



RĀRANGI TAKE AGENDA

Hui Te Komiti Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee Meeting

I hereby give notice that a Meeting of the Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee will be held on:

Te Rā | Date: Thursday, 9 February 2023

Te Wā | Time: 9.30am

**Te Wāhi | Location: Council Chamber
Ground Floor, 175 Rimu Road
Paraparaumu**

**Kris Pervan
Group Manager Strategy & Growth**

Kāpiti Coast District Council

Notice is hereby given that a meeting of the Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee will be held in the Council Chamber, Ground Floor, 175 Rimu Road, Paraparaumu, on Thursday 9 February 2023, 9.30am.

Rautaki, Whakahaere, me te Ahumoni | Strategy, Operations and Finance Committee Members

Cr Sophie Handford	Chair
Cr Liz Koh	Deputy
Mayor Janet Holborow	Member
Cr Jocelyn Prvanov	Member
Cr Martin Halliday	Member
Deputy Mayor Lawrence Kirby	Member
Cr Rob Kofoed	Member
Cr Shelly Warwick	Member
Cr Nigel Wilson	Member
Cr Glen Cooper	Member
Cr Kathy Spiers	Member
Te Ātiawa ki Whakarongotai representative (Andre Baker or Janine Huxford or Christopher Gerretzen)	Member
Mr Huriwai Paki	Member
Ms Kim Tahiwī	Member

Order Of Business

1	Nau Mai Welcome	5
2	Karakia a te Kaunihera Council Blessing	5
3	Whakapāha Apologies	5
4	Te Tauākī o Te Whaitake ki ngā Mea o te Rārangi Take Declarations of Interest Relating to Items on the Agenda	5
5	He Wā Kōrero ki te Marea mō ngā Mea e Hāngai ana ki te Rārangi Take Public Speaking Time for Items Relating to the Agenda	5
6	Ngā Take a Ngā Mema Members' Business	5
7	He Kōrero Hou Updates	5
	Nil	
8	Pūrongo Reports	6
8.1	Appointment of council representative to the Economic Development Kotahitanga Board	6
8.2	Draft Submission: Resource Management Reforms	20
8.3	Submission on Three Waters Legislation	24
8.4	Submission to the Sale and Supply of Alcohol (Community Participation) Amendment Act.....	27
8.5	Half-Year Performance Report	64
9	Te Whakaū i ngā Āmiki Confirmation of Minutes	137
9.1	Confirmation of Minutes	137
10	Te Whakaūnga o Ngā Āmiki Kāore e Wātea ki te Marea Confirmation of Public Excluded Minutes	141
	Nil	
11	Closing Karakia	141

1 NAU MAI | WELCOME

2 KARAKIA A TE KAUNIHERA | COUNCIL BLESSING

I a mātou e whiriwhiri ana i ngā take kei mua i ō mātou aroaro, e pono ana mātou ka kaha tonu ki te whakapau mahara huapai mō ngā hapori e mahi nei mātou. Me kaha hoki mātou katoa kia whaihua, kia tōtika tā mātou mahi, ā, mā te māia, te tiro whakamua me te hihiri ka taea te arahi i roto i te kotahitanga me te aroha.

“As we deliberate on the issues before us, we trust that we will reflect positively on the communities we serve. Let us all seek to be effective and just, so that with courage, vision and energy, we provide positive leadership in a spirit of harmony and compassion.”

3 WHAKAPĀHA | APOLOGIES

**4 TE TAUĀKĪ O TE WHAITAKE KI NGĀ MEA O TE RĀRANGI TAKE |
DECLARATIONS OF INTEREST RELATING TO ITEMS ON THE AGENDA**

Notification from Elected Members of:

4.1 – any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting, and

4.2 – any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968

**5 HE WĀ KŌRERO KI TE MAREA MŌ NGĀ MEA E HĀNGAI ANA KI TE RĀRANGI
TAKE | PUBLIC SPEAKING TIME FOR ITEMS RELATING TO THE AGENDA**

6 NGĀ TAKE A NGĀ MEMA | MEMBERS' BUSINESS

(a) Leave of Absence

(b) Matters of an Urgent Nature (advice to be provided to the Chair prior to the commencement of the meeting)

7 HE KŌRERO HOU | UPDATES

Nil

8 PŪRONGO | REPORTS

8.1 APPOINTMENT OF COUNCIL REPRESENTATIVE TO THE ECONOMIC DEVELOPMENT KOTAHITANGA BOARD

Kaituhi | Author: **Anna Smith, Democracy Services Advisor**

Kaiwhakamana | Authoriser: **Sarah Wattie, Governance & Legal Services Manager**

TE PŪTAKE | PURPOSE

- 1 This report seeks the Strategy, Operations and Finance Committee approval for the appointment of a Council representative as an ex-officio member to the Economic Development Kotahitanga Board.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

An executive summary is not needed for this report.

TE TUKU HAEPAPA | DELEGATION

- 2 Council's Strategy, Operations and Finance Committee has authority to make this decision.

TAUNAKITANGA | RECOMMENDATIONS

- A. That the Strategy, Operations and Finance Committee confirms Councillor Liz Koh as Council representative on the Economic Development Kotahitanga Board.

TŪĀPAPA | BACKGROUND

- 3 The Kāpiti Coast Economic Development Strategy and Implementation Plan 2020-23 (the Strategy) was adopted on 30 July 2020 and the Economic Development Kotahitanga Board (EDKB) established to oversee the implementation and delivery of the plan. At the same time Council approved the appointment of Neil MacKay as the independent Chairperson of the EDKB for a 12-month term. Mr MacKay was re-appointed in May 2021, and again in June 2022.
- 4 The establishment of the independent governance board was a key priority for a number of partners and stakeholders. Continuity and support were considered important to gain momentum and create trust with partners, stakeholders and the wider community.
- 5 Council supported the establishment of the separate advisory board and the implementation of initial priority actions. Council also worked with board members and key partners and stakeholders to confirm a long-term operating approach. Following a workshop with elected members and incorporating feedback from iwi partners, council agreed upon a Terms of Reference with the EDKB. The EDKB Terms of Reference is attached as an appendix to this report.

HE KŌRERORERO | DISCUSSION

- 6 The EDKB is accountable and reports directly to the Strategy, Operations and Finance Committee. This includes written and verbal reports to the Committee from the Board Chair every six months outlining activities of the board and performance to date against agreed measures.
- 7 The EDKB consists of an independent chair and seven members. Membership includes:
 - a. Independent Chairperson – Neil MacKay
 - b. Three independent board members

- c. Ngāti Raukawa ki te Tonga Representative
- d. Ngāti Toa Rangatira Representative
- e. Te Āti Awa ki Whakarongotai Representative
- f. An elected councillor representative will be an ex-officio member of the EDKB.

He take | Issues

- 8 EDKB member appointments are for no less than one year, but no longer than three years depending on skill sets and key priorities of the Board.
- 9 The appointment of a Council representative to attend meetings as an ex-officio member of the Board is a decision of the Strategy, Operations and Finance Committee. Skills targeted for this role are to include:
 - Commercial acumen
 - Business acumen
 - Networked local and regional businesses/other agencies
 - Advocacy

Ngā kōwhiringa | Options

- 10 The EDKB Terms of Reference state that the Strategy Operations and Finance Committee can appoint a Council representative to attend meetings as an ex-officio member of the EDKB.

Tangata whenua

- 11 During the development of the Economic Development Strategy and Implementation Plan 2020-23 there were regular briefings with Te Whakaminenga o Kāpiti, and individual iwi workshop sessions offered. Feedback from mana whenua was incorporated into the development of the EDKB structure and Terms of Reference document.

Panonitanga āhuarangi | Climate change

- 12 There are no climate change considerations arising from this report.

Ahumoni me ngā rawa | Financial and resourcing

- 13 Members of the Board are remunerated for attendance at board meetings, however elected members are remunerated as per the Remuneration Authority's determination.

Ture me ngā Tūraru | Legal and risk

- 14 There are no legal considerations arising from this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 15 There are no policy considerations arising from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

- 16 This matter has a low degree of significance under Council's significance and engagement policy.

Whakatairanga | Publicity

- 17 Information on the Council website will also be updated to reflect the current membership of the Economic Development Kotahitanga Board.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Terms of Reference - Economic Development Kotahitanga Board [↓](#)

8.2 DRAFT SUBMISSION: RESOURCE MANAGEMENT REFORMS

Kaituhi | Author: **Angela Bell, Strategy Manager**

Kaiwhakamana | Authoriser: **Kris Pervan, Group Manager Strategy & Growth**

TE PŪTAKE | PURPOSE

- 1 This report seeks your approval of a draft submission to the Environment Select Committee on the Natural and Built Environment Bill and the Spatial Planning Bill.
- 2 These submissions are due with the Committee by 19 February 2023.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 3 An executive summary is not required for this report.

TE TUKU HAEPAPA | DELEGATION

- 4 The Strategy, Operations and Finance Committee has delegated authority to consider this under section B.1. of the 2022-2025 Triennium Governance Structure and Delegations:
Signing off any submission to an external agency or body.

TAUNAKITANGA | RECOMMENDATIONS

- A. Accept the tabling of the draft submission on the Natural and Built Environment and Spatial Planning Bills, for your consideration.
- B. Note that the submission is due to the Environment Select Committee by 19 February 2023.
- C. Agree to either:
 - C.1 Approve the draft submission; OR
 - C.2 Provide further direction to staff, and agree that approval of the final submission be delegated to the Mayor, in consultation with the Chief Executive prior to submission to the Environment Select Committee.

TŪĀPAPA | BACKGROUND

- 5 The Resource Management Act (RMA) is the primary piece of legislation that is both expected to protect our environment and provide for land use and development for the benefit of our communities. Since its introduction in 1991, there have been almost annual amendments to the legislation to attempt to make it more efficient and effective.
- 6 In 2018, the Government commissioned a review of the resource management system. The review was an opportunity to design a new system for resource management that delivers better outcomes for our environment, society, economy, and culture.
- 7 This review was conducted by the independent Resource Management Review Panel chaired by retired Court of Appeal Judge, Hon Tony Randerson, QC. The resulting report, known as the Randerson Report, identified a large number of recommendations that will reorient the system to focus on delivery of specified outcomes, targets and limits in the natural and built environments.
- 8 The issues with the RMA, as identified and summarised by the Randerson Report, are:
 - 8.1 New Zealand's natural environment is under significant pressure;
 - 8.2 Urban areas are struggling to keep pace with population growth;
 - 8.3 An urgent need to reduce carbon emissions and adapt to climate change;

- 8.4 The need to ensure that Māori have an effective role in the system, consistent with the principles of Te Tiriti o Waitangi; and
- 8.5 The need to improve system efficiency and effectiveness.
- 9 The Randerson Report suggested that further amendments to the RMA could not solve the fundamental issues with the Act. It was recommended that the RMA be repealed and replaced with new legislation that was fit for purpose.
- 10 Three new Acts have been announced as part of the Resource Management reform. The Natural and Built Environment Bill (NBA) and Spatial Planning Bill (SPA) were recently introduced to Parliament. The third Act, the Climate Change Adaptation Act, is still in production and has not yet been introduced into Parliament.
- 11 Council has previously provided feedback to the Select Committee on an exposure draft, which included a small section of the NBA Bill in January 2022.

HE KŌRERORERO | DISCUSSION

- 12 A draft submission is to be tabled at the Strategy Operations and Finance Committee meeting on 9 February 2023. Unfortunately this has not been able to be provided with the agenda due to the significant amount of work required, and time constraints imposed by the Select Committee. You will receive additional information to support your discussion before the 7 February 2023.
- 13 This draft submission is expected to cover the following key messages:
 - 13.1 That Council is supportive of the overall objectives of the legislation to:
 - 13.1.1 Protect and restore the environment and its capacity to provide for the wellbeing of present and future generations.
 - 13.1.2 Better enable development within natural environmental limits.
 - 13.1.3 Give proper recognition to the principles of Te Tiriti o Waitangi and provide greater recognition of te ao Māori and mātauranga Māori.
 - 13.1.4 Better prepare for adapting to climate change and risks from natural hazards, and better mitigate emissions contributing to climate change.
 - 13.1.5 Improve system efficiency and effectiveness and reduce complexity while retaining appropriate local democratic input.
 - 13.2 That Council does not believe that the legislation, as currently proposed, is likely to meet those objectives.
 - 13.3 That Council would also like to see appropriate support and funding for Councils and others within the system (including Iwi) to ensure that the reform programme is able to be implemented as intended
 - 13.4 That Council would like more guidance on the implementation and transitional arrangements, as the system is quite complex.
 - 13.5 That Council would like further consideration and guidance on the alignment and phasing of these reforms and their integration with the rest of the Government's reform programme, including 3 Waters and the Future for Local Government review.

He take | Issues

- 14 See draft submission.

Ngā kōwhiringa | Options

15 Not applicable.

Tangata whenua

- 16 Council has reached out to our Iwi partners to gauge their level of engagement with our submission on the resource management reforms. Given the time constraints, our Iwi partners have understandably chosen to focus on drafting their own submissions.
- 17 Te Atiawa have provided Council with their draft submission for our information.
- 18 Council has largely deferred to the views of our Iwi partners on matters of whether the reforms are likely to achieve objective 3: that the system gives proper recognition to the principles of Te Tiriti o Waitangi and provide greater recognition of te ao Māori and mātauranga Māori.
- 19 We have, however, included commentary on the importance of appropriately supporting and resourcing Iwi to allow them to undertake the broadened role envisaged by the new system. We have also sought guidance on how Councils (and the proposed Regional Planning Committee) will best be able to give effect to our obligations under this new system.

Panonitanga āhuarangi | Climate change

- 20 One of the objectives of the proposed legislation is that the system will better prepare for adapting to climate change and risks from natural hazards, and better mitigate emissions contributing to climate change.
- 21 The yet to be introduced Climate Adaptation Act is going to provide the substance of the system that supports this objective. This is expected to be introduced later this year. It is therefore difficult to assess whether (or not) the proposed legislation will be able to achieve this objective.

Ahumoni me ngā rawa | Financial and resourcing

- 22 There will be financial and resourcing implications of the reform programme as it is implemented over the next decade. However there are no immediate financial and resourcing implications resulting from this submission.

Ture me ngā Tūraru | Legal and risk

- 23 There will likely be legal implications and risks resulting from the reform programme as it is implemented over the next decade. However there are no immediate legal implications or risks resulting from this submission.

Ngā pānga ki ngā kaupapa here | Policy impact

- 24 There will likely be significant impacts on Councils policies and plans resulting from the reform programme as it is implemented over the next decade (eg the replacement of District Plans with regional Natural and Built Environment Plans). However there are no immediate impacts resulting from this submission.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 25 Council has not engaged with the community on the drafting of this submission.

Te mahere tūhono | Engagement planning

- 26 Council does not intend to undertake any engagement relating to the legislative processes underway.

Whakatairanga | Publicity

- 27 Communications staff are preparing a press release relating to our submission on the reform package, to be signed out by the Mayor.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

8.3 SUBMISSION ON THREE WATERS LEGISLATION

Kaituhi | Author: **Angela Bell, Strategy Manager**

Kaiwhakamana | Authoriser: **Kris Pervan, Group Manager Strategy & Growth**

TE PŪTAKE | PURPOSE

- 1 This report seeks your approval of a submission on the latest two pieces of Three Waters legislation to be introduced by the Government. These Bills are:
 - 1.1 The Water Services Legislation Bill
 - 1.2 The Water Services Economic Efficiency and Consumer Protection Bill

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An executive summary is not required for this report.

TE TUKU HAEPAPA | DELEGATION

- 3 The Strategy, Operations and Finance Committee has delegated authority to consider this under section B.1. of the 2022-2025 Triennium Governance Structure and Delegations 'Signing off any submission to an external agency or body'.

TAUNAKITANGA | RECOMMENDATIONS

- A. Accept the tabling of the draft submission on the Water Services Legislation Bill and the Water Services Economic Efficiency and Consumer Protection Bill.
- B. Note that this submission is due with the Select Committee on 17 February 2023.
- C. Either
 - C.1 Approve the attached submission, or
 - C.2 Provide feedback on the draft submission and delegate final approval of the submission to the Mayor, in consultation with the Chief Executive.

TŪĀPAPA | BACKGROUND

- 4 The Government is implementing reform of water services through a suite of three pieces of legislation. They are:
 - 4.1 The Water Services Entities Act
 - 4.2 The Water Services Legislation Bill
 - 4.3 The Water Services Economic Efficiency and Consumer Protection Bill
- 5 The Water Services Entities Act establishes the new water services entities so they are ready to provide services from 1 July 2024. This Bill was passed on 14 December 2022.
- 6 The two remaining Bills are currently being considered by the Finance and Expenditure Select Committee. Submissions on these Bills are due by 17 February 2023.

HE KŌRERORERO | DISCUSSION

- 7 A draft submission is to be tabled at the Strategy Operations and Finance Committee meeting on 9 February 2023. Unfortunately this has not been able to be provided with the agenda due to the significant amount of work required, and time constraints imposed by the

Select Committee. You will be provided with further information to support discussion on the submission on the 7 February 2023.

- 8 This draft submission will largely support the submission of LGNZ, and emphasis the following key messages:
- 8.1 The council and water service entity (WSE) relationship will be a critical one for both parties. It needs to be set up in a way that will enable (rather than compromise) the ongoing role and functions of councils including for example emergency and flood response management. Further detail is required around how this relationship will function.
 - 8.2 Water Services Legislation Bill - we are concerned about the provisions relating to council potentially collecting water charges on behalf of WSEs. Council opposes being compelled to collect revenue for a service they will no longer control and deliver, partly because of the potential public confusion this will generate about who is accountable. Further detail is required around how this collection of charges will function.
 - 8.3 Water Services Economic Efficiency and Consumer Protection Bill – this Bill seems to view the water services sector as similar to existing monopolised utility industries. In particular, the Bill aims to limit WSEs’ ability to extract excessive profits. We think this language is unnecessary given the proposed public ownership model. This language should be reviewed.

He take | Issues

- 9 NA

Ngā kōwhiringa | Options

- 10 NA

Tangata whenua

- 11 Council has reached out to our iwi partners to gauge their level of engagement with our submission on the three waters legislation. Given the significant time constraints, our iwi partners have understandably not been able to respond.
- 12 We have informed iwi that:
- 12.1 our submission is likely to be largely based on that of LGNZ (and provided a draft of LGNZ’s submission).
 - 12.2 we could seek to support their submissions if they are intending to submit, or we could include a general comment regarding the limited capacity of iwi to engage across the breadth of the government’s reform programme within the timeframes provided.
- 13 These options are still available to our iwi partners if they would like to indicate a preference at this meeting.

Panonitanga āhuarangi | Climate change

- 14 No specific impacts.

Ahumoni me ngā rawa | Financial and resourcing

- 15 There will be financial and resourcing implications of the reform programme as it is implemented. However, there are no immediate financial and resourcing implications resulting from this submission.

Ture me ngā Tūraru | Legal and risk

- 16 There may be legal implications and risks associated with the reform programme as it is implemented. However there are no immediate legal implications or risks resulting from this submission.

Ngā pānga ki ngā kaupapa here | Policy impact

- 17 There will be policy impacts resulting from the reform programme as it is implemented. However, there are no immediate policy impacts resulting from this submission.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

- 18 There is no planned engagement for this submission.

Te mahere tūhono | Engagement planning

- 19 Council is not undertaking any engagement processes for this submission.

Whakatairanga | Publicity

Communications staff are preparing a press release relating to our submission, to be signed out by the Mayor.

NGĀ ĀPITI HANGA | ATTACHMENTS

Nil

8.4 SUBMISSION TO THE SALE AND SUPPLY OF ALCOHOL (COMMUNITY PARTICIPATION) AMENDMENT ACT

Kaituhi | Author: **Chris Worth, Principal Policy Advisor**

Kaiwhakamana | Authoriser: **Kris Pervan, Group Manager Strategy & Growth**

TE PŪTAKE | PURPOSE

- 1 The Sale and Supply of Alcohol (Community Participation) Amendment Bill (Attachment 1) is a Government Bill before the Justice Select Committee. The purpose of this report is to provide background information to the principal Act, the Amendment Bill and a draft Submission for the Committee's consideration and approval.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 The Sale and Supply of Alcohol (Community Participation) Amendment Bill, amends the Sale and Supply of Alcohol Act 2012 is currently before the Justice Select Committee and open for submission.
- 3 The Amendment Bill aims to improve communities' ability to influence alcohol regulation in their area and, thereby, ensure that implementation of the Act better reflects the Act's object to ensure the sale, supply, and consumption of alcohol is undertaken safely and responsibly; and the harm caused by excessive or inappropriate consumption of alcohol is minimised.
- 4 The reforms would:
 - 4.1 Remove the appeals process for local alcohol policies (LAP),
 - 4.2 Remove questioning of parties by other parties and cross-examinations from licensing hearings,
 - 4.3 Allow anyone to object to an alcohol licence,
 - 4.4 Introduce the requirement for District Licensing Committee (DLC) to develop procedures for hearings and to allow the use of remote access technology for the conduct of meetings.
- 5 Attachment 2 outlines a draft submission from Council on these matters. The draft submission support removing the appeals process, improving consistency between a relevant Local Alcohol Policy (LAP) and a licence at its renewal, and that anyone can object to a licence application.
- 6 We do not recommend removing questioning and cross examination from the hearing process. Instead, we recommend that legal counsel be stopped from attending licence hearings, as is the case with Tenancy Tribunal and Disputes tribunal hearings.

TE TUKU HAEPAPA | DELEGATION

- 7 In accordance with the Governance Structure and Delegations, the Strategy, Operations and Finance Committee has the delegated responsibility to:
 - 7.1 Sign off any submission to an external agency or body.

TAUNAKITANGA | RECOMMENDATIONS

That the Strategy, Operations and Finance Committee:

- A. Approve the Submission on the Sale and Supply of Alcohol (Community Participation) Amendment Bill (Attachment 2 of this report), for submission to the Justice Select Committee. That Council agrees for the Mayor and Chief Executive to approve any further changes and the final submission.

- B. Appointand to speak on the submission to the Justice Select Committee.

TŪĀPAPA | BACKGROUND

Sale and Supply of Alcohol Act 2012

- 8 The Sale and Supply of Alcohol Act (Act) came into force in 2012 and has as its object:
- 8.1 The safe and responsible sale, supply, and consumption of alcohol; and
 - 8.2 The minimisation of harm caused by the excessive or inappropriate consumption of alcohol.
- 9 Under the Act harms caused by the excessive or inappropriate consumption of alcohol to individuals and communities is broadly defined and includes any crime, damage, death, disease, disorderly behaviour, illness, or injury, directly or indirectly caused, or directly or indirectly contributed to, by the excessive or inappropriate consumption of alcohol.

Community participation

- 10 On its enactment the Act aimed to increase the ability of communities to have a say about alcohol licensing in their local areas, primarily through:
- 10.1 The development and implementation of an LAP,
 - 10.2 Community participation in alcohol licence applications through an ability to object and to be heard at licence hearings.
- 11 However, with its implementation, this has not readily occurred. Community preferences on the sale and supply of alcohol in local communities has been blocked through the ability of parties (predominantly alcohol industry interests) to appeal the provisions in proposed LAPs.
- 12 At licence hearings, an overly legalistic approach to who has “standing”, the need for physical attendance, and the right of cross-examination has significantly curtailed input from affected communities and the public in general.
- 13 The Government has recognised this, noting that “(w)hen the Act was introduced ... it aimed to ensure the safe and responsible sale and consumption of alcohol. But the Act hasn’t worked as intended, creating a system that leaves communities struggling and silenced in their fight against the powerful alcohol industry.”¹
- 14 In response, the Government is looking to amend the Act and has introduced the Sale and Supply of Alcohol (Community Participation) Amendment Bill. The Bill is now at Select Committee with submissions called and due 12 February 2023.

Local Alcohol Policy

- 15 The Act provides for Council, in conjunction with the Medical Officer of Health and Police, and in consultation with its communities, to develop a LAP. An LAP may only deal with the matters listed in section 77 of the Act (Attachment 3). It is strictly prohibited from including any other matters. Of note, it:
- 15.1 Provides for communities to input at the policy level into how licensing decisions are made in their locality,².
 - 15.2 Has the potential to reduce alcohol-related harms, particularly violence, road crashes, other injuries, and alcohol related disease, through reducing accessibility and

¹ Hon Kiritapu Allan, Media release 31 October 2022. <https://www.beehive.govt.nz/release/communities-given-greater-powers-reduce-alcohol-harm> (accessed 24 November 2022)

² Alcohol Reform Bill, Departmental Report, Part One says “Discretion is provided for DLCs or ARLA to depart from LAPs on density and location to allow for exceptional circumstances where it may be unreasonable or illogical to be bound by an LAP. However, while permissible, it is expected that departure from these provisions of an LAP in the case of a new licence would be rare.”

availability of alcohol by managing the location and density of outlets and secondary to this, through price as closely clustered outlets often compete on price,

- 15.3 Can also introduce maximum trading hours that may be less than the default hours in the Act.
- 16 Once a Council has adopted a proposed an LAP, any person who has submitted on the draft policy during the required Special Consultative Procedure has the right to appeal any element of the proposed policy to the ARLA.
- 17 If the Authority upholds the appeal, then Council must either withdraw that element, amend it to something acceptable, withdraw the proposed LAP altogether, or appeal the Authority's decision to the High Court. Once all appeals are settled on an LAP, Council can adopt the LAP and resolve for it to come into force.
- 18 Once in force, the LAP is one of 11 matters that ARLA or a DLC must have regard to in deciding to issue a new licence (s.105(1) of the Act). However, ARLA or a DLC must not take into account any inconsistency between renewing a licence and any relevant LAP. However, it may impose conditions (s. 133).
- 19 Note, the Amendment Bill looks to modify the weight to be given to location and density elements of a relevant LAP (further discussed below).

DLC and Alcohol Regulatory and Licensing Authority hearings

- 20 The DLC must consider and decide all application for an alcohol licence or a manager's licence in a District. If an objection is received from the Medical Officer of Health for the area, or from Police or from a member of the public, the DLC must hold a hearing. If the decision of the DLC is appealed to the Authority, the Authority must conduct a public hearing of the objection and licence application.
- 21 To have an objection considered by the DLC, or to appeal the DLC's decision to the Authority, an objector must establish "standing", that is, that they have a greater interest in the application than the public. The interpretation of standing, based in long-standing Common Law tenets, has been quite rigorously applied and has allowed industry interests to contest the legal rights of individuals and community organisations to object, often excluding communities from effective participation in licence applications.³
- 22 Currently, during hearings, parties, including objectors and witnesses, can be cross-examined, and often are, by experienced legal counsel. This practice can be difficult and intimidating for the average member of the public and dissuades their participation.

Council's roles in alcohol policy and regulation

- 23 Under the Act, Council has both policy and a regulatory powers and responsibilities.

Policy role

- 24 Council may take on a policy role with respect to the control of the sale, supply, and consumption of alcohol in its district. In this role the TA is acting under its local government purpose "to promote the social, economic, environmental, and cultural well-being of [its] communities in the present and for the future" (Local Government Act, s.10(1)(b)).
- 25 This policy role is primarily undertaken through the development and implementation of an LAP, which Council may put in place (s.75) but does not have to. Council may also regulate activities relating to the sale, supply, and consumption of alcohol under its District Plan, and with respect to consumption, through place-based bylaws (e.g., Public Places bylaws and Alcohol Ban bylaws).

Regulatory role

³ ['Community Participation' Bill Will Enable A Fairer Alcohol Licensing Process | Scoop News](#) (accessed 18 January 2023)
['We all pay': Waitangi Tribunal hears Crown failed to protect Māori from alcohol-related harm | Stuff.co.nz](#) (accessed 18 January 2023)

- 26 Every territorial authority must have at least one DLC. The DLC considers applications to sell and supply alcohol from operators within the Kāpiti district. It also considers applications for manager's licences.
- 27 Where there is an objection to a licence to sell alcohol or to an application for a manager's licence being issued, the DLC will hold a hearing. Any decision of the DLC may be appealed to the Authority.
- 28 Both Council policy and regulatory roles are potentially affected by the proposed amendments in the Bill.

Previous Council consideration of the Act and potential amendments

Developing an LAP

- 29 In 2016 Council looked at developing an LAP, but noting the difficulties being experienced by other councils in getting an LAP in place, did not continue due potential costs arising from opposition to a proposed LAPs from the alcohol industry.⁴
- 30 In March 2020, in response to community concerns, Council agreed to include scoping work on a potential LAP within the Policy Work Programme. In 2021 work began on collecting evidence and a community survey was carried out (reported to Council in March 2022). However, this work was paused in early 2022 due to our regional health partners focussing on supporting COVID response work.
- 31 Work has recently resumed. Council and Regional Health are now gathering the evidential information required to support a decision on whether or not to proceed with a LAP. We have reconnected with Police and our iwi partners on this work and are looking to brief councillors on research findings in March, with a decision to proceed or not to developing a draft LAP for consultation to be taken in April 2023.

Consideration of previous amendment Bill

- 32 In early 2022 Green MP, Chloe Swarbrick put forward a private members Bill (the Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill) for which she sought local government support for its introduction to the House. A number of Councils⁵ moved resolutions of support, and in August 2021, the Mayor requested an item be put to Council to consider whether Council should also indicate its support for the private member's Bill.
- 33 The Bill sought to rectify two perceived implementation issues of the Sale and Supply of Alcohol Act 2012 by:
 - 33.1 Removing the special appeal process through LAPs,
 - 33.2 Winding down alcohol advertising and sponsorship of sports.
- 34 The item was considered at Council's 25 August 2022 meeting and the following resolution (CO2022/115) passed:
 - 34.1 That Council:
 - Endorse the private members' bill: Sale and Supply of Alcohol (Harm Minimisation) Amendment Bill currently before Parliament, the objects of which are to remove the special appeal process through LAPs; and wind down alcohol advertising and sponsorship of sports,
 - Direct staff to develop a submission to the Select Committee (should the Bill be referred) in support of the Bill's objects to better able communities to develop public

⁴ Other Councils that have withdrawn from the LAP process include Hamilton and Christchurch City Councils. Hamilton had expended around \$200,000 on the process before discontinuing. Auckland Council has spent seven years working to get their Proposed Policy through and have to date spent approximately \$1,000,000 on legal costs and as yet still do not have an LAP in place.

⁵ Auckland Council, Hamilton, Palmerston North and Christchurch City Councils, and Whanganui District Council.

health approaches to the provision of alcohol in their areas and better regulate the advertising of alcohol to further minimise the harm derived from its sale and supply.

- 35 The private member's Bill is still awaiting its first reading. However, one of the two issues it sought to remedy (to do with the ability to appeal elements of a proposed LAP) has been picked up in the Government's Amendment Bill now before Select committee.
- 36 It is understood that Government is intending to bring forward further amendments to the Act over the remainder of this Parliamentary term.

HE KÖRERORERO | DISCUSSION

He take | Issues

- 37 Government's amendment bill, Sale and Supply of Alcohol (Community Participation) Amendment Bill, addresses the following matters:
- 37.1 The appeals process for LAPs,
- 37.2 Inconsistency between LAPs and the renewal of licences,
- 37.3 Who can object to an alcohol licence application,
- 37.4 The way in which DLC hearings are conducted:
- that questioning of parties at hearings and the use of cross-examination is removed
 - that DLCs develop procedures to ensure transparency and consistency for applicants and objectors
 - introduces the use of technology for hearing meetings.

Changes proposed by the Bill

The appeals process for local alcohol policies (LAPs)

- 38 The proposed law change seeks to remove the appeals process. This means that there will be no right of appeal to any new LAP that is developed after the law is implemented. The Judicial Review process will remain, ensuring natural justice.
- 38.1 Experience to date:
- 38.1.1 Over the 10 years that the Act has been in force alcohol retailers have appealed 95% of draft LAPs, making it difficult for Councils to uphold the wishes of their communities. Appeals were received from,
- supermarket chains on 86% of proposed policies,
 - bottle stores on 72% of proposed policies,
- 38.1.2 Outside of the alcohol retailers, 28% of appeals have been from the Police, health agencies, or community members,
- 38.1.3 In a 2016 survey of implemented LAPs, almost three-quarters (71%) of the changes arising from appeal resulted in less restrictive provisions in the policies than those notified in the provisional LAP,
- 38.1.4 Due to appeals, adopting an LAP can be a very long process. In 2017, the average length of time from the start of the appeals process to policy adoption was 790 days (i.e. >2 years).
- 38.2 What will removing the appeal process mean:
- 38.2.1 It will mean that those who make a submission on the draft LAP will no longer be able to appeal an element of the LAP that they feel does not meet the object of the Act (the only grounds for appeal). This also means that communities, Police, health authorities (such as a Medical Officer of Health), etc will also lose

the right of appeal if they feel the LAP does not go far enough. This places an increased responsibility on communities and Councils to develop LAPs that will effectively minimise alcohol harm through the safe sale and supply of alcohol (LAPs may only deal with licensing matters), and therefore meet the object of the Act,

38.2.2 Without the threat of legal action through the appeals process, it is likely that more councils will develop LAPs, and adopt with stronger controls, and better reflect the interests of their communities,

38.2.3 Strengthening community participation in policy setting and ensuring community preference finds its way through to LAPs will reduce the burden on individuals and community organisations to have to try to litigate the community's position at numerous licence hearings, which is often well beyond their resources,

38.2.4 The Judicial Review process will remain to ensure fair process and natural justice. While an LAP is under judicial review, it cannot be implemented. It is possible that the alcohol industry will attempt to use the Judicial Review process to continue to delay LAPs being enacted.

38.3 Draft Submission points:

Kapiti Coast District Council **supports** the amendment removing the ability of parties to appeal provisional Local Alcohol Policies.

Inconsistency between LAPs and the renewal of licences

39 The proposed law change would require licensing decisions made on the location and density (section 77(1)(a) to (d) matters) of licensed outlets of difference licence types be consistent with any relevant LAP in place in the district. The amended section retains the ability of the DLC or ARLA to put in place condition in order for the licence to be consistent with other licensing matters (e.g. trading hours) in a relevant LAP.

39.1 Experience to date:

39.1.1 Currently, DLCs must not take inconsistencies between a relevant LAP and a licence renewal application into account when determining renewal. This means that decisions are less likely to reflect the LAP and there is no ability to make licensing conditions consistent across the district over time.

39.2 What will changing these provisions mean:

39.2.1 The DLC or ARLA will be able to decline applications on the grounds that location and density is inconsistent with a relevant LAP. More generally, the amended section 133 provides a discretion to the DLC or ARLA to decline or impose conditions where a relevant LAP exists,

39.2.2 We think this discretion should remain but be more tightly held in its exercise. Any inconsistency should only be acceptable in exceptional circumstances – this includes inconsistency in licenced hours.

39.3 An alternative to the proposed law change: Taituarā (The Society of Local Government Managers) has proposed in its draft submission on the Amendment Bill that driving for consistency between relevant LAPs and an alcohol licence should be taken a step further, through amendment of section 105 of the Act, to make it mandatory for all new licences to align with a relevant LAP. We believe this is a step too far, as both the DLC and ARLA should have a discretion to vary from the LAP in exceptional circumstances.

39.4 Draft Submission points:

Kapiti Coast District Council **supports**:

- the amendment providing for the Alcohol Regulatory Authority or a DLC to be able to decline to renew a licence if the licence would be inconsistent with conditions on location or licence density (as specified in section 77(1)(a) to (d) of the principal Act) in the relevant LAP.

Council also **recommends** to the Select Committee that:

- the amendment to section 133 of the Act continues to provide for the Alcohol Regulatory Authority or a DLC to impose particular conditions (including licence hours) on any licence it renews if there is any relevant local alcohol policy; and if it considers that the renewal of the licence, or the consequences of the renewal of the licence, without those conditions imposed on it would be inconsistent with the policy,
- that conditions inconsistent with a relevant LAP should only be allowed in the most exceptional of circumstances.

Providing for anyone to be able to object to an alcohol licence

40 The proposed changes look to remove any restrictions on who can object to an alcohol licence (this is also known as establishing 'standing'). The change means that anyone will be able to object to an application for a new licence or renewal of an existing licence for premises selling alcohol.

40.1 Experience to date:

40.1.1 Currently, people with “a greater interest than the public generally” can object to licensing applications. Following common law precedent, in most cases this test of “standing” has been taken to mean a person can object only if they live, work, attend school or a community site (e.g. Marae) within one kilometre of the proposed licensed premises. This can mean that a community organisation whose spokesperson lives outside this one-kilometre radius is also excluded.

40.2 What will allowing anyone to object to an alcohol licence mean:

40.2.1 Removing barriers to community participation in decision-making processes is essential to effective community participation under the Act. Importantly, removing restrictions on who can object to an alcohol licence may increase Māori input into licence decision-making. As a result of increased participation, licensing decision-makers can hear and take into account evidence from a broader range of community members and community organisations,

40.2.2 This is particularly important for off-licence applications, as the alcohol is taken and consumed off-site, often at a greater distance than the one-kilometre Common Law setting used to confirm standing. Harms arising from the purchase of alcohol from off-licence outlets can be felt much further afield.

40.3 Trade competition has been singled out as a particular form of objection in the Amendment Bill with the Bill prohibiting objection on this ground. The proposed amendment may be intended to allow them to object on the grounds of suitability of the applicant, or amenity and good order. Clarification of this point, and clear guidance for decision-makers to support a tight interpretation as to what may be permissible would be useful.

40.4 Draft Submission points:

Kapiti Coast District Council **supports** amendment of the Act providing for any person (individual or organisation) to be able to object to an application for a licence or renewal of a licence.

Council also **supports** that objections to a licence cannot be made by a trade competitor on any ground related to trade competition.

Council **recommends** that the grounds for objection by trade competitors is clearly and tightly defined and clear and precise guidance is provided to District Licensing Committees on this matter.

The way in which DLC hearings are conducted

That questioning of parties at hearings and the use of cross-examination is removed

41 The proposed law changes seek to remove the ability of all parties to question other parties to the proceedings, and to remove the right to cross-examine. This means that objectors, applicants, lawyers, and reporting agencies (licensing inspectors, medical officer of health and Police) can't ask questions of each other. The DLC will still be able to ask questions of all parties.

41.1 Experience to date:

41.1.1 Currently parties can question each other on their evidence, including through cross-examination. This can be daunting for the party being questioned and intimidating to such a degree as to inhibit lay people making objections to licence applications.

41.2 What will removing the right to question, and cross-examination mean:

41.2.1 Removing the right to question and cross-examine will likely make the hearing process feel less formal and threatening for the community. It may also empower communities to present evidence at hearings and increase community participation, particularly among community members with lower levels of education. It would also be fairer for those who cannot afford lawyers,

41.2.2 However, it will mean that only DLCs will be able to ask questions of parties. This increases the importance of the DLC Chair and members being well-trained in an inquisitorial approach.

41.2.3 While the DLC can ask questions to anyone at any time, questioning of parties / cross-examination is the only time objectors, the applicant, and/or reporting agencies can ask questions to someone who has given evidence. Cross-examination questions must be phrased as a question (cannot be statements) and can only be about the person's statement or evidence. Questions may be asked so that the evidence can be understood in more detail, or to undermine the evidence presented. Questions are typically asked to help the person win their case / point of view,

41.2.4 Cross-examination can be scary and makes the hearing feel overly legalistic. Even for those who have been to many hearings before, cross-examination can feel threatening. It is a practice that takes a high level of skill and experience to carry out or respond to effectively.

41.3 Alternatives to the proposed law change:

41.3.1 Keep cross-examination but remove the right for any party to have legal representation (like proceedings at a Tenancy Tribunal and Disputes Tribunal).

DLCs to develop procedures to ensure transparency and consistency for applicants and objectors; and the use of technology for hearing meetings

42 These proposed reforms will require DLCs to develop clear procedures for hearings.

42.1 Experience to date:

42.1.1 Currently DLC hearings are held as meetings with the applicant, objectors, and representatives of reporting agencies required to be physically present before the committee. This makes the meetings relatively inflexible and can inhibit participation, particular of members of the public.

42.7 What these changes would mean:

42.2.1 Requiring DLCs to develop clear procedures for hearings would support greater transparency and consistency for applicants and objectors. This could include set timeframes for provision of briefs, expert evidence, and that all such documents are provided to all parties prior to the hearing,

42.2.2 The Bill also allows for virtual attendance to District Licencing Hearings, including through platforms such as Zoom,

42.2.3 Any changes to process that enable easier and greater participation and allow less formality will better support the ability of community groups and members of the public to participate. Allowing the use of technology enabling remote access would also facilitate this.

42.8 Draft Submission points:

Kapiti Coast District Council **does not support** the amendments that would no longer permit those who appear at hearings to question any party or witness, and for cross-examination to not be permitted at hearings.

Council **recommends** instead, an amendment to section 204 (3) and (4) to exclude the attendance of legal counsel at ARLA and DLC meetings.

1 Council **supports** the amendments:

- requiring DLCs to develop procedures to reduce formality of hearings and to include timeframes for provision of briefs, and expert evidence, and that all such documents are provided to all parties prior to the hearing,
- providing for a hearing to be conducted and/or attended using technology enabling remote access.

Additional point for recommendations

43 There are some further points that could be recommended to the Select Committee for inclusion in this Amendment Bill as they play to the heart of increasing effective community participation and good decision-making.

44 Te Tiriti o Waitangi / Treaty of Waitangi:

44.1 Māori did not make or consume alcohol (waipiro - in te reo Māori, means stinking water) until colonisation. Alcohol and its concomitant harms have a disproportionate effect on Māori, and there is now significant evidence of this unequal burden of harm. Until recently, Māori were significantly less likely than non-Māori to drink alcohol. The 1996/97 New Zealand Health Survey found that 27.4% of Māori adults reported no alcohol use in the past year, compared to 12.9% of European/Other adults. By 2006, this gap had substantially reduced to 15.7% of Māori compared to 12.1% of European/Other adults. By 2020/2021 the gap had reversed,

44.2 Research in 2022⁶ found that Māori connection to a local area, their whakapapa, kaumatua status or māngai kōrero (authoritative spokesperson) were not accepted as reasons to give evidence,

⁶ New Research shows how institutional racism impacts alcohol licensing decisions.

<https://www.massey.ac.nz/about/news/new-research-shows-how-institutional-racism-impacts-alcohol-licensing-decisions/>

44.3 The Crown has a duty to uphold and honour its obligations to Te Tiriti o Waitangi by addressing this disproportionate exposure to risk and impact of alcohol on Māori. Māori advocacy groups have been active in objecting to licence applications where there is alcohol related harm affecting their communities. The Ōtaki community has faced these difficulties in recent licence applications,

44.4 It is recommended that additional to opening up who can object to a licence application, the Act include Te Tiriti o Waitangi as a fundamental consideration for decision-makers and that the evidence iwi and hapu can give to their connection and identity with an area be accepted as a valid interest in the impact of alcohol on their communities.

45 DLC – Skills and training:

45.1 Alcohol law, policy and decision-making is complex and multi-faceted. It often requires the careful balancing of competing social, economic, and cultural considerations within an explicit legal framework. As with resource management law and decision-making, we believe it would be advantages for members of DLC to be trained by a nationally approved provider to a consistent level of expertise (exempt only if a member has formal legal training). This training to include inquisitorial approaches to undertaking hearings.

46 Draft Submission points:

Kapiti Coast District Council **recommends:**

- That the Act include Te Tiriti o Waitangi as a fundamental consideration for decision-makers and the connection of Māori, iwi and hapu, to their whakapapa, rohe and places of significance become a fundamental consideration to decision-making,
- For all DLC members to be trained via a nationally approved provider as is currently required for RMA Commissioner, the training to include inquisitorial approaches to undertaking hearings.

Additional amendments to the Sale and Supply of Alcohol Act 2012:

47 Government has signalled its intention to bring forward further amendments to the Act to address alcohol supply, advertising, and pricing. This work is indicated to start in March 2023.

48 Alcohol related harm can be minimised by the regulation of availability, advertising, and pricing. The Sale and Supply of Alcohol (Community Participation) Amendment Bill only effectively impacts the availability of alcohol (through making LAPs easier to adopt and providing communities a stronger say in licensing decisions). It does not address the other underlying controls that can reduce alcohol related harm.

49 Advertising is addressed under the “Harm Minimisation” Bill put forward as a Private Members’ Bill by MP Chloe Swarbrick. It is currently before Parliament, waiting for its first reading. It is recommended that Council support Government picking up the advertising and sponsorship matters covered by the Private Members’ Bill. Additionally, neither Bill addresses the following amendments which we would also recommend:

50 Draft Submission points:

Kapiti Coast District Council **recommends** that in future amendments to the Sale and Supply of Alcohol Act 2012, to be undertaken by Government in this Parliamentary term, the following matters be considered for reform:

- controls on alcohol advertising and sponsorship of sport and other community and recreational activities,
- the introduction of minimum unit pricing (proven successful in other countries e.g. Scotland),
- strengthening control to ensure that alcohol purchased online is delivered to a person aged 18 years or over.

Ngā kōwhiringa | Options

51 Options have been discussed in the Issues section above.

Tangata whenua

- 52 Due to time constraints, the call for submission was published on 22 December 2022 and closes on 12 February 2023, we have not been able to engage with our iwi partners on the submission due to the Christmas close down period. However, Mana whenua from across Kāpiti have previously raised concerns on the impact of alcohol and alcohol-related harm on iwi and hapu, expressing particular concern for the granting of additional off-licences, particularly in Ōtaki, and on their right to be heard at hearings considering these applications.
- 53 Under the partnership relationship Council has with the district's iwi, their views, concerns, and aspirations should be a central interest in Council's advocacy on community wellbeing. The recommendations of support for the reform amendments to the Act support the previously expressed interests of our iwi partners in this policy area.

Panonitanga āhuarangi | Climate change

54 There are no climate change considerations relevant to this report

Ahumoni me ngā rawa | Financial and resourcing

55 There are no financial and resourcing considerations relevant to this report. Any changes and impacts from the Sale and Supply of Alcohol Act 2012 amendments will be reported in further detail when the Amendment Bill progresses to enactment.

Ture me ngā Tūraru | Legal and risk

- 56 The Bill supports objectives for communities to better manage the impacts of alcohol using LAPs. While work is underway to scope and develop a potential LAP, the risk in supporting the Bill and its changes to the Act are considered low, and do not predetermine future decisions Council may need to make around the need, scope, and scale of a future LAP.
- 57 The Amendment Bill also provides for fairer access by members of the public and communities to alcohol licence hearings. This may necessitate the DLC reviewing the conduct of its hearings, particularly of matters before it at the time of the Amendment Bill's enactment.

Ngā pānga ki ngā kaupapa here | Policy impact

58 Progression of the Bill through its stages in Parliament will need to be closely monitored because its finalised provisions may affect how Council continues to develop its LAP (should it decide to proceed with doing so) and with the timing of that work.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

- 59 The DLC has been consulted on the Amendment and Council's submission.
- 60 Due to time constraints, no wider engagement is planned with respect to the Sale and Supply of Alcohol (Community Participation) Amendment Bill.

Whakatairanga | Publicity

- 61 Council's final submission on the Bill will be published on Council's *Submissions We've Made* webpage.

NGĀ ĀPITI HANGA | ATTACHMENTS

- 1. Sale and Supply of Alcohol (Community Participation) Amendment Bill [↓](#)
- 2. Submission to the Sale and Supply of Alcohol (Community Participation) Amendment Bill [↓](#)
- 3. Content of Local Alcohol Policies [↓](#)

8.5 HALF-YEAR PERFORMANCE REPORT

Kaituhi | Author: **Marece Wenhold, Senior Advisor Corporate Planning and Reporting**

Kaiwhakamana | Authoriser: **Mark de Haast, Group Manager Corporate Services**

TE PŪTAKE | PURPOSE

- 1 This report provides the Committee with a detailed account of Council's financial and non-financial performance and residents opinion survey results for the half-year ended 31 December 2022.

HE WHAKARĀPOPOTO | EXECUTIVE SUMMARY

- 2 An Executive Summary is not required for this report.

TE TUKU HAEPAPA | DELEGATION

- 3 The Strategy, Operations and Finance Committee has delegated authority to consider this under section B.1. of the 2022-2025 Triennium Governance Structure and Delegations including 'overviewing strategic programmes' and 'financial management including risk mitigation'.

TAUNAKITANGA | RECOMMENDATIONS

It is recommended that the Strategy, Operations and Finance Committee:

- A. Receives this report, including Appendix 1 to this report, and.
- B. Notes the Council's performance for the half-year ended 31 December 2022, as detailed in Appendix 1 to this report.

TŪĀPAPA | BACKGROUND

- 4 The Council's Performance Report, attached as Appendix 1 to this report, now combines three previously separate reports (the Activity Report, the Finance Report, and the Residents Opinion Survey results).
- 5 The next report will showcase the Council's quarter three results (1 January to 31 March 2022), as well as year-to-date results.

HE KŌRERORERO | DISCUSSION

He take | Issues

- 6 The Council has performed well across the first half of 2022/23. This is briefly summarised below. Further information is provided in Appendix 1 to this report.

Performance measure progress

- 7 We have achieved 74 percent of our performance measures that are applicable to this reporting period.

Key project delivery

- 8 81 percent of the Council's 2021- 41 Long Term Plan (LTP) key projects and initiatives are on track for the reporting period.

Financial management

- 9 Mainstream revenue (mainly rates, user fees and charges) totalled \$46.7 million, \$0.2 million below budget for the reporting period. Total operating expenses for the six months were \$51.6 million, \$0.7 million below budget. The net surplus for the half year was \$8.2 million. This was mainly due to grants and capital contributions received for the capital works programme. This is not a permanent cash surplus.
- 10 Capex spend was \$28.6 million for the period and is in line with budget.
- 11 Council maintained a strong financial position. As at 31 December, total assets were \$1.97 billion and net debt was \$185.1 million, being 180% of total operating revenue (well below the 250% upper limit).

Residents' opinion

- 12 The overall adjusted satisfaction score for surveyed residents in quarter two of 2022-23 was 53 percent. Compared to Q1 2022/23, overall adjusted satisfaction has decreased by 8 percent. This drop in satisfaction was largely due to the shift of satisfied residents to neutral.
- 13 Value for money perceptions remained consistent since Q1 and is trending higher than national satisfaction results.
- 14 Overall satisfaction, opportunities for residents to have their say, and providing more information to residents on decisions that affect their area will continue to be a focus for the Council over the next six months.

Ngā kōwhiringa | Options

- 15 There are no options to consider with this report.

Tangata whenua

- 16 There are no tāngata whenua matters in addition to those already outlined in this report.

Panonitanga āhuarangi | Climate change

- 17 There are no climate change matters in addition to those already outlined in this report.

Ahumoni me ngā rawa | Financial and resourcing

- 18 There are no financial and resourcing matters in addition to those already outlined in this report.

Ture me ngā Tūraru | Legal and risk

- 19 There are no legal and risk matters in addition to those already outlined in this report.

Ngā pānga ki ngā kaupapa here | Policy impact

- 20 There are no policy impacts arising directly from this report.

TE WHAKAWHITI KŌRERO ME TE TŪHONO | COMMUNICATIONS & ENGAGEMENT

Te mahere tūhono | Engagement planning

21 There is no engagement planning required for this report.

Whakatairanga | Publicity

22 Appendix 1 to this report will be made publicly available on the Council's website.

NGĀ ĀPITI HANGA | ATTACHMENTS

1. Council Performance Report for the Half Year Ended 31 December 2022 [↓](#)

9 TE WHAKAŪ I NGĀ ĀMIKI | CONFIRMATION OF MINUTES

9.1 CONFIRMATION OF MINUTES

Author: Anna Smith, Democracy Services Advisor

Authoriser: Janice McDougall, Group Manager People and Partnerships

Taunakitanga | Recommendations

That the minutes of the Strategy, Operations and Finance Committee meeting of 8 December 2022 be accepted as a true and correct record.

APPENDICES

1. Confirmation of Minutes - 8 December 2022 [↓](#)

**10 TE WHAKAŪNGA O NGĀ ĀMIKI KĀORE E WĀTEA KI TE MAREA |
CONFIRMATION OF PUBLIC EXCLUDED MINUTES**

Nil

11 CLOSING KARAKIA