

# MEETING — AGENDA —

*Ngā Take*

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Western Bay of Plenty  
District Council

# COUNCIL

*Te Kaunihera*

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**C22**  
**Thursday, 13 December 2018**  
**Council Chambers**  
**Barkes Corner, Tauranga**  
**9.30am**

# Notice of Meeting No C22 Te Karere

## Council Te Kaunihera

Thursday, 13 December 2018  
Council Chambers  
Barkes Corner  
9.30am

His Worship the Mayor  
Deputy Mayor

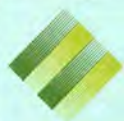
G J Webber (Chairperson)  
M Williams

Councillors:

G Dally  
M Dean  
M Lally  
P Mackay  
K Marsh  
D Marshall  
M Murray-Benge  
J Palmer  
J Scrimgeour  
D Thwaites

Media  
Staff

Miriam Taris  
**Chief Executive Officer**  
**Western Bay of Plenty District Council**



*Western Bay of Plenty  
District Council*

Te Kaunihera a rohe mai i nga Kuri-a-Wharei ki Otamarakau ki te Uru

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# Council Delegations

## Mangai o Te Kaunihera

### Quorum:

The quorum for this meeting is six members.

### Role:

- To exercise all powers and functions to deal with statutory and procedural matters, to carry out civic duties and responsibilities, and to exercise all non-delegated functions.
- To delegate authorities as appropriate to Council committees and the Chief Executive Officer.
- To delegate any authorities which may be additional to the roles required under the Local Government Act 2002 to Community Boards, and to appoint Councillors to Community Boards.
- To establish Joint Committees of Council, and appoint elected members and/or others to these committees.
- To make all financial decisions not otherwise delegated or included in Council's Long Term Plan and/or Annual Plan.
- To maintain, monitor and direct an overview of Council's finances including but not limited to:
  - The financial progress of major capital works projects including those considered in the Long Term Plan and Annual Plan processes.
  - Implementation of Council's risk management.
  - Approval of new debt and/or new facilities.
  - Receiving exception reports on Council's financial performance at least quarterly.
  - Undertaking all financial monitoring of performance against the Long Term Plan and Annual Plan.
  - Ensuring treasury management within the limitations of the Treasury Policy as set by the Long Term Plan.
  - Allowing for variations from Council's key treasury policy ratios.
- To exercise all non-delegated functions being:
  - (a) The power to make a rate
  - (b) The power to make a bylaw
  - (c) The power to borrow money, purchase, or dispose of assets, other than in accordance with the Long Term Plan
  - (d) The power to adopt a long term plan, annual plan, or annual report
  - (e) The power to appoint a chief executive
  - (f) 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
  - (g) The power to adopt a remuneration and employment policy
  - (h) The power to enter into contracts otherwise than in accordance with the provisions of Section 4 of the Public Bodies Contracts Act 1959
  - (i) The power to initiate any proceedings in the High Court that are not injunctive proceedings
  - (j) The power to remove the Deputy Mayor subject to Schedule 7 (18) of the Local Government Act 2002

- (k) The power to discharge or reconstitute any committee established by the Mayor subject to Schedule 7 (30) of the Local Government Act 2002
- (l) Powers as conferred by the Minister of Conservation under the Reserves Act 1977

### **Procedural Matters:**

- Confirmation of all Standing Committee minutes excluding the District Plan Committee, Regulatory Hearings Committee and District Licensing Committee minutes
- Receipt for information all Community Board minutes
- Receipt for information all District Plan Committee, Regulatory Hearings Committee minutes and District Licensing Committee minutes
- Adoption and amendment of Standing Orders.
- Establishment of and delegations to Joint Committees, Sub Committees and any other governance body that the Council deems necessary.
- Purchase, sell and dispose of Council property other than delegated in accordance with all of the following:
  - the Long Term Plan
  - the Significance Policy
  - Council's Asset Management Plans
  - Council's Reserve Management Plans
  - Committee or appropriate delegations
- Councillor and Council appointments to other organisations.
- Approval of elected member training/conference attendance.

Any other procedural matters as required under the Local Government Act 2002 or any other Act.

### **Mayor's Delegation:**

Should there be insufficient time for Council to consider approval of elected member training/conference attendance that this be delegated to the Mayor/Deputy Mayor with a report back to Council at the next scheduled meeting.

Should there be insufficient time for Council to consider approval of a final submission to an external body that the signing off of the submission on behalf of Council be delegated to the Mayor/Deputy Mayor provided that the final submission be reported to Council or the relevant Committee at the next available meeting.

### **Mayor and Councillors' Delegations:**

Pursuant to Clause 32(1) of Schedule 7 of the Local Government Act 2002, to each of the Mayor and Councillors, whether individually or collectively, the power to listen to and receive the presentation of views by people pursuant to Section 83(1)(d) of the Local Government Act 2002 in relation to any processes Council undertakes to consult on under the Special Consultative Procedure as required by the Local Government Act 2002 or any other Act.

# Agenda for Meeting No. C22

Pages

**Present  
In Attendance  
Apologies**

## **Public Excluded Items**

The Council may by resolution require any item of business contained in the public excluded section of the agenda to be dealt with while the public are present.

## **Public Forum**

A period of up to 30 minutes is set aside for a public forum. Members of the public may attend to address Council for up to three minutes on items that fall within the delegations of Council provided the matters are not subject to legal proceedings, or to a process providing for the hearing of submissions. Speakers may be questioned through the Mayor by members, but questions must be confined to obtaining information or clarification on matters raised by the speaker. The Mayor has discretion in regard to time extensions.

Such presentations do not form part of the formal business of the meeting, a brief record will be kept of matters raised during any public forum section of the meeting with matters for action to be referred through the customer contact centre request system, while those requiring further investigation will be referred to the Chief Executive.

C22.1

## **Receipt of Community Board Minutes**

Please refer to minutes of the meetings of the Community Boards as circulated separately with this agenda.

## **Recommendation**

*THAT the minutes of the following meetings be received:*

- 1. Minute no. WB17 of the Waihi Beach Community Board held on 19 November 2018*
- 2. Minute no. OM17 of the Omokoroa Community Board held on 20 November 2018*
- 3. Minute no. K17 of the Katikati Community Board held on 21 November 2018*
- 4. Minute no. MC17 of the Maketu Community Board held on 27 November 2018*
- 5. Minute no. TP17 of the Te Puke Community Board held on 28 November 2018*

C22.2

### **Minutes of Council and Committee Meetings for Confirmation**

Please refer to minutes of the meetings of the Council and its Standing Committees as circulated separately with this agenda.

#### **Recommendation**

*THAT the minutes of the following meetings as circulated separately with the agenda are confirmed and are a true and correct record:*

6. *Minute no. C21 of the Western Bay of Plenty District Council held on 1 November 2018*
7. *Minute no. CC14 of the Community Committee held on 22 November 2018*
8. *Minute no. OP16 of the Operations and Monitoring Committee held on 6 December 2018*
9. *Minute no. RUR11 of the Rural Committee held on 6 December 2018*

C22.3

### **Minutes for Receipt**

Please refer to the minutes as circulated separately with this agenda.

#### **Recommendation**

*THAT the minutes of the following meetings as circulated separately with the agenda are received:*

10. *Minute no. RH14 of the Regulatory Hearings Committee held on 13 November 2018*
11. *Minute no. PF6 of the Māori Partnership Forum held on 20 November 2018*
12. *Minute no. JG7 of the Joint Governance Committee held on 5 December 2018*

C22.4

### **Information for Receipt**

Please refer to the Minute Index and Information Pack as circulated separately with this agenda.

#### **Recommendation**

*THAT the information items included in the Minute Index and Information Pack dated 13 December 2018 as circulated separately with the agenda be received.*

C22.5	<b>Recommendatory Report from the Te Puke Community Board – Funding for the Te Puke Sports and Recreation Society Grandstand project</b>	10-11
	Attached is a report from the Democracy Advisor dated 4 December 2018	
C22.6	<b>Recommendatory Report from the Policy Committee – Adoption of the Katikati-Waihi Beach Ward Reserve Management Plan 2018</b>	12-26
	Attached is a report from the Governance Advisor dated 13 November 2018	
C22.7	<b>Review of Council Risk Profile</b>	27-41
	Attached is a report from the Risk Specialist dated 13 December 2018.	
C22.8	<b>Chief Executive Officer’s Report to Council – December 2018</b>	42-46
	Attached is a report from the Chief Executive Officer dated 30 November 2018	
C22.9	<b>Mayor’s Report to Council – December 2018</b>	47
	Attached is a report from His Worship the Mayor dated 30 November 2018	

## **Local Government Official Information and Meetings Act**

### **Exclusion of the Public**

#### **Schedule 2A**

#### **Recommendation**

*THAT the public be excluded from the following part of this meeting namely:*

- *In Confidence Council and Committee minutes for Confirmation*
- *In Confidence Minutes for Receipt*
- *In Confidence Minute Index and Information Pack*
- *In Confidence Recommendatory Report from Joint Governance Committee – Appointment of Board Members to Tourism Bay of Plenty December 2018*

- *In Confidence* *Recommendatory Report from the Operations and Monitoring Committee – Purchase of 24 Middlebrook Drive*
- *In Confidence* *Urban Form & Transport Initiative*
- *In Confidence* *Chief Executive Officer’s Report – December 2018*
- *Mayor’s Report to Council – December 2018*

The general subject to each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under Section 48(1) of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

<b>General subject of each matter to be considered</b>	<b>Reason for passing this resolution in relation to each matter</b>	<b>Ground(s) under Section 48(1) for the passing of this resolution</b>
<i>In Confidence</i> <i>Council and Committee Minutes for Confirmation</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes.</i>
<i>In Confidence</i> <i>Minutes for Receipt</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes.</i>
<i>In Confidence</i> <i>Minute Index and Information Pack</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes.</i>
<i>In Confidence</i> <i>Recommendatory Report from Tauranga City Council/Western Bay of Plenty District Council Joint Governance Committee – Appointment of Board Members to Tourism Bay of Plenty – December 2018</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>In Confidence</i> <i>Recommendatory Report from Operations and Monitoring Committee – Purchase of 24 Middle Brook Drive</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>For reasons previously stated on the relevant minutes</i>



<b><i>General subject of each matter to be considered</i></b>	<b><i>Reason for passing this resolution in relation to each matter</i></b>	<b><i>Ground(s) under Section 48(1) for the passing of this resolution</i></b>
<i>In Confidence</i> <i>Urban Form &amp; Transport Initiative</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>
<i>In Confidence</i> <i>Chief Executive Officer's Report –December 2018</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>Maintain legal professional privilege.</i> <i>Protect the privacy of natural persons, including that of deceased natural persons.</i>
<i>In Confidence</i> <i>Mayor's Report to Council - December 2018</i>	<i>THAT the public conduct of the relevant part of the proceedings of the meeting would likely result in the disclosure of information for which good reason for withholding would exist.</i>	<i>To enable the Council to carry on without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)</i>

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## Western Bay of Plenty District Council

### Council

## Recommendatory Report from the Te Puke Community Board – Funding for the Te Puke Sports and Recreation Society Grandstand Project

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### 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 to resolve to:

- a. adopt as recommended
- b. to modify
- c. refer to another Committee
- d. to decline (giving reasons) and refer back to the Te Puke Community Board

### Recommendation from the Te Puke Community Board – November 2018

#### TP17.2.8      **Te Puke Sports and Recreation Grandstand Project**

The Board received a presentation from Te Puke Sports at its last workshop meeting and as a result of this presentation resolved to allocate \$60,000 from the Community Board Reserve Fund for this worthwhile community project. The Board strongly recommended that Council contribute \$40,000 to bring the total contribution from the Te Puke Community Board and the Western Bay of Plenty District Council to \$100,000.00 for this very worthwhile community project.

**Resolved**                  Members Miller / Dugmore

*THAT the Te Puke Community Board approve funding of \$60,000 from the Te Puke Community Board Reserve Fund for allocation to the Te Puke Sports and Recreation Club Grandstand Project.*

Date  
Subject

4 December 2018  
Recommendatory Report from the Te Puke Community Board – Funding for the Te Puke Sport and Recreation Society Grandstand Project

Open Session

*AND THAT the Te Puke Community Board recommend that Council contribute \$40,000 to the Te Puke Sports and Recreation Club to bring the combined contribution from the Te Puke Community Board and the Western Bay of Plenty District Council to \$100,000 for the Te Puke Sports and Recreational Grandstand Project.*

### **Recommendation:**

- 1. THAT Council adopt / or not adopt the recommendation put forward by the Te Puke Community Board that Council contribute \$40,000 to the Te Puke Sports and Recreation Club to bring the combined contribution from the Te Puke Community Board and the Western Bay of Plenty District Council to \$100,000 for the Te Puke Sports and Recreational Grandstand Project.***

  
Aileen Alty  
**Democracy Advisor**

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## Western Bay of Plenty District Council

### Council

## Recommendation from the Policy Committee - Adoption of the Katikati-Waihi Beach Ward Reserve Management Plan 2018

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### 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 to resolve to:

- (a) adopt as recommended
- (b) to modify
- (c) refer to another Committee
- (d) to decline (giving reasons) and refer back to the Policy Committee

### Recommendation from the Policy Committee PP16.1 - 18 October 2018

#### PP16.1 **Deliberations on the Draft Katikati Waihi Beach Ward Reserve Management Plan 2018**

The Policy Committee considered a report from the Recreation Planner dated 4 October 2018 as circulated with the agenda.

The Recreation Planner spoke to the report and outlined the series of historical meetings and consultation processes undertaken that had been previously held to form the information put forward in the Draft Katikati Waihi Beach Ward Reserve Management Plan. A formal consultation process was run alongside the Reserves and Facilities Bylaw review.

**Resolved:** Mackay / Marshall

1. *THAT the Recreation Planner's report dated 4 October 2018 and titled Katikati-Waihi Beach Ward Reserve Management Plan 2018 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 all written submissions to the Katikati-Waihi Beach Ward Reserve Management Plan process including verbal submissions to the Have Your Say day on the 19 July 2018 be received.*
4. *THAT in accordance with Section 41 of the Reserves Act 1977, the Policy Committee recommends to Council that the draft Katikati - Waihi Beach Ward Reserve Management Plan 2018 as released for consultation, be adopted including the following:*

### **Pio Shores Cycle Way/Walkway Infrastructure**

**Resolved:** Marshall / Mackay

*THAT no provision will be made to construct/upgrade the Pio Shores cycle way/walkway infrastructure and therefore; cyclists and pedestrians will continue to find their way along existing streets and footpaths to Anzac Bay.*

### **Island View Reserve**

**Resolved:** Marshall / Mackay

*THAT a new project shall be added to the Katikati-Waihi Beach Ward Reserve Management Plan for Island View Reserve to include the installation of a BBQ and playground subject to the relevant consent/s being sought and obtained from Heritage New Zealand and that funding shall be sought for the project through the 2019/20 Annual Plan with an indicative cost totalling \$225,000.*

### **Tuapiro Point Reserve**

**Resolved:** Mackay / Marshall

*THAT new Reserve Management Policies will be added to the Tuapiro Point Reserve as follows:*

- *THAT investigations are carried out to set aside an area of land for equestrian related activities between the driveway into the reserve and the inner side of the estuary.*
- *THAT horse riding is permitted within a restricted area as per schedule one of the Reserves and Facilities Bylaw in recognition of the cultural and ecological significance of this reserve.*

*THAT in regard to the future management of Tuapiro Point Reserve, a new Reserve Management Policy action will be added as follows:*

- *THAT a process will be jointly developed with Tangata Whenua to partner and collaborate in the future management and development of Tuapiro Point Reserve.*

#### **Broadlands Block Reserve:**

**Resolved:** Mackay / Marshall

*THAT all the actions relating to the chip and putt golf course in the Broadlands Block Reserve, are deleted.*

#### **Reserve Project Funding**

**Resolved:** Mackay / Marshall

*THAT the Schedule of new reserves projects and as set out in ATTACHMENT 5, are approved.*

*THAT the Policy Committee approves the draft responses in relation to the submission feedback points on specified reserves and projects as set out in ATTACHMENT 4.*

*THAT the Policy Committee directs Staff to develop a Decision Story that gives effect to the resolutions from this meeting, and recommends to Council that the Decision Story be adopted alongside the adoption of the final Katikati-Waihi Beach Reserve Management Plan and be provided to submitters as a formal response to the submissions made.*

#### **Staff Comments - Recreation Planner**

Staff support the recommendation in accordance with the report titled Recommendation from the Policy Committee - Adoption of the Katikati-Waihi Beach Ward Reserve Management Plan 2018 as considered by the Policy Committee on 18 October 2018. Please note that a copy of the final plan amended in accordance with the Committee's decisions is attached, as well as the proposed decision story (intended as the formal response to submitters).

## Recommendation

- 1. THAT in accordance with Section 41 of the Reserves Act 1977 and the resolutions of Policy Committee meeting PP16.1, Council adopts the draft Katikati-Waihi Beach Ward Reserve Management Plan 2018 as set out in Attachment A (circulated separately with this agenda), noting that the amendment to the timing of project budget for Island View Reserve, as being \$25,000 in 2019/20 and \$200,000 in 2020/21.**
- 2. THAT the proposed decision story as set out in Attachment B is approved as the formal response to submitters to this process, and directs staff to disseminate the decision story as soon as practicable after this meeting.**
- 3. THAT the report relates to an issue that is considered to be of medium significance in terms of Council's Significance and Engagement Policy.**
- 4. THAT the Group Manager Policy, Planning and Regulatory Services be delegated the authority to make minor editorial corrections if required on the adopted Katikati-Waihi Beach Ward Reserve Management Plan 2018 and the decision story, prior to publication.**



Michelle Parnell  
**Governance Advisor**

# KATIKATI WAIHI BEACH WARD RESERVE MANAGEMENT PLAN 2018

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## *The Decisions*



*Western Bay of Plenty  
District Council*



## *Introduction*

Thanks for providing feedback on the 2018 review of the Katikati - Waihi Beach Ward Reserve Management Plan. This decision story sets out the key decisions made and actions that will be taken in response to community feedback.

## *The Review Process*

Council is required to keep its reserve management plans under continuous review so that they are adapted to changing circumstances, align with current community views and assists users, staff, public, neighbours and various authorities and organisations. This review has created a single plan for the Katikati - Waihi Beach Ward.

Preparing the draft began with workshops with the Katikati and Waihi Beach Community Boards and Council's Policy Committee. Given the inclusion of the Tuapiro Point Reserve and Lund Road Reserve (a

new proposed site for horse riding), consultation ran alongside the Reserves and Facilities Bylaw review which was proposing to cease permission for horse riding on the beach at Tuapiro Point.

Community consultation began on 14 May 2018, ended on 9 July 2018 with advertisements in local newspapers, and making an interactive website available for those who wanted to provide feedback online. We held Open Days at Katikati and Waihi Beach in May and June. We gave an overview of the process to Council's Te Arawa - Tauranga Moana ki Takutai Partnership Forum which has Tangata Whenua representatives from across the district.

We received a lot of feedback about the Pio Shores cycle-way/walk-way (97), reserves and projects in Katikati and Waihi Beach (37) including the Skate Park and Reserves and Facilities Bylaw issues (27) which in the end were diverted to the Bylaw process.

Several submitters attended the Have Your Say Sessions with elected members at Waihi Beach on Thursday 19 July 2018 presenting submissions on Pio Shores cycle-way/walk-way (9 submitters), Katikati Reserves (5 submitters), Waihi Beach Reserves including Skate Park (7 submitters) and Heritage NZ (1 submitter).



## *Waihi Beach Reserves*

Improving the **Bowentown headland tracks** to and around significant features such as pa sites and including the **Anzac Bay beach stairs**, is very unlikely to be allowed by Heritage New Zealand Pouhere Taonga. It is also very difficult to say how effective these trail improvements would be when weighed up against the significant cost involved in the design and construction, including the process to obtain approval from them. We would also require strong support from Tangata Whenua for such project. We will continue to monitor until support and the appropriate funding becomes available for these projects. Council has endeavoured over many years to work with all the sectors involved in **Anzac Bay** to provide signage/story boards and will continue to work with the Community Board, Tangata Whenua and Heritage New Zealand Pouhere Taonga to achieve the desired results. Similarly with reserve maintenance, we continue to monitor and manage all the sites especially the high use areas e.g. **Bowentown Domain**.

The current action in the **Broadlands Block** Concept Plan - "The areas in the east will be developed for a community and /or commercial chip and putt course..." has not been completed, and will therefore be removed. With the new proposed boardwalks, pathways and wetlands project in 2019/20, the Community Board and Council will work together to plan and raise the appropriate funds.

A walkway and cycleway connection between Athenree, Waihi Beach and Bowentown has been recognised as an outcome that would be very beneficial. Funding for the construction is included in the Waihi Beach Community Board's roading budget. From a planning perspective, we have included the following policy statements in the **Koutunui Reserve** through which the route would potentially follow:

- Long term development of walkways/cycle ways to be consistent with conservation values.
- Investigate opportunities for walkways/cycle ways.
- Investigate location of walkway/cycleway from Athenree to Emerton Road, Waihi beach.
- Extend and enhance pedestrian linkage to adjoining Local Purpose reserves.

Of the submissions about the **Pio Shores cycle-way/walk-way**, 79 completed a Ranking Assessment based on options provided in a map that was also presented at the Open Days to which many made comments.





Pio Shores cycle-way/walk-way proposed options

This feedback regarding **Pio Shores** revealed that the most favoured routes were those that were the least expensive, least disruptive, and those located mainly on existing streets and the slip lanes. Many opposed cycle-ways generally, on the basis that they felt;

- They were unsafe, due to those who speed and disregard other users of footpaths.
- Cycle-way and walk-way users infringe on neighboring houses.
- Concrete surfaces would create unwanted noise and excessive speed causing safety issues.
- There were potential safety issues with cars using slip lanes.
- The options provided limited off road experience for cyclists.
- The dune cycle-way options cause damage to the dune environment and ecology.

In the end, Council decided that retaining the status quo suited the majority of submitters, and cyclists are still able to find their way along existing streets and footpaths to Anzac Bay. This option had no construction and maintenance costs to burden ratepayers and it is in response to many submitters who were apprehensive about the cycle-way. A cycle-way in this area could be revisited in the future if demand increases.

The cycle-way route maps provided in the Reserves Management Plan for the district are indicative based on proposals at the time the draft was published. Where they are shown in existing streets, they would be

at the user's discretion. Part of the **Brighton Park** section is deferred until resource consent issues have been dealt with. The playground at Brighton Park will proceed as proposed in the 2019/20 year.

The playground located at "Main End (North End)" i.e. **Pohutukawa Park** is due for renewal and the work is programmed to commence 2018/19.

In the past Council has had difficulty developing **Island View Reserve** due to the presence of archaeological remnants. Now, the reserve is very popular increasing demand for further facilities to be developed.

A new BBQ and a playground costing approximately \$220,000 along with appropriate Heritage New Zealand Pouhere Taonga consents, will be included in the Reserve Management Plan.

Western Bay of Plenty District Council has administrative responsibility for **Tuapiro Point Reserve**, an area of approximately 29 hectares lying in the northern Tauranga Harbour area. Outcomes of the Reserves and Facilities Bylaw review focused on permitting horses in defined areas of Tuapiro Point. However, submissions to this process sought further

development of the Point in terms of revegetation and also a closer working relationship between Council and Tangata Whenua and the Community. Therefore, to assist and manage that process the following new Reserve Management Policies will be added:



Island View Reserve

- That investigations are carried out to set aside an area of land for equestrian related activities between the driveway into the reserve and the inner side of the estuary.
- That horse riding is permitted within a restricted area as per schedule one of the Reserves and Facilities Bylaw in recognition of the cultural and ecological significance of this reserve.

In regard to the discussion about co-management of Tuapiro Point Reserve, the Reserve Management Plan mentions processes for the involvement of Tangata Whenua and the local community. Therefore, a new action will be added:

- That a process will be jointly developed with Tangata Whenua to partner and collaborate in the future management and development of Tuapiro.

The proposed additional signage and planting of the reserve will be funded from within existing budgets, and proceeds from the existing tree milling project. It is also acknowledged that implementation of the new Reserve Management Policies will include identifying any future funding requirements for referral to Council's Annual Plan and Long Term Planning processes.

The land below/behind the RSA opposite Wilson Road turnoff is privately owned and is not a Council owned reserve. Therefore, Council will not be entering into any development of this site.

We received a lot of feedback from young people about the **Waihi Beach Community Centre Reserve - Skate Park** highlighting it was old, dangerous and not fit for purpose. One submitter maintained that the current location caused public safety issues, was not close enough to the beach environment and that it should be at Brighton Park. Moving forward it was noted that it would be good for local teenagers to be involved in the development of the skate park to give them ownership

and a sense of responsibility. Good ideas were presented about working with Council and the local community to progress the project, with the formation of the Waihi Beach Skate Park Committee and Design Project Team.



Existing skate park at Waihi Beach Community Reserve

We confirmed in the Long Term Plan 2018/28 that \$50,000 was budgeted for the Skate Park in the 2019/20 year. This means that the community would be required to raise the balance of funds. This is consistent with Council's funding approach for other skate parks or skate paths in the District like Omokoroa and Te Puke. To ensure our continued involvement, staff will assist by supporting the community team with the knowledge and experience gained from recent skate park builds throughout the District. During the scoping of the project, an assessment will be required to determine preferred suppliers, funding and whether the current location of the skate park and associated facilities is the most suitable.

Regarding the graffiti on the privately owned fence overlooking the **Waihi Beach Community Centre Reserve**, our Public Art Policy and Guidelines will assist us to work with the community to identify agreeable solutions.

We will continue to enforce the ban of horses from **Wilson Park** unless there is a license/lease agreement which formally enables grazing on the reserve.

### *Katikati Reserves*

In the Long Term Plan 2018/28, we decided to increase the **Dave Hume Swimming Pool** Service Delivery Contract budget by \$242,000 over 10 years. We have also included a budget of up to \$50,000 in the 2018/19 year to update the feasibility study into an indoor aquatic centre at Katikati. The feasibility study process will consider all users and potential locations including Moore Park.



Dave Hume Pool

The Landing Jetty project at **Haiku Park and Uretara Stream Reserve** was recently confirmed in Council's Long Term Plan in the 2023/24 year, awaiting community support to progress the construction. When the planning commences, one of the priorities will be to confirm timing of the build with availability of funds. This funding could be brought forward if there is support to do it sooner.

Specific development of the **Hunter Estate Reserve** was not identified in the drafting of the Katikati-Waihi Beach Ward Reserve Management Plan or in the Long Term Plan 2018/28 processes. However, it is identified in the list of priorities for the Katikati Trails Development Group. Staff will continue to work with this group regarding the development of future trails in Katikati.

In response to the feedback about the tin fence along the west side **Katikati Area Office and Library** behind the building and along the pathway from the Museum, Council will work with the Katikati Community Board to achieve an agreed outcome.

The proposed **Lund Road** development for recreation provides a budget to complete the proposed Concept Plan 2019, which will address the following concerns raised in submissions:

- Naming the reserve;
- Car parking, mountain bike park, horse trails;
- Change to a Recreation Reserve but manage the conservation values of the reserve;
- Establish pedestrian links to other walkway connections e.g. Thompsons track;
- Provide suitable signage; and
- Consider use for wastewater and ground disposal.

Staff are currently gathering information and working with representatives of the Working Group to co-ordinate community input.



Lund Road forestry block 2017 aerial photograph

At this time, Council has no proposals to develop and landscape esplanade reserves in the Coastal Marine area for recreational purposes, or creating a beach area for boat launching near **MacMillan Reserve**. The existing boat ramp and others around neighbouring parts of the Katikati harbour provide access for launching sea craft. The Katikati Boating Club are wanting to establish a base at the end of Beach Road, therefore consideration may need to be given to a concept plan for future use of this area for boating activities.

Council's Long Term Plan (LTP) recently adopted the **Moore Park** budgets as provided in the Katikati Waihi Beach Ward RMP. Any variations relating to naming, timing and budget amounts will be decided following the design and costing stage. The figures used in the draft plan will remain as estimates. Once the final designs for the new area are developed, we will have a better understanding of the overall Moore Park field use, which will enable us to make more informed decisions about location of the intended and proposed additional uses. To ensure the Reserve Management Plan notes other potential uses of Moore Park, the following will be added as a new Reserve Issue;

"Consider additional use of the park for the following; sand based volleyball court, basketball hoops, netball courts, 2/3 lane artificial cricket training net and an indoor aquatic centre."

Any flooding issues due east of the rugby club facility and in the new area, will be investigated during the latest development.



## *How we manage reserves*

With the wide range of feedback about individual reserves across the ward, we received a lot of support about the various projects in the Reserve Management Plan. Budgets and timing for individual reserve projects shown in the Plan as funded OR proposed to be funded means Council is well placed to respond to many matters raised by submitters. Several people commented that more should be done to improve reserves and associated infrastructure. We are happy to confirm that during the recent considerations for the 2019/20 Annual Plan process, Council approved the allocation of funds for that particular year. Estimated costs and timing for other non-budgeted projects in the Plan will be referred to the next Annual Plan and/or Long Term Plan processes to consider budget allocation.

Council manages over 200 reserves throughout the District, catering to a wide range of uses and communities. We have in place a comprehensive **asset management system, with renewals and replacements** as required according to the Condition Assessments of all assets including playgrounds.

Where we have had feedback about our existing levels of service not being met, we vigorously monitor the levels of service against industry best practice and all our contractors performance to ensure the specifics of their contracts are being met. During the recent LTP 2018/28, Council decided to proceed with the current work programme for boat ramps and jetties as part of the review of the **Recreation and Leisure Strategy**. This will also include assessments of our general **Levels of Service Asset Provision Guidelines**. Council also decided, through the Tauranga Harbour Advisory Group, to request development of a joint Tauranga Harbour Access Strategy to inform future decision making for boat launching facilities across the sub-region. Council will use this study to inform future decisions on investing in any new boat ramps and/or jetties.

We received a submission seeking amendments to our approach to **power utilities**. It should be acknowledged that the fundamental purpose of a Reserve Management Plan is to provide for and ensure the use, enjoyment, maintenance, protection, preservation and development of a reserve for the purposes for which it is classified. We prepare concept plans to show our communities how development of the individual reserves may occur, and receive feedback to ensure we keep abreast with their thinking. The **Reserve Management Plan Generic Policy P2 Utilities** addresses issues of management consistency across reserves. In addition Council's District Plan Section 10: Infrastructure, Network Utilities & Designations comprises issues, objectives, policies, rules and assessment criteria to be used in respect of the establishment, development, operation, maintenance and upgrading of such activities. It is considered that the District Plan remains the appropriate place to set out these rules and obligations.

Council monitors and manages **weed infestation of reserves** and the roading network throughout the District on an ongoing basis using a range of options. Council's level of service is to meet statutory compliance with the Regional Council's Pest Management Strategy. Staff will continue to work with community groups on local plant pest management strategies.

Heritage New Zealand Pouhere Taonga sought increased information being included in the Plan about **archaeological sites on reserves**. The fundamental purpose of a Reserve Management Plan under the Reserves Act 1977 is to provide for and ensure the use, enjoyment, maintenance, protection, preservation and development of a reserve for the purposes for which it is classified. The Reserves Management Plan does not identify specific archaeological sites as they are already noted in our District Plan. Many sites of significance to Tangata Whenua on reserves have been identified by individual assessments prepared for specific projects or maintenance activities.





Concept plans have been prepared for the larger, popular iconic reserves to show our communities how development may occur and to share feedback to ensure we keep abreast with community thinking where applicable. Those plans also reference the need to prepare archaeological assessments where applicable.

With regard to the protection of archaeological sites referenced in Council's District Plan, Heritage New Zealand Pouhere Taonga would normally make submissions to that review process. Archaeological issues are considered during planning for projects and resource consent application processes.

Requests for speed limit changes can only be progressed through a review of **Council's Speed Limits Bylaw**. This will be commencing soon so we will divert these to that bylaw review process.

Council's policy on **CCTV cameras** applies to equipment we currently own for the purposes of protecting Council owned assets for security, crime prevention, community safety and property damage. At the time, Police with the assistance of local Community Boards identified the locations of the cameras for crime hotspots. The technology is used to support the Police and locals and managing crimes ranging from tagging to assaults. We recognise there are a number of solutions for addressing a range of community safety issues and CCTV systems need to be considered alongside other options for dealing with problems.

The Policy sets out criteria for determining future locations and provides a checklist and guidelines of what will be considered to establish new CCTV cameras, these include:

- Principles of the Privacy Act 1993,
- Signage notifying the operation of a CCTV system,
- Level of monitoring,
- Access and Use of Footage,
- Asset Management - faults with cameras.

Our generic policy provides guidelines to enforce boundary creep, when appropriate. See the adopted **Reserve Management Plan for Generic Policy P13 Encroachment Policy**.



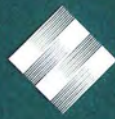
Katikati Remembrance Wall

Requests have been made for **dedicating areas for remembrance** on our reserves. We have remembrance walls at our cemeteries in Katikati and Te Puke, which also include areas for ashes and we have policies to assist us with gifts and commemorative features, including trees.

Council will be reviewing the Communities Strategy in 2018, which will include consideration of alternative cemetery and memorial options, and the level of service that Council provides in relation to cemeteries and urupā. See the adopted Reserve Management Plan for the following policies: **P9: Gifts and Commemorative Built Features** and **P10: Commemorative Trees**.

With regards to other comments about the presence of horses on reserves, the Reserves and Facilities Bylaw sets out the permitted areas for the riding of horses within the District. In some cases, through licences/lease agreements, **horses are permitted** to graze specific reserves. Additionally, some facilities and trails are developed for the specific use of horses - such as the equestrian trails at TECT All Terrain Park, and future development of trails at Lund Road Reserve.

*your*  
**DISTRICT**  
**— COUNCIL —**



*Western Bay of Plenty  
District Council*



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**Western Bay of Plenty District Council****Council****Review of Council Risk Profile**

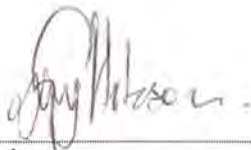
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**Purpose**

The purpose of this report is to present the quarterly update of the Risk Profile to the Elected Members (**Attachment A**).

**Recommendation**

- 1. THAT the Risk Specialist's report dated 13 December 2018 and titled 'Review of Council Risk Profile' 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.**



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Guy Hobson  
**Risk Specialist**



Approved 

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Kumaren Perumal  
**Chief Financial Officer**

## 1. Background

The updated Risk Profile (**Attachment A**) is provided to the Elected Members for review. Following consultation with risk owners, updates have been added in the detail of several activities, including mitigations and planned mitigations where relevant, to reflect their current status. The work underway to model natural hazards (such as coastal erosion, inundation and flooding) has been added to the Risk Profile under the Crisis Management heading.

Small changes have only been made to progress on activities across Council and no changes have been made to the overall level of Residual Risk.

One risk which continues to be widely mentioned is the lack of detail about the timing of roading improvement to State Highway 2 north of Tauranga. While a series of improvements to SH2 have been approved, uncertainty remains over the timing of the work and improvements that will allow better access to and from Omokoroa. We are monitoring the number of building consent applications from the area, in case there are any signs of the uncertainty impacting on developers, as well as financial and confidence impacts on the Stage 3 developments. The Katikati bypass is unlikely to proceed in the medium term. A petition with 3,300 signatures has been delivered to Parliament, calling for a stop to planning future housing development until there is greater clarity about roading development.

## 2. Significance and Engagement

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 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 for the following reasons;

- Residents and ratepayers are not affected by the review. Ratepayers and residents would only be affected if a significant risk occurs.

The top three residual risks for Council and the District being;

- Crisis management
- Health and safety compliance
- External macroeconomic and other events (inc. policy change).

If one of the top three risks does occur the impact on ratepayers and residents would be high as lives, homes, services will be affected. Residents and ratepayers would not feel secure. The likelihood would be a significant impact to the District.

### 3. Engagement, Consultation and Communication

Interested/Affected Parties	Completed/Planned Engagement/Consultation/Communication
Western Bay of Plenty District Council's Senior Management & Finance Team	Appropriate staff to be notified accordingly.

### 4. Issues and Options Assessment

Report issued for review and information.	
Reasons why no options are available	Legislative or other reference
<p>Council has agreed to regularly review its strategic risk as part of good governance and best practice.</p> <p>Emerging issues and changes in the operational environment necessitate a regular review of Council's strategic risk.</p> <p>As a result it is likely that risks will be reprioritised and changed over time in response to environmental influences, legislative changes, government policy and the like.</p>	

### 5. Statutory Compliance

The recommendation in this report complies with Council's current Risk Management Policy. Risk assessment is integral to all of Council's operations.

### 6. Funding/Budget Implications

Budget Funding Information	Relevant Detail
Not currently applicable	If changes to the risk priorities result in risk mitigation actions there may be budget implications.

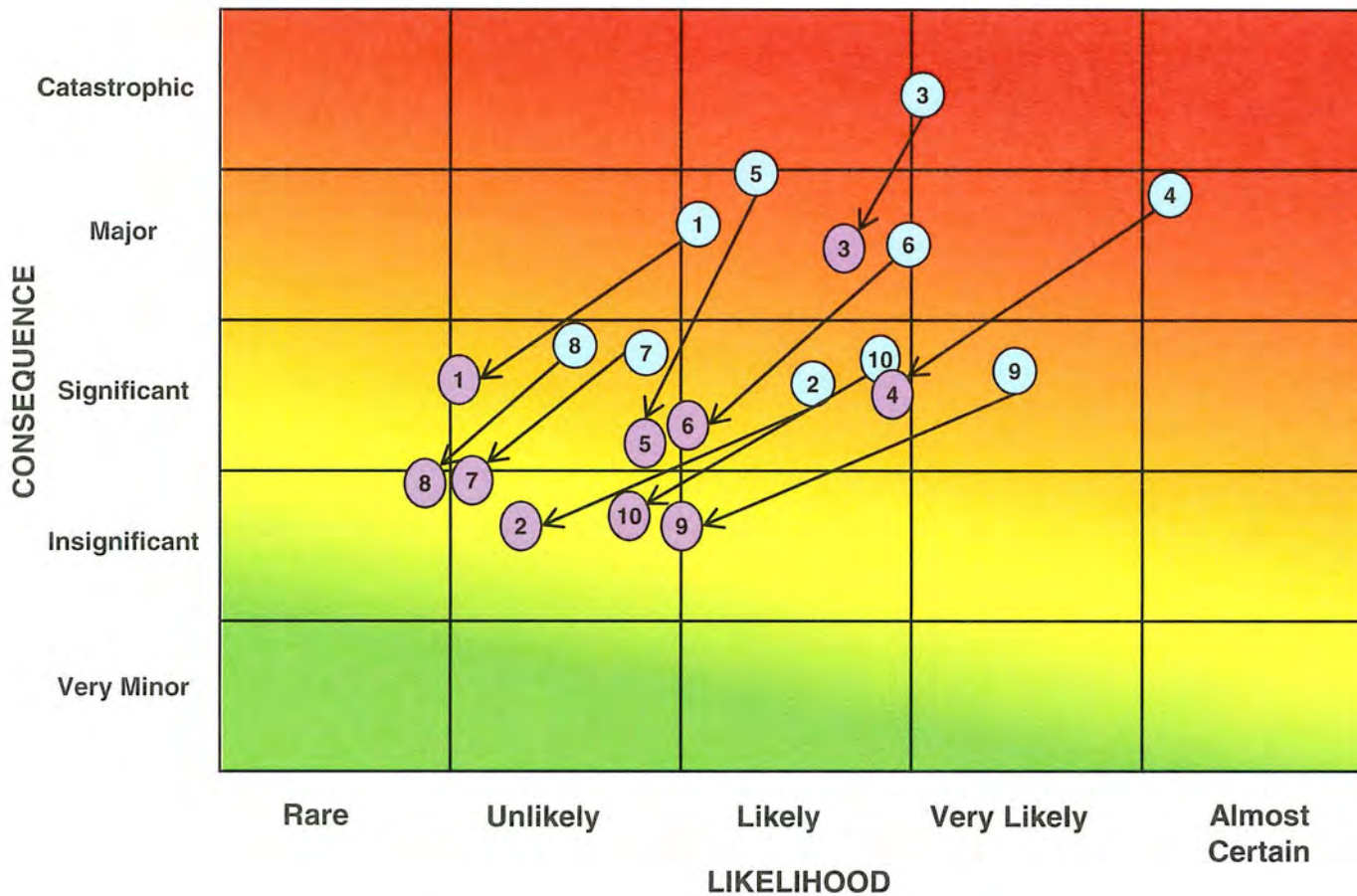
WESTERN BAY OF  
PLENTY DISTRICT  
COUNCIL

DRAFT RISK  
PROFILE

13 December 2018

# Summary of Key Risks

The following are the top risks to the achievement of WBOPDC's business objectives. Detail on each risk, associated mitigations and monitoring mechanisms are set out on subsequent pages.



#	Strategic Risk Areas
1	Health & safety compliance
2	Attraction, retention and engagement of key staff
3	Crisis management
4	External macroeconomic and other events e.g. horticulture disease and central government policy change
5	Digital ecosystem – reliability, cyber security, delivery, knowledge management
6	Renewals and maintenance of infrastructure
7	Project delivery management
8	Community engagement (general community and key stakeholders)
9	Regulatory compliance
10	Growth and impact on infrastructure planning

KEY ● Inherent Risk ● Residual Risk ● Target Risk level (tbd)

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>1. Health &amp; safety compliance</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>

WBOPDC is committed to providing a safe and healthy workplace for employees, contractors and the general public. The introduction of the Health and Safety at Work Act 2015 has increased leadership accountability and placed an onus on the Senior Management Team (SMT) to be more aware and have greater involvement in all H&S matters. Using representation on the H&S Committee and regular reporting to SMT and Elected Members, there has been an increased visibility in all areas of internal Health & Safety. WBOPDC has joined other Bay of Plenty and Waikato Councils to use the SHE Software for Contractor pre-qualification, helping to ensure that all contractors who are employed by the Council meet a similar set of standards and requirements.

## Risk Appetite Rationale

- Compliance with health and safety is important in terms of upholding Council's reputation and public perception.
- Safety and well-being of people is one of Council's primary concerns.
- Focussed on the 'right thing to do'.

## Key Mitigations

The following actions have been taken:

- Training on the Health & Safety at Work Act has been given to all current employees. Each area has appointed a representative to sit on the Health & Safety Committee.
- Front of House training for dealing with aggressive or angry customers is being rolled out in all locations during November.
- Hazard Registers have been developed for all Council work sites. 20 registers have now been signed off by the Management Team and the Top 14 hazards presented to SMT.
- The Vault Reporting system has been implemented to ensure all accidents, injuries and near misses are reported. These are discussed by the H&S Committee & reported upwards.
- WBOPDC has joined the Contractor Pre-Qualification Scheme run using the SHE Software. This establishes a level of consistency across contractors used by local authorities, but only in respect to basic H&S training and capabilities. New Contractor inductions have been developed, including a small test to confirm understanding. These are on the intranet.
- H&S is reported to SMT and Council on a monthly and quarterly basis respectively. H&S Committee minutes are circulated to all staff monthly.
- There are currently two H&S positions – Health & Safety Advisor and Health & Safety Specialist.
- Staff engagement is achieved through the monthly ORA newsletters, competitions, topic of the month and ORA nominations for modelling good H&S behaviours.
- WSMP Audit – this only runs until 2018, but WBOPDC did achieve a high standard in the accreditation. We await more news on the replacement.

## Significant Planned Additional Mitigations

- Evidence of H&S meetings with Contractors is filed in locations that can be easily found, including evidence that any remedial actions have been taken and checked.
- Policy 112 on H&S for Contractors being replaced by contractor management training.
- New Regulations on Asbestos Management – plan for each location where it is present.
- Hazardous substance inventory – complete except for new WWTP at Ongare Point.
- SMT & H&S team visits to worksites.

Owner(s)	Timing	Status
H&S/Contract managers	2017-18	Ongoing
Lynne Herring	2018/19	Ongoing
Mike Inglis		Almost complete
Mike Inglis	Ongoing	Complete
Jan Pedersen	Ongoing	In progress



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>2. Attraction, retention and engagement of key staff</b>	Medium	Medium	Low

There are risks to WBOPDC due to its small size in the regional economy and its ability to attract and retain specialist staff in a small job pool. We may lose staff to other neighbouring Councils, or not be able to attract staff of the right calibre or capability because of either our small size or the lack of other opportunities in the local area.

There are also issues of succession planning for some roles and the potential to lose knowledge and intellectual capital with the loss of key staff. In the Utilities area there will be a high percentage of retirees over the next five years. Staff numbers have increased with growth in the region and associated workloads, presenting issues around accommodation and conditions.

## Risk Appetite Rationale

- Key staff are required to support Council's operations and drive achievement of strategic objectives.
- Difficulty in finding qualified individuals for specific roles.
- Developing the right culture.
- Individual risk appetites for different sub-categories: e.g. Building inspector: Moderate, Regulatory staff: Low, Leadership: Low.

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## Key Mitigations

Working closely with other Councils to find innovative solutions in some areas – such as using Building Control staff from other Councils.  
 Investigation of training opportunities at local tertiary institutions to help meet certain skill shortages.  
 Increased use of graduate positions, trainees and cadets to fill positions in areas with shortages or threats from larger proportion of retirees.  
 Monitoring of staff attrition rates combined with Remuneration and Benefits strategy to compare with our neighbours annually. Flexible working Policy being developed.  
 Staff retention planning – use of training, MBAs, extension programme as means to retain staff.  
 New recruitment system – SnapHire – is working well & had led to better accuracy and less time spent on administration.  
 A Succession Planning exercise has been completed for all key roles down to specialist level.  
 Work is underway to investigate additional office accommodation due to the expansion of the workforce. Visits held to local businesses to view how they have solved accommodation challenges. Additional car parking has been provided.  
 Internal planning as part of the latest Corporate Plan to ensure that priority is given to the most important activities and planning is put into resource management in order to complete those activities identified as priority (“Tame the Beast”).

## Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Workforce Planning workshops held, work continues on outcomes with the SMT.	Jan Pedersen	2017-18	Ongoing
Formal Succession Planning – identify potential candidates & training needs.	Jan Pedersen	2017-18	Completed
Further staff workshops are planned on Diversity & Unconscious bias.	Jan Pedersen	2018-19	Ongoing

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>3. Crisis management</b>	<b>Extreme</b>	<b>High</b>	<b>Medium/High</b>

All 4 of the Natural Hazard risks from the previous Risk Register are included under this risk (major earthquake, major flood, tsunami and moderate sized volcanic eruption). The response includes Civil Defence and Emergency Management activities, which are run within the WBOPDC premises and co-ordinated between WBOPDC, TCC and the Emergency Management staff of the BOPRC.

Other risks covered here include those around the information given to residents about the risks to their property from flooding, sea inundation and coastal erosion, and also the Crisis Management and Business Continuity planning within the Council itself.

### Risk Appetite Rationale

- Higher risk appetite due to many of these factors being outside of Council's control.
- There's a focus on particular areas, where risks and vulnerabilities are seen as higher (e.g. Waihi Beach, Maketu, Pukehina Beach).
- Individual risk appetites for different sub-categories: Civil Defence: Moderate, Non-Civil Defence: High.

### Key Mitigations

WBOPDC plays a key role in any disaster response and post event recovery. Staff are trained for such events and our buildings & systems are made available to staff from neighbouring Councils. A new emergency generator has been installed in our building. We have staff trained as Controllers and Recovery managers within the EOC. Council staff are involved in close liaison between Emergency Management & other regional Lifeline organisations.

WBOPDC work closely with Insurance broker Aon to assess the correct level of insurance to cover damage to our infrastructure, buildings and facilities. This includes an annual revaluation of our infrastructure assets, properties and contents.

The Government has now published advice on coastal hazards & climate change (See paper on 'Coastal Hazards and Climate Change'). This is being consulted as we seek to formulate our own responses across the district. A programme of natural hazard modelling is underway to cover coastal erosion and inundation, flooding, liquefaction and tsunami. GIS mapping for impacts from hazards and natural disasters – tsunami & tidal flooding, etc. These can then be reflected on LIM reports for residents and on our website.

For internal response to any crisis or disaster, there is a Crisis Management Plan available and further more detailed plans are being developed for all areas of Council. Within the IT environment there is a detailed Business Continuity plan and increasing use of cloud based technology to allow for more remote working options. Council systems are well protected from external threats.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Work with Aon and Tonkin & Taylor to estimate damage to underground infrastructure in the event of either earthquake, liquefaction or tsunami events.	GM1	2017-18	Ongoing
Natural hazard modelling to meet new Regional Policy Statement requirements.	Tony Clow	2018-2023	Ongoing
Business Continuity Planning / Crisis Management Plan update.	Guy Hobson	2018-19	Ongoing

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>4. External macroeconomic and other events e.g. horticulture disease and central government policy change</b>	<b>Extreme</b>	<b>Medium</b>	<b>Medium</b>

Risks include: Significant changes to Central Government policy or funding (e.g. call to combine services with other Councils leading to stranded assets). Environmental factors which have a devastating impact on the economy of the region and make it uneconomic for horticulture or dairy production. Changes to the wider economic activity in New Zealand (e.g. further financial crisis, collapse of markets & end of growth).

Currently there are uncertainties regarding Central Government Transport Policy, and we await updates on the timing of projects that could have a direct impact on development. Also 3 Waters are being discussed and LGNZ (Water 2050 project) and WaterNZ are being used for advocacy on the future of water management in negotiations with Government. The Zero Carbon Bill is being watched for any potential impacts on Local Government.

### Risk Appetite Rationale

- Council’s aim is to get visibility to the best of their ability.

### Key Mitigations

The significance of these risks is that all of them are beyond the control of WBOPDC, and therefore there is little that can be done to prevent them from happening. The importance of the response and mitigations comes in how they are dealt with if they were to eventuate. Keeping abreast and being well informed about emerging issues and having strategies to deal with them.

Lobby government on important issues and align with sector groups to influence the government (e.g. LGNZ, SOLGM). Develop contacts with local business and industry groups in order to understand vulnerabilities and to seek better long term outcomes.

Priority One economic briefings for the local regional economy.  
 Bay of Connections Forum – 6 monthly summits.  
 All local Government legislation changes – “Inside Wellington” subscription service.  
 PWC Money market & economic briefings.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Relationships Framework – database of all external relationships.	All	Ongoing	In progress
Corporate Plan initiative – sharing of leading indicators for future activity not past performance.	Corp Dev Team	Ongoing	In progress

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>5. Digital ecosystem – reliability, cyber security, delivery, knowledge management</b>	<b>High</b>	<b>Medium</b>	<b>Low</b>

Risk to WBOPDC from a major systems failure which could prevent work from being undertaken, or the loss of vital records. Risk from cyber attacks on electronic records or the threat of malicious damage.

Risks from reliance on Datacom for the provision of the Ozone system, leading to delays in development or risk from end of life software. Replacement of Ozone software and shift to new software may not provide the current level of functionality, and may require a huge amount of time from staff to test, check and migrate to new systems.

### Risk Appetite Rationale

- Continuous monitoring and improvement is important to the community and in achieving Council's objectives and thus significant investments have been made in this area.
- 'Way of the future'.

### Key Mitigations

We are shifting to a "software as a service" approach to IT management as a means to reduce on site risk. This will lead to better version control practices & upgrades and lead to a reduced amount of maintenance. This approach is being used as we procure & renew all our corporate systems. Core elements of our technology infrastructure are kept on site but data is being backed up in the cloud. The Tauranga Data Centre is now located here at WBOPDC and has robust security and back up capability. We are one of the best protected Councils in the country compared with those operating on a realistic budget, according to AuditNZ, who have recommended us to speak to other ALGIM members. We have installed centrally located firewalls, allowing us to perform regular penetration testing and health checks. This makes us very resistant to malware and not just virus attack. IT have a disaster recovery plan and have built resilience into the current operations, providing mirrored servers which are shared with TCC as a way to ensure data is always retained and can be accessed in a short time frame and using mobile technology. An RFP has been successfully completed for the replacement of our production set up and is expected to be installed and go live in the data centre in the New Year. Contracts with Datacom to provide ongoing system maintenance and upgrades.

We are compliant with Information Management legislation, for example Privacy Act and Public Records Act. Digitisation of historical subdivision files continues.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Planning for migration to "software as a service" approach to digital management.	Marion Dowd		Ongoing
Security review of hardware is underway along with software to monitor threats & maintain firewalls.	Richard Gilligan		Completed

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>6. Renewals and maintenance of infrastructure</b>	High	Medium	Medium/Low

Is the current infrastructure fit for purpose and does it meet the needs of the current population? Will it remain adequate for its remaining estimated lifetime or will developments or expansion mean that it has to be replaced sooner than predicted? Are our growth estimates accurate?

Risks Include:

Unplanned asset failure. Impact on residents and businesses, who are unable to function.

Unexpected risks encountered during the purchase or construction of new assets.

Contractors unwilling to tender for the work that Council needs to get done (due to the amount of available work, or the perception that working with Councils is hard).

Proper procurement policies are not followed due to the lack of parties tendering for work.

Proposed State Highway upgrades could impact on water pipes laid close to roads and lead to additional expenditure.

## Risk Appetite Rationale

- Need to ensure our infrastructure is always fit for purpose.
- Individual risk appetites for different sub-categories:
  - 1) Bridges: Low
  - 2) Renewals: Moderate

## Key Mitigations

Structure Plans are in place which estimate the future needs to replace or repair assets when required.

Asset Management Plans for all infrastructure activities are in place and up to date, to ensure assets are fit for purpose, adequately maintained and replaced in the most cost effective manner.

Asset managers and staff are appropriately qualified and trained to manage those plans.

Asset Management Plans and replacement planning reviewed every three years with each new LTP.

A new Asset Management system is being implemented & populated with data to ensure that there are accurate records of all assets and allow for better management and planning of asset life times.

Approval for spending on all capital projects is undertaken as part of the Annual Plan process. Tenders have gone out for the Capital Works Programme.

Negotiations are being held with Regional Council over stop banks in various locations, looking at ownership (& gifting), security, erosion, maintenance and resource consents needed.

Procurement processes are being reviewed as part of the refresh of the Procurement procedures & Manual in order to achieve the right balance between tendering and the employment of good quality contractors while achieving best possible price outcomes for ratepayers.

## Significant Planned Additional Mitigations

Implementation of the new Asset Management System will bring standardisation to our AMPs. Version 4 is up and running, although some bugs still need to be resolved.

Owner(s)

Timing

Status

2017-19

Ongoing

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>7. Project delivery management</b>	<b>Medium</b>	<b>Medium</b>	<b>Medium</b>

At the present time the WBOPDC has a shortage of both project management skill and resources. There is no standard methodology available for the delivery or running of projects within WBOPDC. There is a dependence on existing job holders with certain technical skills to fill the role of project manager on a number of initiatives. While this is needed to some extent, the lack of project management skills may result in delays or inefficiencies within the projects.

Contractor Management – there are risks around inconsistent record keeping & lack of documentation.

### Risk Appetite Rationale

- Scope/quality are the most important factors, timeliness is not as important compared against scope/quality.
- There are tension/constraints in terms of capability.
- Individual risk appetites for different sub-categories: For example with Cycleways appetite is low but for new services it is moderate.

### Key Mitigations

The new Corporate Plan strategy has helped WBOPDC focus on what is being done. Project prioritisation activities have been undertaken by the Corporate Development Team in order to determine which projects can be delivered and to allocate priorities to those. Retention of a full time project manager within the IT department. Development of some project management materials.

Where there is implementation and development activity we now ensure that there is a project team formed where there is ownership by the business and elements that are managed and delivered by IT. We now look to include a team member from Finance in order to ensure that all financial elements are included from an early stage. A more agile business methodology has been adopted when working with Datacom on our systems.

Contractor management – working to ensure She accreditation programme is working and contractor management training is planned to overcome issues with H&S Policy 112.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Asset Management Module, to bring consistency across multiple asset activities.	Chris Shaw	2017 – 2019	Ongoing
Roll-out of the PROMAPP system to capture & update all process information.	Jaqui Watkins	2018-2020	Ongoing

# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>8. Community engagement (general community and key stakeholders)</b>	Medium	Medium/Low	Low

WBOPDC has an obligation to engage with residents and the community on matters which affect them. We have undertaken a number of initiatives to ensure there are good levels of local discussion about matters which impact the community, and we can demonstrate that residents' views have been gathered and taken into consideration. The Community and also the Environmental strategies are both being reviewed and will need further engagement. With increasing numbers of matters requiring engagement, there is a need to be smarter about ways of doing this.

### Risk Appetite Rationale

- Council is very careful on external communications.
- Customer service is important to us.

### Key Mitigations

WBOPDC has recruited new staff in the Communications and Engagement team in order to ensure a much higher degree of resident participation in community matters. However, at the moment there are vacancies in Comms & Democracy areas and there is a proposal to restructure and split the Comms team between the CEO and Policy/Planning Groups.

There are Community Boards, Bang the Table community events and also online forums to respond to questions and discussion papers (e.g. on coastal erosion).

Greater efforts are being focussed on getting residents to take part in Open Day events and give views – Omokoroa Planning Open Days, Roding Plan Open Days & Te Puke residents. Work on the Representation Review has just been completed. The proposed Future Development Strategy has been put out for consultation. A Community Engagement Framework and Toolkit has been developed and is being used. Staff are now trained to standards set by International Association of Public Participation for best practice. WBOPDC are part of a regional network of engagement practitioners and take a lead in this network. There are also Auditor General guidelines on public participation which are followed.

The Council has run and sponsored a number of Community Events. Connector Groups in Te Puna and Omokoroa set up to develop their own Community Plans with Council support.

With the running of events on Council land, the New Health & Safety at Work Act demands there are comprehensive risk plans in place. These are being produced but further work is now required to ensure these are properly monitored and complied with. Legal advice has been sought to clarify the Council position.

### Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Significance and Engagement Policy to be updated with the LTP.	Emily Watton	2018	Ongoing
H&S Plan monitoring at Events run on Council property or by Council sponsored organisations.	Frank Begley		Ongoing

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# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>9. Regulatory compliance</b>	High	Medium	Low

Risks in this area include:

Loss of regulatory compliance accreditation from IANZ and MBIE.

Difficulties finding enough staff with the appropriate skills and qualifications. Also the current age of a number of inspectors is high & retirements are expected.

Lack of local training opportunities to provide the flow of newly trained workers in this field for WBOPDC and TCC.

Need to employ outside firms to complete this work on behalf of Council, pushing up costs.

Potential failure to provide accurate Codes of Compliance which leads to legal cases against Council or claims for compensation.

Delays to development and building work. Loss of reputation. Stress caused to staff due to work pressures.

## Risk Appetite

- These risks are within Council's control and is important to Council's reputation of high quality service delivery.

## Key Mitigations

A position of Quality & Systems Specialist has been established in order to ensure continuity of accreditation. Move to use PROMAP has aided work & audit preparation.

Continuous improvement meetings are held within the team to review/fix/change any problems or issues that emerge.

A robust procurement process was followed for the renewal of contract for external contractors. This led to a saving on hourly rates, better insurance cover in place for WBOPDC and also more clarity over expectations about work load and timings. All decisions around this process are clearly documented.

As a result a Contractor Panel is now in place to move work between supplier and keep parties honest over timings and costs.

Young staff are being recruited as cadets to boost the compliance team.

All new staff are being trained towards a nationally recognised qualification and are being enrolled at Toi Ohomai in a Construction Management Diploma. Ongoing training in place.

A new earthquake prone buildings policy is under development – this will ensure that schools, hospitals, CD buildings etc, are all checked

All old records & Code Compliance certificates stored in the Lundia are processed on a needs basis when requested by members of the public.

Following QC's report on Bella Vista, we have stopped consent applications prior to sub-divisions, and prevented inspections being held when there is an RMA hold in place.

## Significant Planned Additional Mitigations

Change to case law around 10 year liability timeframe for leaky building claims may lead to new work or reopening of cases. (Only 1 property has emerged for reassessment).

Work Programme developed using the suggested improvements from the QC's report on Bella Vista.

Owner(s)	Timing	Status
Chris Nicholson	2018	Ongoing
Chris Nicholson et al	2018-19	Ongoing



# Key Risks

	Inherent Risk	Current Assessed Residual Risk	Council Target Residual Risk
<b>10. Growth and impact on infrastructure planning</b>	<b>Medium</b>	<b>Medium</b>	<b>Low</b>

Incorrect growth assumptions – these would impact on estimated costs and revenues and may lead to incorrect decisions about the needs for infrastructure.

Current rates burden is one of the highest in the country. Failure to allow, or get the benefit from, increased new housing development may lead to the region becoming more unaffordable for some rate payers.

The cost of infrastructure required by new developments is high when weighed against the potential new revenues.

Uncertainty around the funding & timing of major roading projects, such as SH2 to Omokoroa, has the potential to lead to slower housing development in that area.

- Note that a petition with 3,300 signatures has been delivered to Parliament calling for a halt to planning new housing until the roading situation has been fully clarified.

Difficulties of finding land for development in and around Katikati.

Housing affordability within the planned Special Housing Area.

Rising cost of Council staff bill to allow sufficient resources to deal with activities needed by residents.

## Risk Appetite Rationale

Out of council's control but has a big impact on infrastructure planning.

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## Key Mitigations

Most estimates for population growth are conservative, and would therefore not lead to an overestimate of budget revenues.

Delays to the building process or sudden economic downturn could lead to slower development and subdivision and therefore lower than expected revenues.

SmartGrowth is used for developmental planning purposes. 30 year plans look at where we are positioning 43,000 additional houses across Tauranga and the Western Bay. The Future Development Strategy has been discussed at a number of community meetings.

Priority One provides information about economic trends in both Tauranga and the Western Bay areas.

Growth estimates are peer reviewed by the Strategic Advisor.

Strategic Property options have been developed and a workspace planning & optimisation survey has been conducted to gather requirements.

## Significant Planned Additional Mitigations

	Owner(s)	Timing	Status
Boundary changes relating to Tauriko West (Council approval granted).	Phillip Martelli	2018-19	Ongoing
Climate change impacts on planning, future development & financial reporting.	Various	Ongoing	Ongoing

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# Western Bay of Plenty District Council

## Council

### Chief Executive Officers Report – December 2018

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#### **1. Chief Executive Officer and Group Managers' Update Report**

##### **1.1. Purpose**

To provide the Mayor and Council with timely advice on current projects and issues via an information report.

The Mayor has requested this report be based on topics and that the Chief Executive and Group Managers speak to items. A similar report is included in the confidential section of the agenda for confidential items.

##### **1.2. Report**

The topics and issues are set out in areas of responsibility. Detail is not provided in the written report as the detail is generally contained in the Committee reports where the topics are debated and direction provided.

The report is to provide current and timely briefings on significant topics and issues that potentially or currently are a risk item or could impact council or the community.

##### **1.3. Chief Executive Office**

- Nothing to report

##### **1.4. Infrastructure Services**

- Nothing to report

##### **1.5. Financial Services**

- **Chief Financial Officers Exception Report Briefing – December 2018 Attachment A**

**1.6. Policy, Planning and Regulatory Services**

- Nothing to report

**1.7. Technology, Customer and Community Services**

- Nothing to report

**Recommendation**

***THAT the Chief Executive Officer's report dated 30 November 2018 and titled "Chief Executive Officers Report" be received.***



Miriam Taris  
**Chief Executive Officer**

Date 26 November 2018

Open Session

Subject Chief Financial Officer's Exception Report Briefing – December 2018

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## Western Bay of Plenty District Council

### Council

## Chief Financial Officers' Exception Report Briefing – December 2018

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### **Purpose**

This report is to inform Councillors on important issues in relation to Council's finances. Reporting is on an exception basis and includes both positive and negative variances to Council plans, projects and business operations.

### **Key Financial Performance Indicators for the Four Months Ended 31 October 2018:**

#### **Debt**

Total external debt at 31 October 2018 was \$135.0m. There is no change from the period ended 30 September 2018. Council's net debt balance was \$75.58m at the end of the reporting period which represents a \$22.69m reduction from the June 2018 balance of \$98.27m. Council had a positive cash position of \$59.42m at 31 October 2018.

#### **Interest Rate Swaps**

Council had 85% of total debt fixed by interest rate swaps to the value of \$175.5m, which is within the policy range of 50%-95% coverage.

Council was in compliance with all of its key financial ratios for the quarter. A summary of the key financial performance indicators for the four months ended 31 October 2018 along with copies of the treasury reports and accompanying graphs have been included in the information pack.

### **Key Financial Issues for the Four Months Ended 31 October 2018**

#### **Operating Income:**

Total income for the four months ended 31 October 2018 was \$36.01m against a year-to-date budget of \$31.16m. The \$4.85m higher income variance is largely due to favourable variances arising from the timing of receipt of financial contributions, service charges revenue and other income against budget. Actual revenue received for all categories of operating income were higher than year-to-date budget with the exception of subsidies and grants which was \$512k below budget.

Date 26 November 2018

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### **Operating expenditure**

Total expenditure of \$29.29m was \$1.11m higher than year-to-date budget of \$28.18m due to lower interest costs offset by higher than budgeted additional level of service, depreciation and operating costs.

Overall operating income and expenditure levels indicate Council's financial performance is on track at the end of the reporting period.

### **Capital Expenditure**

Capital expenditure of \$7.99m for the period was \$230k higher than year-to-date budget. The expenditure variance is attributable to underspends against budget in the transportation and communities activities offset by a higher than budgeted spend in the corporate services activity.

The variance is primarily due to offsets in project spends within the above activities and the unbudgeted land purchase of 452 Omokoroa Road.

### **Financial Contributions**

Financial contributions income received to date of \$6.03m, is \$3.10m higher than the year-to-date budget of \$2.93m, which is consistent with the performance achieved for the September 2018 quarter. Further detail on the financial contribution income is tabulated in the Key Financial Issues report.

### **Update on the Local Government Funding Agency Limited's Shareholders' Council and Annual General Meetings**

The Local Government Funding Agency Limited's (LGFA) Shareholders' Council and Annual General Meetings were held on 21 November 2018.

The agenda for the Shareholders' Council meeting involved discussions around the company's governance, the process for the next round of board member rotation and remuneration review.

The LGFA Chief Executive also attended and presented on the financial performance for the last quarter. The presentation highlighted the company's strong financial performance for the quarter with the achievement of key performance indicators largely on track against the Statement of Intent targets. There was a notable increase in the number of new councils becoming borrower/guarantors with the LGFA with no significant increase in additional debt. There were no issues regarding the financial position and compliance with covenants on the part of borrowing councils at the end of the last quarter.

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The company's annual general meeting proceeded as planned where there was a unanimous proxy vote in favour of the following resolutions:

- Mike Timmer and John Avery re-elected as directors
- Hamilton City Council and Tauranga City Council re-elected as Nominating Local Authorities to the Shareholder Council
- Councils can apply (where applicable) to the LGFA Board to have their compliance with financial covenants measured at group level if they wish. (Currently all councils are tested at parent level)
- LGFA to commence work on lending directly to council controlled organisations under certain conditions

The Shareholder's Council supported the changes to the company's foundation documents on the basis that the changes are transformed into operational policies and practices while ensuring that no additional risk to either lenders, guarantors or the Crown is created. Specific mention of these requirements will be made by the Shareholders' Council in the Letter of Expectation for the 2019/20 LGFA Statement of Intent.

#### **Final Management Report on the Audit of Western Bay of Plenty District Council for the Year Ended 30 June 2018**

The management report on the audit of Western Bay of Plenty District Council for the year ended 30 June 2018 is included in the information pack.

The key message from the report is the recommendation for Council to create a formal asset improvement programme and action plan in response to the findings arising from the asset revaluation process carried out by external valuation experts.



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Kumaren Perumal  
**Chief Financial Officer**

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## Western Bay of Plenty District Council

### Council

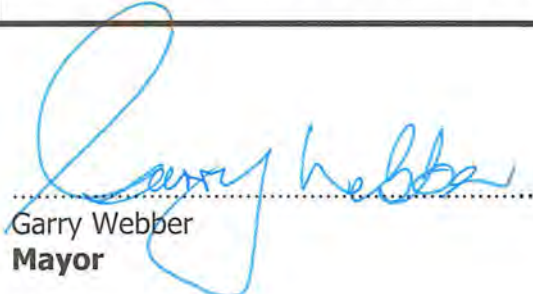
## Mayor's Report to Council – December 2018

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1. SmartGrowth update
2. Chinese delegation
3. Three Waters update
4. Councillor Dean appointment to District Plan and Regulatory Hearings Committees

### Recommendation

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| <ol style="list-style-type: none"><li>1. <b><i>THAT the Mayor's Report to Council for December 2018 be received.</i></b></li></ol> |
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Garry Webber  
**Mayor**