronting the Local Government sector. Amongst other things, LGFA will:

- Proactively monitor and review each Participating Borrower's financial position, including its financial headroom under LGFA policies;
- Analyse finances at the Council group level where appropriate and report to shareholders;
- Endeavour to meet each Participating Borrower annually, including meeting with elected officials as required, or if requested; and
- Take a proactive role to enhance the financial strength and depth of the local government debt market and work with key central government and local government stakeholders on sector and individual council issues.

**Additional objectives**

LGFA has the following seven measurable and achievable additional objectives which complement the primary objective. Performance against these objectives is reported annually.

LGFA will:

1. Maintain LGFA's credit rating equal to the New Zealand Government sovereign rating where both entities are rated by the same Rating Agency.
2. Provide at least 80% of aggregate long-term debt funding to the Local Government sector<sup>1</sup>.
3. Achieve the financial forecasts outlined in section 4 for net interest income and operating expenses, including provision for a shareholder dividend payment in accordance with approved dividend policy.
4. Meet or exceed the Performance Targets outlined in section 5.
5. Comply with the Health and Safety at Work Act 2015.
6. Comply with the Shareholder Foundation Policies and the Board-approved Treasury Policy at all times.
7. Assist the local government sector with significant matters such as COVID -19 response and the proposed Three Waters Reform Programme.

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<sup>1</sup> This includes Auckland Council borrowing both in its own name and through LGFA and recognising that the amount of borrowing by Auckland Council from LGFA is restricted by the Foundation Policy covenants.

#### 4. Financial forecasts

LGFA's financial forecasts for the three years to 30 June 2024 are:

FINANCIAL YEAR (\$M)	Draft SOI 2021/22		
Comprehensive income	Jun-22	Jun-23	Jun-24
Interest income	160.0	182.9	200.7
Interest expense	142.0	159.6	174.1
<b>Net Interest income</b>	<b>18.0</b>	<b>23.3</b>	<b>26.6</b>
Other operating income	0.7	0.9	1.0
<b>Total operating income</b>	<b>18.7</b>	<b>24.2</b>	<b>27.6</b>
Approved Issuer Levy	0.6	0.6	0.3
Issuance & onlending costs	2.7	2.8	2.8
Operating overhead	4.2	4.4	4.5
<b>Issuance and operating expenses</b>	<b>7.6</b>	<b>7.8</b>	<b>7.7</b>
<b>P&amp;L</b>	<b>11.1</b>	<b>16.3</b>	<b>19.9</b>
Financial position (\$m)	Jun-22	Jun-23	Jun-24
Capital	25.0	25.0	25.0
Retained earnings	79.9	95.5	114.7
Total equity	104.9	120.5	139.7
Shareholder funds + borrower notes / Total assets	2.4%	2.6%	2.8%
Dividend provision	0.7	0.7	0.8
Total assets (nominal)	14,428.8	15,041.3	15,557.4
Total LG loans - short term (nominal)	350.0	350.0	350.0
Total LG loans (nominal)	12,523.6	12,940.7	13,228.3
Total bills (nominal)	500.0	500.0	500.0
Total bonds (nominal) ex treasury stock	13,405.0	13,995.0	14,495.0
Total borrower notes (nominal)	245.9	271.7	293.9

Note that there is some forecast uncertainty around the timing of Net Interest Income, Profit and Loss, Total Assets, LG Loans, Bonds and Borrower Notes depending upon council decisions regarding the amount and timing of refinancing of their April 2022, April 2023 and April 2024 loans. LGFA will work with council borrowers to reduce this uncertainty. The above table assumes gross issuance of LGFA bonds per year of \$2.60 billion (2021/22), \$2.25 billion (2022/23) and \$2.15 billion (2023/24), however the issuance volume will be determined by LGFA at the relevant time by reference to factors including refinancing of existing borrowing by councils and (if applicable) council-controlled organisations, new

borrowing by councils and (if applicable) council-controlled organisations and LGFA's own borrowing requirements for liquidity purposes. No decision has been made as to final issuance volume at this point and will depend upon market conditions.

There has been no allowance made in the forecasts for the impact on councils from the proposed Three Waters Reform Programme.

## 5. Performance targets

LGFA has the following performance targets:

- LGFA's total operating income for the period to:
  - 30 June 2022 will be greater than \$18.7 million.
  - 30 June 2023 will be greater than \$24.2 million.
  - 30 June 2024 will be greater than \$27.6 million.
- LGFA's annual issuance and operating expenses (excluding AIL) for the period to:
  - 30 June 2022 will be less than \$7.0 million.
  - 30 June 2023 will be less than \$7.2 million.
  - 30 June 2024 will be less than \$7.4 million.
- Total lending to Participating Borrowers<sup>2</sup> at:
  - 30 June 2022 will be at least \$12,874 million.
  - 30 June 2023 will be at least \$13,291 million.
  - 30 June 2023 will be at least \$13,578 million.
- Conduct an annual survey of Participating Borrowers who borrow from LGFA and achieve at least an 85% satisfaction score as to the value added by LGFA to the borrowing activities
- Meet all lending requests from Participating Borrowers, where those requests meet LGFA operational and covenant requirements.
- Achieve 80% market share of all council borrowing in New Zealand
- Review each Participating Borrower's financial position, its headroom under LGFA policies and arrange to meet each Participating Borrower at least annually.
- No breaches of Treasury Policy, any regulatory or legislative requirements including the Health and Safety at Work Act 2015.
- Successfully refinance of existing loans to councils and LGFA bond maturities as they fall due.

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<sup>2</sup> Subject to the forecasting uncertainty noted previously

- Maintain a credit rating equal to the New Zealand Government rating where both entities are rated by the same credit rating agency.

## **6. Dividend policy**

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

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

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

## **7. Governance**

### **Board**

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

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

The Board's approach to governance is to adopt best practice<sup>3</sup> with respect to:

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

All directors are required to comply with a formal Charter.

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

### **Shareholders' Council**

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

- Review the performance of LGFA and the Board, and report to Shareholders on that performance on a periodic basis.
- Make recommendations to Shareholders as to the appointment, removal, replacement and

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<sup>3</sup> Best practice as per NZX and Institute of Directors guidelines

remuneration of directors.

- Make recommendations to Shareholders as to any changes to policies, or the SOI, requiring their approval.
- Ensure all Shareholders are fully informed on LGFA matters and to coordinate Shareholders on governance decisions.

## **8. Information to be provided to Shareholders**

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

### **Annual Report**

The LGFA's balance date is 30 June.

By 30 September each year, the Company will produce an Annual Report complying with Sections 67, 68 and 69 of the Local Government Act 2002, the Companies Act 1993 and Financial Reporting Act 2013. The Annual Report will contain the information necessary to enable an informed assessment of the operations of the company, and will include the following information:

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

### **Half Yearly Report**

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

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

### **Quarterly Report**

By 31 January, 30 April, 31 July, and 31 October each year, the Company will produce a Quarterly



Report. The Quarterly Report will include the following information:

- Commentary on operations for the relevant quarter, including a summary of borrowing margins charged to Participating Borrower's (in credit rating bands).
- Comparison of LGFA's performance regarding the objectives and performance targets set out in the SOI, with an explanation of any material variances.
- Analysis of the weighted average maturity of LGFA bonds outstanding.
- In the December Quarterly Report only, commentary on the Net Debt/Total Revenue percentage for each Participating Local Authority that has borrowed from LGFA (as at the end of the preceding financial year).
- To the extent known by LGFA, details of all events of review in respect of any Participating Borrower that occurred during the relevant quarter (including steps taken, or proposed to be taken, by LGFA in relation thereto).
- Details of any lending to CCOs during the quarter and the amount of CCO loans outstanding.

#### **Statement of Intent**

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

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

#### **Shareholder Meetings**

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

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

#### **9. Acquisition/divestment policy**

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

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

#### **10. Activities for which compensation is sought from Shareholders**

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

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

#### **11. Commercial value of Shareholder's investment**

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

Subject to the Board's views on the appropriate capital structure for LGFA, the Board's intention will be to pay a dividend that provides an annual rate of return to Principal Shareholders equal to LGFA fixed rate bond cost of funds plus 2.00% over the medium term.

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

In the absence of any subsequent share transfers to the observed share transfers on 30 November 2012, the Board considers the current commercial value of LGFA is at least equal to the face value of the Shareholders' paid up Principal Shares of \$25 million. This equates to a value per share of \$1.00.

#### **12. Accounting policies**

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

**The following statement is taken from the Financial Statements presented as part of LGFA's Annual Report 2020 (updated where necessary), accordingly, the statement does not contemplate LGFA lending to CCOs.**

**ATTACHMENT: Statement of accounting policies****a. Reporting entity**

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

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

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

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

The financial statements are as at and for the year ended 30 June 2020.

These financial statements were authorised for issue by the Directors on [xx] August 2020.

**b. Statement of compliance**

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

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

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

**c. Basis of preparation****Measurement base**

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

The financial statements are prepared on an accrual basis.

**Functional and presentation currency**

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

**Foreign currency conversions**

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

**Changes in accounting policies****NZ IFRS 16 Leases.**

NZ IFRS 16 became effective from 1 July 2019 and did not have a material impact on the financial statements.

On adoption of NZ IFRS 16, LGFA recognised right-of-use assets and lease liabilities in relation to its property leases which had previously been classified as operating leases under NZ IAS 17 Leases.

In adopting NZ IFRS 16, LGFA elected to use the simplified retrospective approach which does not require restatement of comparative information. The lease liability is recognised at the present value of the remaining lease payments, discounted using LGFA's incremental borrowing rate, with the corresponding right-of-use asset recognised as an equal amount.

The following items in the balance sheet were impacted by the change of accounting on 1 July 2019: Other assets and Other liabilities both increased by \$0.157 million.

Lease payments previously included in other operating expense are now classified to financing and depreciation costs under NZ IFRS 16.

There have been no other changes to accounting policies. [KPMG to review note]

#### **Early adoption standards and interpretations**

LGFA has not early adopted any standards. [KPMG to review note]

#### **New standards adopted**

NZ IFRS 16 Leases became effective from 1 July 2019. [KPMG to review note]

#### **Standards not yet adopted**

LGFA does not consider any standards or interpretations in issue but not yet effective to have a significant impact on its financial statements. [KPMG to review note]

### **d. Financial instruments**

#### **Financial assets**

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

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

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

At each balance date, an expected credit loss assessment is performed for all financial assets and is calculated as either:

- Credit losses that may arise from default events that are possible within the next 12 months, where no significant increase in credit risk has arisen since acquisition of the asset, or
- Credit losses that may arise from default events that are possible over the expected life of the financial asset, where a significant increase in credit risk has arisen since acquisition of the asset.

Impairment losses on financial assets will ordinarily be recognised on initial recognition as a 12-month expected loss allowance and move to a lifetime expected loss allowance if there is a significant deterioration in credit risk since acquisition.

#### **Financial liabilities**

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

**Derivatives**

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

**Fair value hedge**

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

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

**e. Other assets****Property, plant and equipment (PPE)**

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

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

**Intangible Assets**

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

**f. Other liabilities****Employee entitlements**

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

**g. Revenue and expenses****Revenue****Interest income**

Interest income is accrued using the effective interest rate method.

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

**Expenses**

Expenses are recognised in the period to which they relate.

**Interest expense**

Interest expense is accrued using the effective interest rate method.

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

**Income tax**

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

**Goods and services tax**

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

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

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

Commitments and contingencies are disclosed exclusive of GST.

**h. Segment reporting**

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

**i. Judgements and estimations**

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

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

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



24 December 2020

Craig Stobo  
Chair  
New Zealand Local Government Funding Agency Ltd  
P O Box 5704  
Wellington 6145



Dear Craig,

### **Shareholder Expectations and the Statement of Intent 2021/22**

I am writing to set out the Shareholders' Council's (the Council's) expectations of the New Zealand Local Government Funding Agency Ltd (LGFA) for consideration in the LGFA's business planning for the upcoming year and the development of its 2021/22 Statement of Intent (SOI).

The Council values the positive and open working relationship with the LGFA. The timely provision of information, and a 'no surprises' approach by both parties, helps ensure the relationship remains productive.

#### **Governance**

It is important that the LGFA continues to build on its Board and management strengths, and works closely with the Council to ensure the Board membership maintains an optimum mix of expertise, appropriate gender/diversity balance and experience.

We expect the LGFA to maintain a focus on longer term succession planning, particularly with regard to the role of Chair and ensuring that there is appropriate senior experience working in or with central government amongst the Board's membership. It is noted that during the current year the Council is planning to undertake an independent review of the Board's performance and to assess the appropriate skills mix for the future. This will help inform succession planning for the Board Chair and Audit & Risk Chair roles.

The shareholders would like to reiterate that consideration be given to the current non-independent director rotation process. It seems appropriate that non-independent director rotation timing should be better aligned with that of independent directors. For example, at times where there is only one non-independent director it may be more appropriate for the rotation timing to be a minimum of two years.

#### **Sector Initiatives**

We urge the LGFA to continue to seek to influence government decision-making for the benefit of the sector, and to keep abreast of the issues facing the sector.

We ask that you assess the impacts on LGFA from Infrastructure Funding and Financing Act 2020 and Urban Development Act 2020. These may lead to less funding requirements from LGFA and, however, may increase sector risks.

NEW ZEALAND LOCAL GOVERNMENT FUNDING AGENCY LIMITED  
AUCKLAND Level 12, West Plaza Tower, Corner Albert and Customs Street  
WELLINGTON Level 8, City Chambers, 142 Featherston Street  
PO Box 5704, Lambton Quay, Wellington 6145 | PH +64 4 974 6530 | [www.lgfa.co.nz](http://www.lgfa.co.nz)



With the Three Waters Reform Program being undertaken by the Department of Internal Affairs there is an opportunity to inform and provide advice to the Crown on the provision of improved three water service delivery for communities. As part of this process the Crown has made available stimulus funding to support economic recovery post COVID-19 and address persistent systemic issues in the three waters sector. This initiative is likely to have significant impacts on the sector funding requirements. These three water entities may or may not be owned by councils and may significantly impact on future funding sourced from LGFA.

We ask that you explore opportunities to be part of the Reserve Bank's Funding and Lending Program to assess the possibility of LGFA sourcing funding directly from the Reserve Bank to lower the cost of funds to the sector.

Similarly, we support LGFA's involvement in the potential development of the Ratepayer Financing Scheme development in an advisory capacity.

In all these matters it would be appreciated if you would report back on any implications of options and proposal(s) on the LGFA and its guarantors e.g. if the scope of LGFA's operations could change, or the potential for additional risks emerge.

### ***Sector Representation***

With the increase in the number of borrowers/guarantors over the last few years, the Council is conscious that there are now a significant number of councils that are affected by LGFA's overall operations; but who have limited visibility and no influence over them.

The Council has instigated regular contact with guaranteeing councils that are not also shareholders through the portfolio allocated to each member. Any relevant information will be passed on to the LGFA Board and management for consideration via our existing processes.

However, we also request that the Board consider whether it is appropriate to provide the opportunity for non-shareholding councils to become shareholders. This may be achieved by an issue of new shares and or a sell-down of shares (at current valuation) by existing shareholders. We would welcome dialogue with the Board on this issue at a suitable time. This may also be a relevant topic for discussion at the next Shareholders/Borrowers day.

### ***Constancy of objectives and intentions***

It is the Council's expectation that the company's objectives and operating intentions be reflected in the 2021/22 SOI. The SOI is the ideal opportunity for the LGFA to reaffirm its:

- commitment to providing a range of borrowing products and services;
- focus on lowering the cost of local government borrowing;
- strategy for maintaining a high-quality asset book and ensure appropriate insurance cover and/or reserves maintained to cover unplanned event risk;
- proactive risk management approach; and
- intention to return a dividend to shareholders.
- With regard to extending the range of borrowing products and services, consideration should be given to the company's original purpose to be a funding vehicle en-masse to the sector.

- Both lending to CCOs and offering Standby Facilities to councils are now underway, we assume reporting on these matters will be incorporated in the quarterly report.
- While we expect customer demand to drive new product and service development, a balance needs to be maintained between the risk, cost and complexity of introducing and managing them versus the extent of the incremental benefits they provide. We expect that robust risk / cost benefit analysis be undertaken and agreed with the Council prior to introduction on any further new products.
- We understand that process improvements are currently being considered to streamline the councils borrowing from LGFA, we support this initiative.

### ***Performance indicators***

Performance indicators should provide a robust, meaningful performance overview for key stakeholders. The Council asks that the LGFA's performance indicators and targets are regularly reviewed to confirm that they are providing the most effective performance picture.

With reference to the current measurement of savings to council borrowers, we believe the current comparison to Auckland Council and Dunedin Council does not reflect the true value of savings to councils due to the overall impact of the LGFA and this comparison is of marginal benefit now.

Now that LGFA is firmly established as the primary funder to the sector it may be more appropriate to change this measure to demonstrate 'value added', rather than direct savings, which are becoming increasingly harder to isolate and track.

### ***Treasury policy***

It is the Council's enduring expectation that the LGFA will continue to take the appropriate steps to ensure that it understands risks arising from debt maturity consolidation, each borrower's headroom and funding intentions, and the overall sector's financial position.

The LGFA's Lending Policies and Foundation Policies, as detailed in the company's Treasury Policy, should appropriately reflect the sector's position.

We ask that you complete a comprehensive review of the Treasury Policy within the next twelve months and continue to monitor relevant borrowing parameters, regardless of whether they are specified covenants. This will enable LGFA to 'future proof' the policy. The Statement of Intent is a good way to signal to stakeholders that a review is planned.

We also ask that you explore opportunities to allow the Board to amend some areas within the policy without requiring a shareholder resolution, such as counterparty credit limits and associated minimum credit ratings for investments. All fundamental aspects of the policy still would require approval by the shareholders.

It is also important to allow sufficient time for shareholders to assess any future changes that may be required.

### ***Lending Processes***

The Council requests ongoing reviews to enable the most efficient processing of agreements, transactions and documentation. Consideration should also be given to the difficulty of obtaining Chief Executives' signatures within the current half day timeline and whether some form of pre-approval or delegation can occur for some components.

***Financial and general reporting***

The current SOI contains brief financial forecast information. The Council continues to appreciate the LGFA providing more detailed financial and operational information in the quarterly reports. It is important that this information continues to be provided in 2021/22.

The Council notes the importance of shareholders receiving full and early disclosure from the LGFA of company policy breaches by Participating Local Authorities. It is crucial that all shareholders are informed as soon as possible after an event has occurred, given their potential liability.

As well as ensuring that the expectations outlined above are met, we request that the basis of the calculation of financial covenants and any direct lending to Council Controlled Organisations be included in quarterly and annual reports to ensure transparency for all stakeholders.

The Council would like to hold further discussions with the Board to carry out a review to determine the level of consistency around the way calculations are applied to covenant measures in the foundation documents and the risk coverage achieved with this approach. The Council also requests that to maintain the integrity and security of the LGFA for Guarantors that no more risk is taken on by the LGFA.

***Delivery of draft 2021/22 SOI***

The Council would welcome a discussion on the content of this letter and the LGFA's views on its priorities for 2021/22. We look forward to receiving the company's draft SOI as early as possible, to allow us to engage with shareholders in a meaningful fashion. The Council will respond with feedback as promptly as possible, and prior to the statutory deadline of 1 May 2021, in order that the company is in a position to deliver its final SOI by 30 June 2021.

We would also appreciate an update from the Board and LGFA management on its future strategic direction and how LGFA is preparing itself to operate in a fluid and dynamic global environment.

It was a pleasure to attend the 2020 Annual General Meeting, and recognise the significant achievements of the LGFA over the last year. Please do not hesitate to contact me if you have any queries or comments.

Yours sincerely



Alan Adcock  
Chair, LGFA Shareholders' Council

cc. Mark Butcher, Chief Executive LGFA

**10.5 TE PUNA WAR MEMORIAL HALL RATES RESOLUTION REPORT****File Number: A4022567****Author: Maria Palmer, Acting - Finance Manager****Authoriser: Kumaren Perumal, Group Manager Finance and Technology Services****EXECUTIVE SUMMARY**

1. Te Puna War Memorial Hall had planned to take out a loan with Council of \$300,000 over a ten-year period. This necessitated a planned rates collection for 2020/2021 of \$30,783 or \$20.66 per rating unit.
2. However, after the rates were set and adopted in the Annual Plan, the Te Puna War Memorial Hall received a grant and the loan was not required.
3. As a result, Council staff removed the rate charge for the Te Puna War Memorial Hall before the invoices were sent out, and no rates were collected for 2020/2021.
4. This should be formally documented as a Council decision.

**RECOMMENDATION**

1. That the Acting Finance Manager's report dated 8 April 2021 titled 'Te Puna War Memorial Hall Rates Resolution Report' be received.
2. That the targeted rate for Te Puna War Memorial Hall be set at zero for 2020/2021.

**BACKGROUND**

5. Community Hall rates are uniform targeted rates set under section 16 of the Local Government (Rating) Act 2002. Community Hall targeted rates part-fund Community Halls in defined areas of benefit. The categories of land are based on the location of the land. The targeted rates are on all rating units in defined areas of benefit. The different categories of land and rates are outlined in the Annual Plan.
6. Te Puna War Memorial Hall and Te Puna Community Centre usually take turns (alternate years) at receiving rates for their hall maintenance work programme.
7. Te Puna War Memorial Hall had planned to take out a loan with Council for hall refurbishment of \$300,000. Council originally approved the loan in C32.5.
8. The 2020/2021 Annual Plan set a rate for Te Puna War Memorial Hall of \$30,783, or \$20.66 per rating unit.
9. Both the Te Puna War Memorial Hall and Te Puna Community Centre had rates set in the same year for 2020/2021 Annual Plan.
10. However, after Council planned and set a rate for the loan in the 2020/2021 Annual Plan, Te Puna War Memorial Hall received a grant, meaning they no longer needed the loan.
11. To ensure that rates were not collected unnecessarily, Council staff removed the rate for Te Puna War Memorial Hall before the rates invoices were sent out.
12. As a result, no ratepayers were invoiced and no rates were collected for Te Puna War Memorial Hall in the 2020/2021 financial year.

**CONCLUSION**

13. To acknowledge the action taken, Council has been advised to formally resolve to set the targeted rate for Te Puna War Memorial Hall at zero for the financial year 2020/2021.



**10.6 DELEGATION OF DECISION MAKING FOR 2021 COMMUNITY MATCHING FUND****File Number:** A4025831**Author:** David Pearce, Community Manager**Authoriser:** Miriam Taris, Chief Executive Officer**EXECUTIVE SUMMARY**

1. The purpose of this report is to ensure that the Chief Executive Officer and selected Elected Members have appropriate powers to enable timely distribution of grants, from the Community Matching Fund, to successful applicants.
2. This requires the establishment of a Community Matching Fund Working Party and delegation of decision-making powers to the working party.

**RECOMMENDATION**

1. That the Community Manager's report dated 8 April 2021 titled 'Delegation of Decision Making for 2021 Community Matching Fund' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That pursuant to Clause 32 Schedule 7 of the Local Government Act 2002, Council delegates to Deputy Mayor Scrimgeour, Councillor Dean and Councillor Denyer, together with the Chief Executive Officer, the power to make decisions in respect of applications to the Community Matching Fund 2021, including but not limited to the following powers:
  - a. To award grants according to the purposes and guidelines of the Community Matching Fund 2021, within the allocated budget of \$140,000; and
  - b. To make payments to grant recipients as soon as practicable after the award decisions have been made.

**BACKGROUND**

3. Council has made available the Community Matching Fund, which is an annual contestable fund. This financial year \$140,000 is available. This is the same amount that was allocated in 2019, the last time the Community Matching Fund was allocated. In 2020, the Community Resilience Fund, a combination of a number of Council funds, replaced the Community Matching Fund.
4. The framework is such that applicant groups will 'match' any cash grant from Council, with an equivalent amount, which can be made of volunteer hours, cash in hand, donated services and other similar matching services. The guiding principle of the fund is that of providing public benefit.
5. The Community Matching Fund will be open to receive applications from 19 April 2021 to 28 May 2021 inclusive. The panel will meet in July to make decisions, with recommendations to the August 2021 Council meeting.
6. The 2021 Community Matching Fund budget specifies that \$40,000 is available for applications with an environmental focus. The balance of \$100,000 is available for all other projects.
7. The 2020 Community Resilience Fund (a different fund created specifically to help the District cope with the impacts of COVID-19) was a working party made up of the Chief Executive, Deputy Mayor Scrimgeour (representing the Maketu - Te Puke Ward), Councillor Dean (representing the Kaimai Ward) and Councillor Denyer (representing the Katikati - Waihi Beach Ward).

## SIGNIFICANCE AND ENGAGEMENT

8. The Local Government Act 2002 requires a formal assessment of the significance of matters and decisions in this report against Council's Significance and Engagement Policy in order to guide decision on approaches of engagement and degree of options analysis. In making this formal assessment, it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
9. In terms of the Significance and Engagement Policy, this decision is considered to be of low significance because it is essentially an administrative matter to appoint the panel members who will help ensure timely distribution of funds, which is fundamental to the purpose of the Community Matching Fund.

Interested/Affected Parties	Planned Communication
<b>Council</b>	In August, Council will receive a full report of allocations made from the Community Matching Fund.
<b>General Public</b>	<p>The Grant availability and application process will be advertised in the media through Council's usual communication channels.</p> <p>Both successful and unsuccessful applicants, through their nominated first contact person, will be advised of the outcomes in writing, within two weeks of the decisions.</p> <p>Community Boards will be advised of the outcomes to ensure there is no breach of Council's policy stating that recipients of the Community Matching Fund grants cannot receive a Community Board grant in the same financial year.</p>

## FUNDING/BUDGET IMPLICATIONS

10.

Budget Funding Information	Relevant Detail
\$140,000	\$140,000 has been allocated to the 2021 Community Matching Fund. \$40,000 of this is available for those applications with an environmental focus, with the balance of \$100,000 available to all other projects.



**10.7 CHIEF EXECUTIVE OFFICER'S EXTRAORDINARY REPORT****File Number:** A4025525**Author:** Charlene Page, Executive Assistant Mayor/CEO**Authoriser:** Miriam Taris, Chief Executive Officer**EXECUTIVE SUMMARY**

To provide information on the Chief Executive's meetings as attended on behalf of Council including those attended with His Worship the Mayor.

**RECOMMENDATION**

That the Executive Assistant Mayor/CEO's report dated 8 April 2021 titled 'Chief Executive Officer's Extraordinary Report' be received.

**BOOKED ENGAGEMENTS AND MEETINGS ATTENDED BY CHIEF EXECUTIVE OFFICER WITH MAYOR**

- 11 Feb 2021 Trustpower strategic review and the effect on TECT;  
Pohiri for new Commissioners, Hairini Marae;
- 19 Feb 2021 Meeting with Richard Ward/Three Waters Reform Programme;
- 24 Feb 2021 Office of the Auditor General relationship meeting (Zoom);
- 05 March 2021 Rural and Provincial Sector meeting (Zoom);  
TECT (Wayne Werder); and
- 18 March 2021 TECT Community Awards 2021.

**ADDITIONAL BOOKED ENGAGEMENTS AND MEETINGS ATTENDED BY CHIEF EXECUTIVE OFFICER**

- 05 Feb 2021 Waihi Beach Rate Payers Association;  
SmartGrowth and proposed growth areas 'stocktake';
- 09 Feb 2021 Three Waters Steering Group (Zoom);
- 12 Feb 2021 Woods Brand Discovery meeting;
- 15 Feb 2021 Chief Executive's Forum (Zoom);  
Priority One Executive Board meeting;
- 17 Feb 2021 Bay of Plenty Local Authority Shared Services (BOPLASS) Board meeting;  
Bay of Plenty Chief Executive's Forum (Zoom);

- 19 Feb 2021 Meeting with Bay Venues: Local Government New Zealand (LGNZ);
- 22 Feb 2021 Three Waters Steering Group (Zoom);
- 23 Feb 2021 Miriam and Shaun McHale meeting;
- 24 Feb 2021 Chief Executives Advisory Group meeting (SmartGrowth);
- 25 Feb 2021 Waikato/Bay of Plenty Three Waters Consortium - Four Chief Executives;
- 26 Feb 2021 Bay of Plenty Coordinating Executive Group meeting;
- 01 March 2021 Steering Committee Communications sub-group meeting (Zoom);
- 01 March 2021 Western Bay of Plenty Transport System Plan - Governance Group (Zoom);
- 03 March 2021 Taituarā Three Waters Zoom: the Three Waters Chief Executives Workshop;
- 03 March 2021 Te Puke Property Developer Group;
- 08 March 2021 Aon Risk Workshop with Western Bay of Plenty District Council (WBOPDC) Senior Management Team;
- 09 March 2021 Resource Management Reform - LGNZ Issues and Principles Paper (Zoom);
- 10 March 2021 Wellington - Three Waters Steering Group and Resource Management System Reform;
- 15 March 2021 Woods Brand Discovery Workshop;
- 17 March 2021 Dan Allen Gordon Graeme Dingle Foundation; and
- 18 March 2021 Pukehina Beach Rate Payers Association.

**10.8 MAYOR'S REPORT TO COUNCIL****File Number:** A4006070**Author:** Charlene Page, Executive Assistant Mayor/CEO**Authoriser:** Garry Webber, Mayor**EXECUTIVE SUMMARY**

This report provides the Mayor's update to Council and includes a resolution regarding representation at the 2021 ANZAC Day commemorations.

**RECOMMENDATION**

1. That the Executive Assistants Mayor/CEO's report dated 8 April 2021 titled 'Mayor's Report to Council' be received.
2. That Waihi Beach Councillors attend the Waihi Beach ANZAC Day Service and lay a wreath on behalf of the Western Bay of Plenty District Council.
3. That Te Puke Councillors attend the Te Puke ANZAC Day Service and lay a wreath on behalf of the Western Bay of Plenty District Council.
4. That Maketu Councillors attend the Maketu ANZAC Day Service and lay a wreath on behalf of the Western Bay of Plenty District Council.
5. That Katikati Councillors attend the Katikati ANZAC Day Service and lay a wreath on behalf of the Western Bay of Plenty District Council.
6. That Omokoroa Councillors attend the Omokoroa ANZAC Day Service and lay a wreath in conjunction with the Omokoroa Community Board on behalf of the Western Bay of Plenty District Council.
7. That Councillor Murray-Benge attend the Tauranga ANZAC Day Service and lay a wreath on behalf of the Western Bay of Plenty District Council.

**BACKGROUND****ANZAC Day Commemorations**

At the first round of the Western Bay of Plenty District Council Community Board meetings held in February 2021 it was resolved by all five Community Boards that a wreath be laid by Community Board representatives at the ANZAC Day commemoration services to be held on Sunday 25 April 2021 throughout the district.

A wreath from Western Bay of Plenty District Council is also laid by attending Councillors at the Waihi Beach, Katikati, Maketu and Te Puke services. A joint wreath is usually laid on behalf of Council and the Community Board at the Omokoroa Community Commemoration Service.

A wreath from the Western Bay of Plenty District Council is laid by a representing Councillor at the Tauranga City Civic Service.

**A verbal update will be provided on:**

- SmartGrowth Leadership Group;
- Tauranga City Council;
- Three Waters; and  
Rural and Provincial.

**11 INFORMATION FOR RECEIPT****12 RESOLUTION TO EXCLUDE THE PUBLIC****RECOMMENDATION**

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>12.1 - Confidential Minutes of the Council Meeting held on 9 February 2021</b>	s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.2 - Confidential Minutes of the Council Meeting held on 25 February 2021</b>	<p>s7(2)(a) - the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons</p> <p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(ii) - the withholding of 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</p> <p>s7(2)(g) - the withholding of the information is necessary to maintain legal professional privilege</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	
<b>12.3 - Confidential Minutes of the Performance and Monitoring Meeting held on 16 March 2021</b>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.4 - Recommendatory Report from Performance and Monitoring Committee - Property Acquisition - 109 Clarke Road</b>	<p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p> <p>s7(2)(i) - the withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</p>	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.5 - Mayor's Report to Council</b>	s7(2)(c)(ii) - the withholding of 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	s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

	<p>otherwise to damage the public interest</p> <p>s7(2)(h) - the withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities</p>	
<b>12.6 - Chief Executive Officer's Report - Request for Execution of Documents under Seal of Council</b>	<p>s7(2)(b)(ii) - the withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information</p> <p>s7(2)(c)(ii) - the withholding of 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</p>	<p>s48(1)(a)(i) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7</p>