



AGENDA

Supplementary Agenda

Ordinary Council meeting

Tuesday, 16 December 2025

Date: Tuesday, 16 December 2025

Time: 8:30 am

**Location: Tauranga City Council Chambers, Mareanui
L1, 90 Devonport Road
Tauranga**

Please note that this meeting will be livestreamed and the recording will be publicly available on Tauranga City Council's website: www.tauranga.govt.nz.

Marty Grenfell
Chief Executive

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11 BUSINESS

11.1 Update to Funding and Financing for Te Manawataki o Te Papa

File Number: A18776317

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Authoriser: Kathryn Sharplin, Acting COFO - Finance & Digital

PURPOSE OF THE REPORT

1. This report provides an update of funding and financing for Te Manawataki o Te Papa (TMoTP) capital expenditure and the implications of options for funding on the 2026/27 Annual Plan.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Update to Funding and Financing for Te Manawataki o Te Papa".
- (b) With respect to Te Manawataki o Te Papa funding arrangements for the 2026/27 Annual Plan and noting the rates implications of these funding choices:
 - (i) Confirms that the priority use of asset realisation net proceeds is to offset new debt, and what would otherwise be rates-funded interest, associated with Te Manawataki o Te Papa, noting that the proposed asset realisation for 2026/27 is not yet included in the December draft annual plan and if included would reduce rates requirement by \$0.5m.
 - (ii) Confirms that surpluses from the Parking Management activity that relate to city centre parking, will be applied to cover a portion of debt funding of \$22m to offset rates-funded interest associated with Te Manawataki o Te Papa, noting this is not yet included in the December draft annual plan.
 - (iii) Agrees that a prudent assessment of future parking surpluses from the city centre may be closer to \$1m/annum once Te Manawataki o Te Papa and other city centre investment is fully activated and that the interest could be capitalised during 2026/27 until that activation is fully underway in 2027/28. The rates impact of capitalising this interest would be a reduction of \$0.9m in rates requirement in 2026/27 from the December draft annual plan.
 - (iv) Confirms that revenue from the Airport activity should be used to fund Te Manawataki o Te Papa development to the extent of the assessed visitor benefit, as is currently included in the December draft annual plan covering debt of \$13m. The rates impact of this funding is \$0.65m per annum.
- (c) Notes philanthropic funding assumptions are very low in the currently assumed project funding.
- (d) Agrees that proposals to actively seek philanthropic funding support should be prepared for Council consideration in early 2026.
- (e) Notes that contingency budgets of \$30.1m remain across the Te Manawataki o Te Papa programme from 2025/26 to 2029/30 some of which may be released in later years (Attachment 1).
- (f) Notes that in addition to the \$306m Te Manawataki o Te Papa budgets there is an

additional \$950m of expenditure through till 2033/34 currently proposed to be spent in the city centre and wider Te Papa area (Attachment 2).

EXECUTIVE SUMMARY

2. TMoTP is a major city centre capital investment programme originally approved in May 2022 at \$303 million, with the ratepayer-funded portion capped at \$151.5 million.
3. Subsequent changes in government policy, external funding availability, and programme scope have resulted in changes to the funding proposed that now relies on a mix of rate funded loans, an asset realisation programme for the rest of council that partially offsets the new borrowing for TMoTP, and the use of surpluses achieved through city centre parking and airport operations.
4. This report seeks Council confirmation of the funding for TMoTP for the 2026/27 Annual Plan, noting the impact on rates requirement in the 2026/27 Annual Plan of the options presented in this paper.
5. Airport revenue funding to cover \$13m of the debt for TMoTP is included in the December draft annual plan. This funding approach reduces rates funded interest by \$650k.
6. Funding from parking Activity surplus is not currently included in the December draft annual plan, but if confirmed by Council to be applied in 2026/27 this would reduce rates requirement by \$0.9m.
7. Asset realisation for 2026/27 has not been formally resolved by Council. If approved the reduction of debt through asset realisation could reduce rates requirement by \$0.5m in 2026/27.
8. The expected grant funding from the original TMoTP funding proposal has been significantly reduced. In this report Council is asked to consider whether it would like to consider options to focus on grant and philanthropic support for TMoTP.
9. The TMoTP budget has \$30.1m of as yet unspent contingency some of which may be released over time as projects are completed. Information on estimated timeframes are included in an attachment to this report.
10. The total cost and projects that make up TMoTP and the wider city centre revitalisation are outlined in an attachment to this report.

BACKGROUND

11. In May 2022, after a public consultation process, Council approved an amendment to the 2021-31 Long-term Plan (LTPA) to include the TMoTP programme of \$303m. At that time, the ratepayer-funded portion of the total project costs were formally capped at \$151.5 million, with the balance to be funded from external grant funding/sponsorship and development contributions.
12. 2021-31 LTPA external grant funding assumptions of \$108m across Central Government, founding/corporate partnerships, philanthropy, and trusts were based on advice from an external consultant and reflected the funding environment at that time. A further \$33.2m of an estimated total \$48.4m "Better Off" funding was expected from Central Government connected to now-repealed Three Waters reform programme to support TMoTP.
13. In July 2023, a Council decision was made to increase TMoTP to a capital investment programme of \$306.4m to include sustainability enhancements and cultural design integration. The ratepayer-funded debt portion was still capped at \$151.5m, with the balance of \$154.9m to come from non-rates funded sources.

14. In May 2024, Council considered a further report on TMoTP funding, including an Infrastructure Funding and Financing (IFF) proposal to fund the ratepayer debt funded portion (\$151.5m) off balance sheet. Subject to Ministerial approval of the Levy Proposal, Council confirmed that the IFF levy would commence on 1 July 2025.
15. Significant changes to the external grant funding environment became apparent as a result of weather events (Central Government funding was diverted to recovery efforts following Cyclone Gabrielle and Auckland Anniversary Weekend floods), a change of government with a policy shift away from 'wellbeing' and a focus on core infrastructure, and a move away from water reform "Better Off" funding approach to Local Water Done Well.
16. The funding stack for the 2024-34 Long-term Plan was updated to reflect lesser external grant funding/sponsorship and introduced asset realisation proceeds (gross proceeds) and activity-based revenues and surpluses from Airport and Parking Management to cover the non-ratepayer debt funded portion of the capital investment.
17. In August 2024, Council also opted against the IFF for the ratepayer debt-funded portion in favour of borrowing through traditional debt financing through the Local Government Funding Agency (LGFA) at more competitive interest rates.
18. In December 2024 Council received a report on Civic Whare Exhibition and Museum Project Update and Next Steps report. That report included an attachment which provided a risk weighted summary of the funding sources for the project as at November 2024.

Funding Source	Nov 2024 Risk Weighted (\$m)	Adopted 2026 Annual Plan (\$m)
Waters Reform "Better Off" Funding)	12.1	12.1
Other Government Grants	13.0	13.0
TECT Partnership	21.0	21.0
Local & Community Grants incl philanthropy sponsorship	4.5	10.8
Growth Funding (Development Contributions)	0.7	14.8
Total External Funding	51.3	71.6
Airport Activity Funding	13.0	13.0
Total Confirmed Funding sources	64.3	84.6
Asset Realisation Reserve	57.1	24.5
Parking Activity Funding	46.0	46.0
Total Other Funding TBC	103.1	155.1
Rates-Funded Debt	151.5	151.5
Total Funding Available	318.9	306.6
Total Approved Budget for Programme of Works	306.4	306.4

19. Attachment 3 provides a summary of changes between the funding stack assumed in the 2021-31 LTPA, the 2024-34 LTP, and the 2026 Annual Plan.

DISCUSSION

20. TMoTP along with the wider city centre revitalisation aims to provide the city with an enhanced centre that benefits the community, the commercial sector and tourism initiatives. Recognising all the potential beneficiaries of this work, Commissioners and subsequently Council have supported a variety of sources of funding for the developments, in addition to ratepayer borrowing.

21. The preceding background outlines the evolution of the TMoTP funding approach, highlighting changes in external funding availability, programme scope, and financing strategies since its initial inclusion in the 2021–31 LTPA. Initially the Commissioners proposed a very specific 50% non-ratepayer funded portion of the development, with the initial emphasis on external grants and subsidies and philanthropic contributions.
22. With the reduction in grants, the funding stack in the 2024-34 Long-term Plan evolved to use revenues and surpluses from airport and parking operations and sale of assets.
23. The use of parking and airport revenues and sale of assets (asset realisation) were budgeted through the use of activity reserves. This approach showed the amount of debt to be funded through revenue over time which was a way to maintain a record of project funding and commitment to fund over time. However, while reserves provide transparency of transactions over time they do require explanation.
24. In the case of asset realisation, the reserve is a record of assets sold and their net value after debt retirement. The saving to the ratepayer is from lower debt after the sale of these assets. TMoTP project funding does not need to be specifically tied in through the asset realisation reserve if this method of accounting is regarded as too complex. However, the reserve remains a record of asset realisation proceeds (balance sheet management) and the use that has been made of the sales proceeds rather than them being absorbed within activity operations.
25. This report seeks Council direction on the funding package for the project, reflecting updated assessment of funding sources, and Council decisions, noting the effect of options on the 2026/27 rates requirement.
26. The following option analysis considers the amount of funding and its impact on rates requirement noting that other funding sources replace ratepayer funded debt. Alternative sources approved by Commissioners for TMOTP projects include revenue from Airport and Parking activities and offsetting new debt through asset realisation.
27. As written this report does not consider retrospective funding decisions to amend funding and rates requirement in the current year. Any decisions would come into effect from 2026/27 and beyond.

OPTIONS ANALYSIS

Asset Realisation

28. The 2024-34 LTP, assumed gross proceeds from asset sales would be available to support TMoTP capital investment up to \$61.4m This amount was only a portion of the gross value of assets available to sell under the schedule of assets proposed to be realised.
29. In December 2024, Council made the decision to change asset realisation proceeds to net proceeds only (less any debt repayment, transaction costs or other associated liabilities) to avoid stranded debt in activities.
30. The current asset divestment schedule estimates \$56.6m net proceeds is the total amount available through to 2029. The full schedule was approved by the Commission but has not to date been confirmed by Council.
31. The 2026 Annual Plan budget includes some asset realisation reserve funding. However to date while some land sales have been agreed the schedule of asset realisation has not been achieved. In this case, interest budgeted to be covered by asset realisation can be capitalised in the reserve until funds are received.
32. Two options have been identified for Council consideration with respect to this funding source for the 2026/27 Annual Plan.

Option 1 (Recommended) – Priority use of asset realisation net proceeds to offset new debt and what would otherwise be rates-funded interest associated with TMoTP.

Key Advantages	Key Disadvantages
<p>Consistent with approach adopted as part of the 2024-34 Long-term Plan which provides clarity over time of the offset of ratepayer funded debt from asset realisation</p>	<p>Budgeting via asset realisation reserve is complex due to uncertainty of timing and Council decisions regarding asset realisation. The uncertainty of timing of asset realisation creates risk around the level of capitalised interest that is recorded in the reserve as asset sales are delayed.</p>
<p>Asset realisation net proceeds offset ratepayer-funded interest on new debt for TMoTP development.</p> <p>There is currently no rates reduction assumed for asset realisation in the draft annual plan as at December but the inclusion of an asset realisation schedule will have an overall reduction in rates requirement to cover interest costs of up to \$0.5m.</p>	<p>The amount of capitalised interest will reduce the amount of asset realisation available to offset new borrowing.</p>

Option 2 (Not Recommended) – Discontinuation of asset realisation net proceeds to offset new debt and rates-funded interest associated with TMoTP investment.

Key Advantages	Key Disadvantages
<p>Simplifies annual budgeting to recognise retirement of debt to offset new debt from TMOPT only as sales occur.</p>	<p>Increased burden on ratepayers in the early years to fund interest on debt associated with TMoTP particularly when sales are not realised as initially planned.</p>
<p>More transparent around cost to ratepayers if asset sales do not proceed as interest is not capitalised but charged directly against rates until the assets are sold.</p> <p>There has currently been no rates reduction arising from asset realisation in 2026/27 but the rates saving overall would still apply under this option as most of the property is held within rates funded activities.</p>	

Parking Management Activity Funding

- 33. The sale of the Spring Street and Elizabeth Street carpark buildings was consulted on as part of the 2024-34 LTP. Community feedback opposing divestment of these assets noted the value of these assets would improve over time as the city centre was enhanced.
- 34. Financial analysis at the time showed Council’s borrowing rate (5.25%, forecast to reduce) was more favourable than selling the buildings at market yield (6.25–6.75%), making retention financially prudent. The model indicated improved parking surpluses from 2025 onward. This analysis supported non-ratepayer funded debt to support TMoTP as an alternative to divestment.
- 35. A KPMG review confirmed the assumptions of the financial analysis.

36. On 4 March 2024, Council decided to retain the buildings and utilise projected cash surpluses from the Parking Management activity to fund interest and principal repayments. The level of intended funding was to support borrowing up to \$46m for TMoTP capital investment in the 2024-34 LTP.
37. The decision to retain the carpark building assets reflected responsible stewardship and strategic importance of carparks as the city centre grows with TMoTP. Retention of the buildings potentially enabled long-term operational control and better financial outcomes for Council.
38. The 2026 Annual Plan assumed the Parking Management activity would fund \$46m of the capital investment through a reserve account. Interest costs would be capitalised against the reserve and the debt would be retired using all available projected surpluses from FY28 (once TMoTP is largely complete).
39. Three options have been identified for Council consideration with respect to this funding source for the 2027 Annual Plan.
40. **Option 1 (Recommended)** – Surpluses from Parking Management activity that arise from TMoTP and other city centre activations should be applied to offset rates-funded interest costs associated with a portion of TMoTP new debt. Current modelling suggests an interest offset of circa \$1m per annum through to 2034 is more achievable than the KPMG reviewed proposal to fund \$46m of debt repaying \$2.6m per annum (noting \$2.6m per annum would cover debt retirement and interest on \$46m while \$1m per annum would cover interest on \$22m).
41. The recommended option for the next few years is to utilise circa \$1m/annum of surplus once TMoTP and other city centre investment is fully activated (2027/28) and capitalise interest on debt in the Parking Management activity during 2025/26 and 2026/27 until that activation is complete. In 2026/27 it is proposed to capitalise \$0.9m of interest.

Key Advantages	Key Disadvantages
Interest costs would be capitalised within the Parking Management activity and reduce the rates required in 2026/27 by approx. \$0.9m from the December Draft 2027 Annual Plan	TCC will only achieve the level of non-ratepayer funding of interest over time from parking if there is significant uplift in parking surpluses once city centre revitalisation through TMoTP is completed
Only the additional anticipated surplus of \$1m/annum in future years that is associated with city centre revitalisation would be utilised to cover the interest costs in the Parking Management activity.	<p>Long-term pricing strategy would need to be agreed to ensure revenue projections are met (commercial approach to pricing, meaning less flexibility in responding to community pricing preferences)</p> <p>If the surplus contribution is maintained at \$1m per annum ratepayers would fund more than the 50% share of TMoTP capital costs.</p> <p>Use of parking surpluses to fund interest would contribute to an imbalanced budget.</p>

Option 2 (Not Recommended) – Discontinuation of Parking Management activity debt from the funding stack (replaced with rates-funded activity loans), until such time as increased parking revenues are realised post-construction of TMoTP (from 2027/28), at which time Council will consider transfer of surpluses to fund the debt.

Key Advantages	Key Disadvantages
Simplified financial reporting	Interest costs previously budgeted as being capitalised within the Parking Management activity would need to be rates-funded in 2026/27.

	(noting this \$0.9m rates requirement is already included in the December Draft 2027 Annual Plan).
More transparent around cost to ratepayers if parking revenue increases do not eventuate	The balanced budget result in the December Draft 2027 Annual Plan will not be impacted from the reduction in rates to fund TMoTP debt.
More flexibility with respect to setting user fees and charges for Parking Management	

Option 3 (Not Recommended) – Continuation of Parking Management activity debt to fund \$46m of TMoTP capital expenditure, utilising full anticipated surplus in the activity from 2027/28 to pay down the debt.

Key Advantages	Key Disadvantages
Interest costs would be capitalised within the Parking Management reserve and reduce the rates required in 2026/27 by approx. \$1.3m.	Risk that city wide parking revenues may be seen to be supporting city centre investment only
	Long-term pricing strategy would need to be agreed to ensure revenue projections are met (commercial approach to pricing, meaning less flexibility in responding to community pricing preferences)

Airport Activity Funding

- 42. Airport activity funding to support \$13m of debt was included in the 2024-34 LTP funding stack following independent assessment and legal advice. This advice concluded that Airport revenues could support debt between \$13m-\$17m based on domestic and international passenger visitation associated with TMoTP, looking at various areas for visitation including Art Gallery, Library, Museum and Baycourt.
- 43. There is limited ability to use Airport revenue surpluses to support other responsibilities of Council as there must be a relationship of benefit to the Airport users to make use of this revenue.
- 44. Three options have been identified for Council consideration with respect to this funding source for the 2027 Annual Plan.

Option 1 (Recommended) – Revenue (surplus to operational expenditure) from Airport activity is used to fund TMOTP development through the airport surplus reserve, offsetting rates-funded interest of \$0.6m/annum in 2026/27 and a similar amount each year thereafter, consistent with the assessed tourism benefit of \$13m

Key Advantages	Key Disadvantages
Consistent with outcomes of funding adopted as part of the 2024-34 Long-term Plan	\$13m estimate based on anticipated domestic and international passenger visitation
Interest costs associated with \$13m debt would be covered by the Airport activity (non-rates funded activity) and reduce burden on ratepayers.	
Makes use of airport surplus revenue on a priority area of expenditure noting that generated surplus revenue can only be used in limited situations where benefit or cause is clear	

Option 2 (Not Recommended) – Discontinuation of Airport activity debt from the funding stack (replaced with rates-funded activity loans), until such time as increased domestic and international passenger visitation revenues are realised post-construction of TMoTP (from 2027/28), at which time Council will consider transfer of surpluses to fund the debt.

Key Advantages	Key Disadvantages
Enables Council to consider priority use of airport surpluses over time and direct surpluses to support priority areas of investment for the city.	Interest costs previously budgeted as being capitalised within the Airport reserve of approx. \$0.65m would need to be rates-funded from 2026/27. This would increase the rates requirement in the December Draft 2027 Annual Plan by \$0.65m
	Does not make priority use of airport surpluses against a priority city investment that is intended to attract visitors. Surpluses may sit for a period in the activity while ratepayers fund priority projects.

Local & Community Grants/Sponsorship including Philanthropy

- 45. 2021-31 LTPA assumed \$32m across corporate partnerships (incl naming rights), philanthropy and trusts (gaming, private & community). With the loss of major Government grants for arts and heritage investment the Executive, through the reset, has scaled down resourcing to attract grants for TMOTP. This decision was based on the more difficult grant environment at the time of the reset making it costly to pay a resource when there was not an obvious return in terms of grant funding, While efforts are ongoing, they are focused on smaller available funds with revised funding assumptions at \$0.5m reflecting Lotteries & Pub Charity monies already granted.
- 46. Success of future community grant applications will be dependent on fund priorities and quality of other applicants in the same round. Applications are usually later in the development to support specific expenditure proposals and outcomes.
- 47. There is currently no staff resource to actively seek significant corporate sponsorship or philanthropic opportunities. For funding assumptions to be increased there would need to be a new initiative agreed by Council to seek philanthropic support and reduce the requirement on the ratepayer to fund interest on TMoTP investment or associated operating costs.
- 48. Direction is sought on whether Council would like to receive a report on options to increase initiatives to seek philanthropic funding for TMoTP. This could be provided early in 2026.

STATUTORY CONTEXT

- 49. The funding and financial information contained in this paper is to support decisions for the 2026/27 Annual Plan and moving forward into the LTP as required under the Local Government Act 2002.

STRATEGIC ALIGNMENT

This contributes to the promotion or achievement of the following strategic community outcome(s):

Contributes

- | | |
|--|--------------------------|
| We are an inclusive city | ✓ |
| We value, protect and enhance the environment | <input type="checkbox"/> |
| We are a well-planned city | <input type="checkbox"/> |
| We can move around our city easily | <input type="checkbox"/> |
| We are a city that supports business and education | ✓ |

FINANCIAL CONSIDERATIONS

50. The funding options chosen by Council will directly affect the rates requirement for the 2026/27 Annual Plan as outlined in the options analysis and summarised in the table below:

Funding Options	Rates-Funded Interest Required in 2026/27 Annual Plan Year
Per December Draft 2026/27 Annual Plan (Airport funding included)	\$6.8m
Airport Funding Removed from December Draft 2026/27 Annual Plan	\$7.4m
Airport, Parking & Asset Realisation Funding included per Recommendations	\$5.3m

LEGAL IMPLICATIONS / RISKS

51. The ability to use Airport surplus revenue to fund TMOTP debt of \$13m was based on legal advice on the rationale for the connection between benefit to the airport and the level of funding that could be provided to support TMoTP. The level of debt of \$13m was agreed by Commissioners based on the business case and expected domestic and international passenger visitation for each facility through to 2040.

CONSULTATION / ENGAGEMENT

52. No specific consultation is proposed from the decisions in this report, but noting the decisions will impact the 2026/27 Annual Plan which will be consulted on.

SIGNIFICANCE

53. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council’s Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
54. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
55. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance.




ENGAGEMENT

56. Taking into consideration the above assessment, that the matter is of medium significance, officers are of the opinion that no further engagement is required prior to Council making a decision for inclusion in the draft Annual Plan.

NEXT STEPS

57. The decisions in this report will be incorporated into the draft 2026/27 Annual Plan.

ATTACHMENTS

1. **Attachment 1 - Update to Funding & Financing for TMoTP - 16 December 2025 - A19515495** [↓](#) 
2. **Attachment 2 - Update to Funding & Financing for TMoTP - 16 December 2025 - A19515503** [↓](#) 
3. **Attachment 3 - Update to Funding & Financing for TMoTP - 16 December 2025 - A19515524** [↓](#) 

Attachment 1 - Te Manawataki o Te Papa Capital Programme incl Remaining Contingency

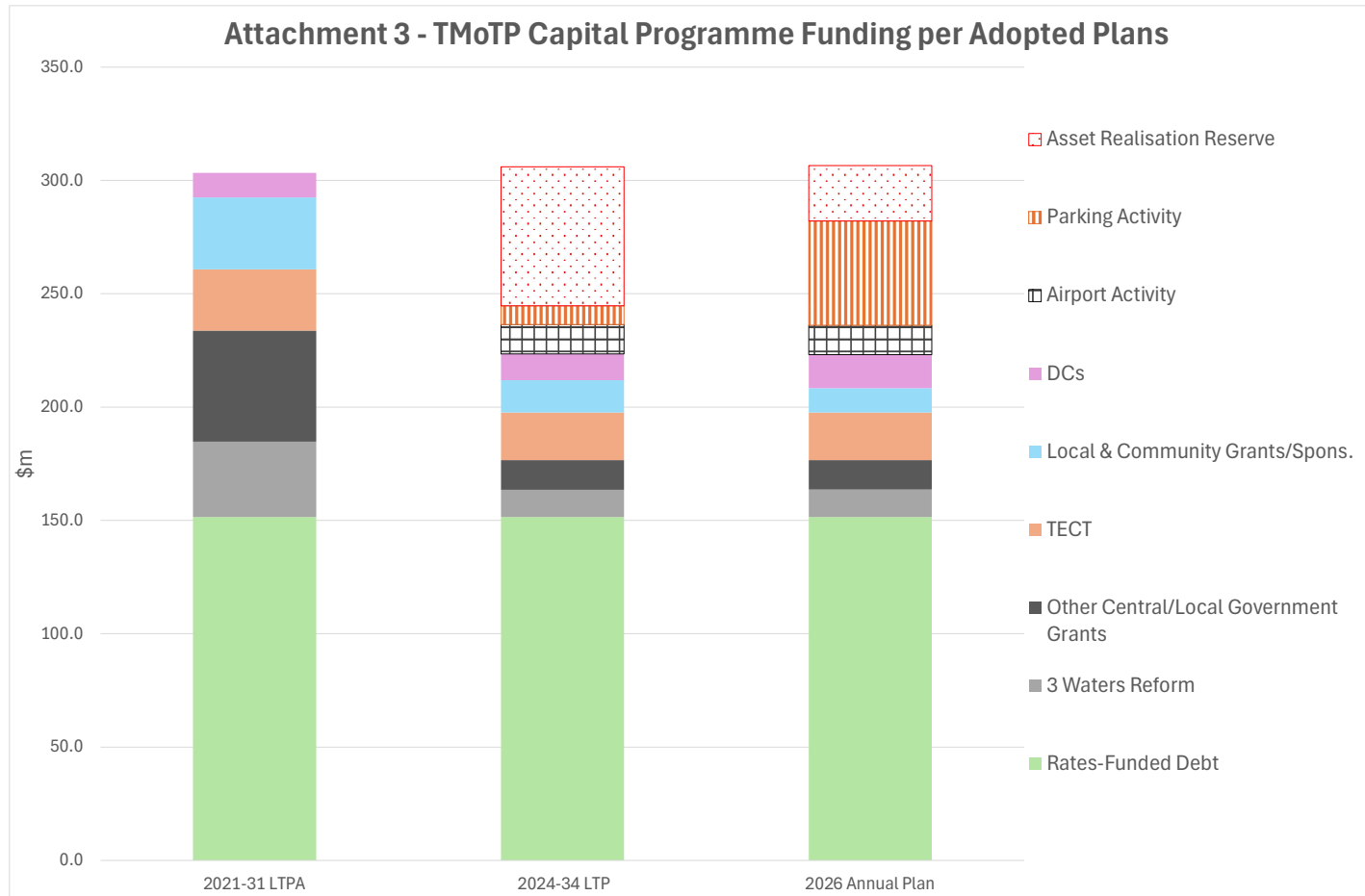
Client Key	Name	Description	Actuals to 30 Jun 25 (\$m)	2026 (\$m)	2027 (\$m)	2028 (\$m)	2029 (\$m)	2030 (\$m)	Total (\$m)	Comments
SITE A PROJECTS										
N.000014.06	Central Library & Community Hub	Design & Construction	52.2	28.6	3.2	0.0	0.0	0.0	84.0	
		Contingency	0.0	7.5	0.8	0.0	0.0	0.0	8.3	\$3m identified for release in January 2026. Board yet to approve.
N.000014.06 Total			52.2	36.1	4.0	0.0	0.0	0.0	92.3	
N.000014.08	Civic Plaza	Design & Construction	2.0	4.1	0.2	6.4	1.3	0.0	14.0	
		Contingency	0.0	1.2	0.3	5.1	0.4	0.0	2.9	VE underway. Once design and tender agreed Contingency will be confirmed.
N.000014.08 Total			2.0	5.3	0.5	7.5	1.7	0.0	16.9	
N.000014.09	Masonic Park Upgrade	Design & Construction	8.7	0.2	0.0	0.0	0.0	0.0	8.9	
		Contingency	0.0	0.2	0.0	0.0	0.0	0.0	0.2	Project substantially complete. Once Waharoa constructed any excess budget released.
N.000014.09 Total			8.7	0.4	0.0	0.0	0.0	0.0	9.2	
N.000014.10	CWEM - Museum	Design & Construction	8.9	11.8	13.0	9.9	0.0	0.0	43.6	
		Contingency	0.0	0.0	2.2	1.5	0.0	0.0	3.7	Potential decision on Contingency release around July 2027.
N.000014.10 Total			8.9	11.8	15.2	11.3	0.0	0.0	47.2	
N.000014.11	CWEM - Exhibition & Gallery	Design & Construction	10.7	17.2	19.1	13.6	0.0	0.0	60.7	
		Contingency	0.0	0.0	1.9	2.5	0.0	0.0	4.4	Potential decision on Contingency release around July 2027.
N.000014.11 Total			10.7	17.2	21.0	16.2	0.0	0.0	65.1	
N.000014.12	CWEM - Civic Whare	Design & Construction	3.6	2.4	4.5	4.7	0.0	0.0	15.2	
		Contingency	0.0	0.0	0.4	0.6	0.0	0.0	1.1	Potential decision on Contingency release around July 2027.
N.000014.12 Total			3.6	2.4	5.0	5.3	0.0	0.0	16.3	
N.000014.13	Baycourt Upgrade	Design & Construction	0.3	0.8	0.9	4.7	2.1	0.0	8.8	
		Contingency	0.0	0.3	0.1	1.1	0.5	0.0	2.0	Scope being determined. Contingency level yet to be confirmed.
N.000014.13 Total			0.3	1.0	1.0	5.9	2.6	0.0	10.8	
N.000014.16	Willow St Upgrade	Design & Construction	0.5	0.4	0.2	4.4	0.9	0.0	6.4	
		Contingency	0.0	0.0	0.0	1.3	0.2	0.0	1.5	Potential Contingency release tied into CWEM decisions.
N.000014.16 Total			0.5	0.4	0.2	5.7	1.2	0.0	8.0	
N.000014.17	Hamilton, Wharf & Durham Footpath Upgrades	Design & Construction	0.1	1.5	0.1	1.2	0.0	0.0	2.9	
		Contingency	0.0	0.2	0.0	0.4	0.0	0.0	0.5	Potential Contingency release tied into Library and CWEM decisions.
N.000014.17 Total			0.1	1.6	0.1	1.5	0.0	0.0	3.5	
N.000014.18	Site A Civic Establishment	Design & Construction	2.7	3.4	1.3	0.0	0.0	0.0	7.3	
		Contingency	0.0	0.4	0.0	0.0	0.0	0.0	0.4	contingency to be retained until final plaza site establishment costs known
N.000014.18 Total			2.7	3.8	1.3	0.0	0.0	0.0	7.7	
N.000014.23	Art Gallery Upgrade	Design & Construction	3.4	1.6	0.0	0.0	0.0	0.0	5.0	
		Contingency	0.0	0.4	0.0	0.0	0.0	0.0	0.4	Project complete. Awaiting final costs ahead of final budget release.
N.000014.23 Total			3.4	2.1	0.0	0.0	0.0	0.0	5.4	
TOTAL SITE A PROJECTS			93.1	82.2	48.2	53.4	5.5	0.0	282.3	
SITE C PROJECTS										
N.000014.14	Strand Waterfront (Road/Footpath Upgrade)	Design & Construction	0.4	0.0	0.9	0.0	0.0	0.0	1.3	
		Contingency	0.0	0.0	0.1	0.0	0.0	0.0	0.1	Construction yet to start. Will be part of a wider upgrade of Strand.
N.000014.14 Total			0.4	0.0	1.0	0.0	0.0	0.0	1.4	
N.000014.15	Waterfront Central Plaza	Design & Construction	2.1	3.0	0.6	0.0	0.0	0.0	5.7	
		Contingency	0.0	0.2	0.7	0.0	0.0	0.0	0.9	Final design and tender outstanding. Contingency to be determined once final cost known.
N.000014.15 Total			2.1	3.2	1.3	0.0	0.0	0.0	6.6	
N.000014.20	Central Plaza Wharf	Design & Construction	0.0	0.3	1.0	1.5	1.7	3.0	7.4	
		Contingency	0.0	0.0	0.0	0.3	1.1	1.6	3.0	Project at Concept stage. Final design and construction costs not yet known.
N.000014.20 Total			0.0	0.3	1.0	1.8	2.8	4.6	10.5	
N.000014.24	Strand Rail Crossing - Central Plaza	Design & Construction	0.5	2.0	0.7	0.0	0.0	0.0	3.2	
		Contingency	0.0	0.0	0.4	0.0	0.0	0.0	0.4	Final design and tender outstanding. Contingency to be determined once final cost known.
N.000014.24 Total			0.5	2.0	1.1	0.0	0.0	0.0	3.6	
N.000054.36	Strand Waterfront Whare Waka	Design & Construction	0.4	0.7	0.7	0.0	0.0	0.0	1.7	
		Contingency	0.0	0.2	0.1	0.0	0.0	0.0	0.3	Final design and tender outstanding. Contingency to be determined once final cost known.
IBIS:210861 Total			0.4	0.9	0.8	0.0	0.0	0.0	2.0	
TOTAL SITE C PROJECTS			3.4	6.4	5.1	1.8	2.8	4.6	24.1	
TOTAL TE MANAWATAKI O TE PAPA			96.4	88.6	53.3	55.2	8.3	4.6	306.4	

	(\$m)
Total Design & Construction	276.3
Total Contingency	30.1
Total TMoTP	306.4

Attachment 2 - TMOtP Programme and Wider City Centre Revitalisation Projects

Programme Name per LTP	Name	Historic Spend to FY2024	FY2025 Actuals	FY26 Budget	Proposed FY27 Budget	Proposed FY28 Budget	Proposed FY29 Budget	Proposed FY30-34 Budget	Total Budget	Exclusions from TMOtP	Total TMOtP Programme	Comments
City Centre Waterfront Development (Site C)	Strand Waterfront (Road/Footpath Upgrade)	519,486	-134,612	0	1,037,316	0	0	0	1,422,190		1,422,190	
City Centre Waterfront Development (Site C)	Strand Waterfront Whare Waka	5,148	364,217	869,850	760,786	0	0	0	2,000,001		2,000,001	
City Centre Waterfront Development (Site C)	Waterfront Central Plaza	676,298	1,408,542	3,283,561	1,272,882	0	0	0	6,641,283		6,641,283	
City Centre Waterfront Development (Site C)	Strand Railway Crossing - Central Plaza	0	529,417	1,970,583	1,100,000	0	0	0	3,600,000		3,600,000	
City Centre Waterfront Development (Site C)	Central Plaza Wharf	0	0	295,932	967,736	1,815,193	2,817,511	4,576,795	10,473,167		10,473,167	
Te Manawataki o Te Papa (Site A)	CWEM – Exhibition & Gallery	4,581,415	6,147,260	17,222,281	20,999,772	16,170,122	0	0	65,120,852		65,120,852	
Te Manawataki o Te Papa (Site A)	CWEM – Museum	4,184,061	4,674,073	11,819,540	15,212,170	11,331,450	0	0	47,221,294		47,221,294	
Te Manawataki o Te Papa (Site A)	CWEM - Civic Whare	1,902,133	1,680,967	2,433,374	4,953,049	5,305,223	0	0	16,274,747		16,274,747	
Te Manawataki o Te Papa (Site A)	Central Library & Community Hub	19,274,512	37,167,855	36,071,511	3,972,216	0	0	0	96,486,095	-4,238,077	92,248,018	The TMOtP budget is for the design and build of the new library only. Exclusions relate to historic He Puna Manawa fitout, library heritage storage and temporary shelving at Newton St.
Te Manawataki o Te Papa (Site A)	Site A Civic Establishment	2,473,691	184,686	3,757,790	1,291,033	0	0	0	7,707,199		7,707,199	
Te Manawataki o Te Papa (Site A)	Baycourt Upgrade	174,849	139,093	1,031,127	1,000,908	10,354,051	4,595,181	0	17,295,209	-6,500,000	10,795,209	The original budget is for a facade upgrade only. An additional \$6.5m has been included from renewals to cover potential additional work in the foyer and bar area. This was at the recommendation of Commissioners in the LTP 2024-34 adoption report.
Te Manawataki o Te Papa (Site A)	Civic Plaza	1,359,133	617,987	5,293,548	486,062	7,454,150	1,660,680	0	16,871,560		16,871,560	
Te Manawataki o Te Papa (Site A)	Willow St Upgrade	281,782	218,122	431,455	161,404	5,697,523	1,166,372	0	7,956,659		7,956,659	
Te Manawataki o Te Papa (Site A)	Hamilton Wharf & Durham Footpath Upgrades	115,557	33,647	1,620,785	105,945	1,542,576	49,054	0	3,467,564		3,467,564	
Te Manawataki o Te Papa (Site A)	Masonic Park Upgrade	5,039,551	3,697,870	447,771	0	0	0	0	9,185,191		9,185,191	
Te Manawataki o Te Papa (Site A)	Art Gallery Door Relocation	0	6,766,842	2,887,989	0	0	0	0	9,654,831	-4,224,000	5,430,831	The additional scope agreed with TAGT re the Art Gallery Upgrade is excluded from the \$306m programme budget. The funding of the agreed additional scope is linked to the land purchase project noted below.
											306,415,764	

Programme Name per LTP	Name	Historic Spend to FY2024	FY2025 Actuals	FY26 Budget	Proposed FY27 Budget	Proposed FY28 Budget	Proposed FY29 Budget	Proposed FY30-34 Budget	Total Budget	Exclusions (included in TMOtP above)	Total Other City Centre Developments Outside of TMOtP	Comments
City Centre Waterfront Development	Strand South Reserve	0	0	752,615	5,022,114	4,214,556	0	0	9,989,285		9,989,285	
City Centre Waterfront Development	Strand Railway Crossing-South	0	264,709	235,291	825,000	475,303	0	0	1,800,303		1,800,303	
City Centre Waterfront Development	Waterfront Playground/North Reserve	2,920,544	6,428,826	419,154	0	0	0	0	9,768,523		9,768,523	
City Centre Waterfront Development	Strand Railway Crossing-North	0	264,709	1,535,292	0	0	0	0	1,800,001		1,800,001	
Te Manawataki o Te Papa	Art Gallery Land Purchase	0	10,832	3,789,168	0	0	0	0	3,800,000		3,800,000	Linked to additional scope agreed with TAGT re the Art Gallery Upgrade and excluded from the \$306m TMOtP budget.
Te Manawataki o Te Papa	Civic Plaza (historic costs associated with 'Our Place')	337,220	-15,220	0	0	0	0	0	322,000		322,000	Historic costs associated with 'Our Place'
Te Manawataki o Te Papa	Civic Heart Building Demolition Costs	2,627,452	438,000	0	0	0	0	0	3,065,452		3,065,452	The demolition of original council building is not part of the TMOtP \$306m programme budget.
Te Manawataki o Te Papa	Central Library & Community Hub	19,274,512	37,167,855	36,071,511	3,972,216	0	0	0	96,486,095	-92,248,018	4,238,077	\$4.2m relates to historic He Puna Manawa fitout, library heritage storage and temporary shelving at Newton St, outside the scope of the \$306m TMOtP programme.
Te Manawataki o Te Papa	Baycourt Upgrade	174,849	139,093	1,031,127	1,000,908	10,354,051	4,595,181	0	17,295,209	-10,795,209	6,500,000	Baycourt renewals for potential additional work to be carried out in tandem with the upgrade.
Te Manawataki o Te Papa	Art Gallery Door Relocation	0	6,766,842	2,887,989	0	0	0	0	9,654,831	-5,430,831	4,224,000	Additional scope agreed with TAGT re the Art Gallery Upgrade and excluded from the \$306m TMOtP budget.
Memorial Park to City Centre Pathway	Memorial Park to City Centre Pathway - Stage 1	10,899,193	3,427,213	1,260	0	0	0	0	14,327,667		14,327,667	
Memorial Park Aquatics & Recreation Hub	CFIP Memorial Park Aquatics Facility	3,180,578	1,540,348	150,000	0	22,021,762	32,983,244	75,131,416	135,007,349		135,007,349	
Marine Facilities Upgrades & Renewals	Fisherman's Wharf	0	12,144	500,000	7,300,000	0	0	0	7,812,144		7,812,144	
Marine Facilities Upgrades & Renewals	Strand Seawall - North	2,631,200	679,149	0	0	0	0	0	3,310,349		3,310,349	
Marine Facilities Upgrades & Renewals	Strand Seawall - South	0	0	0	2,511,390	1,891,985	0	0	4,403,375		4,403,375	
Marine Facilities Upgrades & Renewals	Strand Waterfront - Full Road and Reserve Upgrade	0	0	0	0	12,801,349	0	0	12,801,349		12,801,349	
Marine Facilities Upgrades & Renewals	Beacon Wharf upgrade	3,106,945	167,908	0	0	0	0	0	3,274,853		3,274,853	
Civic Administration Building	Civic Administration Building	11,466,984	20,382,760	200,000	0	0	0	0	32,049,744		32,049,744	
Civic Administration Building	Civic Building IT Infrastructure	566,318	2,176,583	0	0	0	0	0	2,742,901		2,742,901	
Emergency Management Capital Works	Emergency Operations Centre Fit-Out - 483 Cameron Rd	0	920	379,254	0	0	0	0	380,174		380,174	
Memorial Park Aquatics & Recreation Hub	Indoor Courts - 483 Cameron Road	19,129,638	7,588,401	313,273	0	0	0	0	27,031,312		27,031,312	
City Centre Development	City Centre Placemaking & Activation	173,906	551	0	0	0	0	0	174,457		174,457	
City Centre Development	City Centre – Public Realm Upgrades, Placemaking and Community	0	1,133,244	1,222,856	1,102,827	1,138,890	2,186,654	10,385,062	17,169,532		17,169,532	
City Centre Development	City Centre – Parks, Reserves and Green Space	0	98,449	1,436,331	1,102,827	1,138,890	546,663	3,069,987	7,393,146		7,393,146	
City Centre Development	City Centre – Historical and Cultural Precinct	0	1,026,153	1,074,847	1,094,782	1,121,057	922,132	8,077,164	13,316,134		13,316,134	
City Centre Development	City Centre Transportation Development	0	0	500,000	974,588	12,717,838	0	69,001,029	83,193,455		83,193,455	
Community Stadium - Tauranga Domain	Community Stadium - Tauranga Domain	0	0	0	0	0	0	89,588,106	89,588,106		89,588,106	
City Centre Streetscape Capital Programme	Strand Extension Streetscape	6,474,738	63,188	0	0	0	0	0	6,537,925		6,537,925	
Parking Infrastructure	Dive Crescent car park upgrade	4,741,533	84,809	0	0	0	0	0	4,826,342		4,826,342	
Te Papa Intensification	Te Papa Spatial Plan Implementation - City Centre Public spaces	1,194,968	563,000	58,865	0	0	0	0	1,816,833		1,816,833	
Te Papa Intensification	Te Papa Spatial Plan Implementation - General	3,738,919	3,351,844	1,270,656	0	1,415,336	0	0	9,776,754		9,776,754	
Te Papa Intensification	TSP032 City Centre Transport Hub	1,143,171	3,143,602	2,231,872	409,581	3,871,407	1,382,571	2,497,293	14,679,497		14,679,497	
Te Papa Intensification	Cam Rd WS Upgd 17th Ave to Barkes Corner S2	285,897	125,187	0	596,607	934,748	0	26,390,502	28,332,941		28,332,941	
Te Papa Intensification	Cameron Rd WS Bulk Watermain	337,079	441,515	0	0	0	8,059,179	40,842,315	49,680,088		49,680,088	
Te Papa Intensification	WS Network Renewal & Upgrades- CBD	0	0	1,595,550	1,096,675	1,130,452	1,751,938	0	5,574,615		5,574,615	
Te Papa Intensification	Te Papa SW Nwk Upg & Land acquisition	0	60,000	84,996	337,734	3,043,178	11,145,244	60,557,945	75,229,096		75,229,096	
Te Papa Intensification	Te Papa Spatial Plan Implementation General Open Space Projects	0	0	0	0	66,394	0	42,441	108,835		108,835	
Te Papa Intensification	TSP006 - Fraser Street MultiModal	0	0	0	0	0	0	4,919,976	4,919,976		4,919,976	
Te Papa Intensification	Cameron Road Stage1	83,792,156	1,024,635	300,000	0	0	0	0	85,116,791		85,116,791	This relates to Transportation project, not full programme completed in earlier years.
Te Papa Intensification	TSP019 Active modes & PT City Periphery	984,686	1,940,213	0	0	0	0	0	2,924,899		2,924,899	
Te Papa Intensification	Third Ave Network Extension	0	80,100	0	0	0	0	0	80,100		80,100	
Te Papa Intensification	Chadwick/Poolers Rd - Cameron Rd & Fraser street Watermain link	225,000	179,264	1,275,000	5,363,010	4,555,618	3,077,012	1,812,596	16,487,500		16,487,500	
Te Papa Intensification	WW Network Upgrade & Renewals- CBD	151,122	-94,296	638,220	0	3,165,266	3,619,027	4,152,090	14,901,713		14,901,713	
Te Papa Intensification	Te Papa – suburban centers open space and public realm improven	0	0	0	1,450,000	4,033,602	2,714,138	12,688,533	20,886,272		20,886,272	
Te Papa Intensification	Te Papa Inten SW Upg Priority Dev Areas	602,183	409,955	851,004	1,202,470	1,431,453	15,708,797	85,782,336	105,988,198		105,988,198	
											947,352,064	



11.2 Annual Plan - Options for Rates Increases

File Number: A19433692

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PURPOSE OF THE REPORT

1. This report presents draft financial summaries by council activity and for the Council as a whole and considers the draft rates increase resulting from the proposed budgets. Options for reducing rates requirement are discussed with initial decisions sought in the paper and further work recommended for Council meeting of 10 February 2026.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Annual Plan - Options for Rates Increases".
- (b) Notes that without further decisions of Council the rates increase currently sits at 13% after growth of 0.5%, with 1% of rates increase equivalent to \$3.68 million
- (c) Confirms the inclusion in the draft annual plan of the following items not currently included in the December draft annual plan but recommended in other papers to be presented to this meeting:
 - (i) The use of surplus from the Parking activity of \$0.9 million to offset rates-funded interest in Te Manawataki o Te Papa
 - (ii) A potential net asset realisation programme to the end of 2026/27 which would reduce rate-funded interest by approximately \$0.5 million
- (d) Agrees with respect to Water services to **either**:
 - (i) Retain the surplus in the waters activities and the higher charges proposed in the Water Services Delivery Plan, but separate water by meter revenue, which is a volumetric charge, from the rates increase calculations, noting that this is consistent with the direction for the proposed future rates caps and noting this avoids raising concerns with Department of Internal Affairs and Local Government Funding Agency. This would lower the rates increase by 1.4% **or**
 - (ii) Subject to further discussions with Department of Internal Affairs and Local Government Funding Agency as to the acceptability of this option, reduce volumetric water revenue by \$9 million and Wastewater charges by \$1 million to remove the \$10 million budgeted surplus, **and**
 - (iii) Note that removing the surplus would be a change to the Water Services Delivery Plan so the Department of Internal Affairs would need to be advised of a proposed temporary change to the assumptions in the Water Services Delivery Plan, **and**
 - (iv) Note that this reduction in revenue would contribute to an unbalanced budget and would need to be advised to the Local Government Funding Agency under the terms of the bespoke borrowing covenant
- (e) Agrees to consider further options for rates reduction at the Council meeting on 10

February 2026 to achieve a rates requirement of 7 to 8% based on:

- (i) Prioritisation of capital programme with a view to reducing the programme toward \$400 million resulting in approximately \$1.5 to \$2 million savings in interest costs.
 - (ii) Executive proposals for reductions to achieve approximately 1 to 1.5% rates reduction
 - (iii) User fee increases and amendments that reduce reliance on rates to be confirmed by Council.
- (f) Agrees to consider more significant level of service reductions or acceptance of more risk that would be required to reduce the rates increase to approximately 4% for the year at its meeting on 10th February 2026.
- (g) Notes that funding for the Māori Ward referendum was not included in the Long Term Plan and if Council wishes to budget for a referendum the expenditure would require a decision of Council, which is likely to have an impact on rates of 0.2%.
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EXECUTIVE SUMMARY

2. The draft Annual Plan for 2026/27 updates year three of the Long-Term Plan and must be adopted by 30 June 2026. It has been developed in a challenging environment where inflation is easing and borrowing costs are falling, yet councils face rising base costs and strong expectations to keep rates affordable.
3. Initial modelling presented to the October Council workshop showed a 15.9% rate increase after growth. The updated draft now reflects 13%, with options discussed in this report to reduce this further.
4. External impacts on the annual planning process include commitments under the Regional Deal to enable housing and job growth, proposed reforms to local government and resource management, and potential rates caps from 2028. The Local Water Done Well initiative (LWDW), which could transfer water assets to a council-controlled organisation in 2027, also affects council's balance sheet and revenue.
5. Council has reaffirmed its vision for Tauranga as an inclusive, well-planned, environmentally responsible and vibrant city, focusing on housing, transport, environment and community services.
6. The current draft budget sets a rates requirement of \$418 million, an increase of 13.5% before growth. Key drivers are increased depreciation from asset growth, finance costs linked to \$112 million of additional debt, and additional operating costs generated from new assets. Waters activities are a major contributor to higher rates due to planned surpluses for financial sustainability under the new water organisation requirements.
7. Options to reduce rates include lowering capital expenditure, adjusting water revenue assumptions, maintaining an asset realisation programme, committing parking surpluses to reduce rates funded interest on Te Manawataki o Te Papa (TMoTP) and increasing user fees. More significant service reductions could lower rates further but require consultation and carry risks such as slower delivery and reduced responsiveness. Decisions in this annual plan will shape Tauranga's future ability to balance affordability and essential investment due to upcoming rates cap legislation.
8. Information is provided in this report and attachments for consideration by Council and further direction at the 10 February 2026 Council meeting before confirming a draft budget for consultation.

BACKGROUND

- 9. The draft Annual Plan for 2026/27 updates the budget provided for year 3 of the LTP. In accordance with the Local Government Act 2002, Council is required to produce and adopt an annual plan by 30 June 2026.
- 10. The 2025/26 Annual Plan resulted in 9.9% rates rises, a reduction from a proposed 12%. This was due in part to an operational reset that resulted in organisational savings.
- 11. A working draft Annual Plan was presented to the Council at a workshop on 23 October 2025. The working draft material indicated that without further adjustment to expenditure or funding assumptions, a rates increase of 15.9% after growth would be the result. The Council directed staff to develop the draft Annual Plan with a view to limiting rates rises as much as possible, and to provide some scenarios to achieve lower rates rises.

CONTEXT TO 2026/27 ANNUAL PLAN

- 12. There are several key issues that influence funding decisions in the Annual Plan. These arise from both internal and external factors, and all are important for understanding the overall context to lead to the adoption of a prudent budget and changes in rates. These include:
- 13. **Vision and Principles set by Council.** At the 18 November 2025 meeting ([agenda](#)), Council approved the following revised community outcomes, priorities and principles. These help to fulfil the aspiration to be the best city in New Zealand. The Annual Plan and Long-Term Plan provide the funding to deliver on these outcomes, priorities and principles.

<p>Community Outcomes</p>	<p>Tauranga Matarauui - An inclusive city Tauranga is a city that celebrates our past, is connected in our present and invested in our future. Where people of all ages, beliefs, abilities and backgrounds thrive.</p> <p>Tauranga Taurikura - A city that values, protects and enhances our environment Tauranga is a city that prioritises our natural environment and outdoor lifestyle, and actively works to protect and enhance it.</p> <p>Tauranga - Tātai Whenua - A well planned city that is easy to move around Tauranga is well planned and connected, easy to live in and navigate around with thriving centres, affordable homes, resilient infrastructure, community amenities and sustainable transport choices.</p> <p>Tauranga a te kura - A city that supports business and education Tauranga is a city that attracts and supports a range of business and educational opportunities, creating jobs and a skilled workforce</p> <p>(New) A vibrant city that embraces events. Tauranga is a city that champions events and experiences that enhance vibrancy, connects communities, builds identity and delivers cultural, social and economic benefits for its people.</p>
<p>Draft priorities (where we will focus effort)</p>	<p>Enable Housing</p> <p>Address Transport</p> <p>Enhance our Environment</p> <p>Deliver Services for our Community</p>
<p>Draft LTP principles (How we will do things and deliver)</p>	<p>Look after what we've got</p> <p>Everyone pays a fair share</p> <p>Be bold and innovative</p>

	Accountable and transparent Growth pays for growth Value for money
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14. **Economic Conditions.** New Zealand’s economy is emerging from a prolonged downturn, with inflation easing back toward the 2% midpoint and the Reserve Bank cutting the Official Cash Rate (OCR) to 2.25%, the lowest level since mid-2022, to support recovery. Economists are expecting a continued economic recovery through 2026, but this may take time to be fully felt¹. For councils, this makes balancing service delivery with ratepayer affordability especially challenging. Although borrowing costs are falling, councils are still dealing with elevated base costs, rising demand for social and infrastructural services, and a strong push from communities—and central government—to hold rate increases to more modest levels. Pressures on housing, transport, waters infrastructure, and climate resilience remain high, forcing councils to re-prioritise “core” services and trim discretionary projects.
15. **Regional Deal.** A Memorandum of Understanding was signed in July 2025 between central government and the Western Bay sub-region (Tauranga City, Western Bay District, Bay of Plenty Regional Council, tangata whenua, and Priority One) initiating official negotiations under the City and Regional Deal framework. The deal’s objectives are to deliver up to 40,000 new homes, support the creation of new jobs in the sub-region and drive GDP growth of 4.6%. The details of the deal are expected to be announced in late 2025/early 2026 and will have impacts on funding decisions for the Annual Plan, committing the council to infrastructure spending that will enable this growth to occur. There are also longer-term impacts on council related to an increasing asset base (e.g. depreciation, debt services, operating and maintenance costs).
16. **Local Government Reform.** Proposals for significant changes to the form and function of local government were announced in November 2025. The proposal to replace Regional Councils with Combined Territories Boards is currently in the early stages of consultation, and final decisions can be expected in 2026, with legislation to be passed in 2027. These timeframes mean that the direct impact on the Annual Plan may not be significant, but a funding decision will need to bear in mind the potential for changes in the short-medium term.
17. **Local Government (System Improvements) Amendment Bill.** The Bill proposes targeted reforms to the Local Government Act 2002, aiming to refocus the purpose of local government, strengthen accountability, and prioritise core services such as infrastructure, public transport, waste management and minimisation, and community facilities. The Bill introduces clearer definitions and governance principles, enhances consultation requirements for regulations and performance measures, and updates codes of conduct and standing orders for elected members. The Bill has recently been reported to Parliament, with enactment due before Christmas. These provisions take effect immediately after royal assent.
18. **Proposed rates capping.** Proposals for a cap on rates increases were announced by the Government on 1 December 2025. If implemented, this would introduce a limit on annual increases in rates of 2-4%. The proposal is being consulted on in early 2026, with any resulting legislation planned to be passed in 2027. If implemented within this timeframe, rates caps would not come into force until 2028. These potential caps need to be considered in advance, with an understanding of the impact on growth and related infrastructure needs. This includes ensuring that the funding base is adequate to maintain assets once these caps are introduced. **Attachment 1** to this report, Standard & Poor’s (S&P) recent report entitled “New Zealand Local Government Brief: Rates Cap Tightens the Financial Screws”, outlines the concerns from a credit rating perspective. In particular, non-rate revenue options are minimal, and exemptions for infrastructure renewal or disaster recovery will be critical. The cap adds to

¹ [BNZ Economy Watch Report, 27 November 2025](#)

policy uncertainty and may undermine councils' financial resilience and long-term planning. S&P will assess the impacts for each council in future credit ratings.

19. **Resource Management Reform.** The Government is proposing to replace the Resource Management Act (RMA) with two new Acts:
 - a) Planning Act – regulates land use and development
 - b) Natural Environment Act – protects and enhances ecosystems
20. This change will have a large impact on planning functions of council. Regions will manage a single combined regional plan (environment, spatial, and territorial chapters) instead of multiple plans and must align with national environmental limits and standardised zoning. The proposed changes also signal a shift away from consent-heavy regulation to monitoring and enforcement of standards. In line with proposed local government reform, the resource management changes will require some regional restructuring, including replacing some regional councils with combined territorial boards responsible for spatial planning under the new RMA framework.
21. Collectively, the aim of reforms is to simplify planning, reduce duplicate regulation, and support consistent implementation across regions.
22. **Local Water Done Well** - Council will make its final decision as to whether to proceed with establishing a council-controlled water services organisation (WO) in March 2026. If Council decides to move forward with a WO, the WO will have a 'go live' date of 1 July 2027, when TCC will transfer its water-related assets—such as pipes, treatment plants, and associated infrastructure—off its balance sheet. This is also when council's liabilities and depreciation costs for those assets will shift. While this reduces council's overall asset base and borrowing capacity tied to water, it also removes the revenue from water charges. The net effect is a leaner balance sheet focused on core services.
23. As part of compliance with the new water's legislation, the Department of Internal Affairs (DIA) has approved council's 10-year water services delivery plan. This plan identified significant revenue increases commencing in 2026/27 through 10 years to meet financial requirements for waters.
24. **Consolidation of Building Consents** – In August 2025, the Government indicated significant changes to building consent processes, moving liability to a more proportionate system, and introducing options for voluntary consolidation of Building Consent Authority functions. These changes mean less fee income but also lower liability and potential efficiency gains. The net financial impact on local councils hinges on how transition costs are managed and how quickly new efficiencies materialise. Legislation is expected in 2026.
25. **Central Government Election 2026.** The development of the 2026/27 Annual Plan comes ahead of the central government election in late 2026. An impending central government election can influence local government planning and funding decisions because it introduces uncertainty around national policy priorities, regulatory settings, and financial allocations. There is an element of risk in making longer term funding decisions that require partnership with central government and a degree of flexibility is required until post-election policy clarity emerges.
26. **Highly dynamic and changing environment.** The local government operating environment is subject to a high degree of change, driven by evolving legislation, shifting community expectations, economic fluctuations, and external factors such as weather events or central government policy changes. This volatility has an impact on the development and funding of an Annual Plan, as councils must balance long-term strategic objectives with short-term responsiveness. Uncertainty around costs, revenue streams, and regulatory requirements often necessitates flexible budgeting, contingency planning, and prioritisation of essential services over discretionary projects. As a result, funding decisions in the Annual Plan must have an ability to respond to emerging challenges while maintaining financial sustainability and delivering on community outcomes.

DISCUSSION OF CURRENT DRAFT BUDGET

- 27. Staff have proposed draft operational and capital budgets which were loaded to our corporate planning system in September/October, at which time the rates increase was calculated at 15.9% after growth. It was noted that this was prior to internal review and Executive consideration.
- 28. The draft presented today sits at a rates requirement of \$418 million, an increase of 13.5% on the prior year budget of \$368 million before growth, or 13% after assumed growth of 0.5%. The rates requirement is similar to that in year 3 of the LTP.
- 29. The changes made through the review process did not propose changes to levels of service which would require Council decisions and, if significant, community consultation.
- 30. It is still a working draft with a number of changes still to be made including decisions on user fees, finalisation of the capital programme and asset realisation programme and timing and use of parking surpluses for offsetting interest costs of Te Manawataki o Te Papa (TMO TP).

Table One – Draft Key Financial Information

	2025 Act \$m	2026 Annual Plan \$m	2027 LTP \$m	2027 Draft Annual Plan \$m	Variance to 2026 AP \$m	Variance to 2027 LTP \$m
Capital and Debt Summary						
Capital Programme (\$m)	329	425	498	429	5	(69)
Operational Expenditure of a Capital Nature (\$m)	86	78	68	68	(9)	
Net Debt (\$m)	1,312	1,648	1,813	1,760	112	(53)
Debt to revenue ratio (LGFA compliance)	225%	260%	261%	298%	38%	37%
Financial Limit on Borrowing (debt to revenue ratio - bespoke) ¹	285%	330%	280%	330%	0%	50%
Operational Summary						
Total revenue including all asset development revenue	578	638	773	704	66	(69)
Capital subsidies	70	61	140	47	(15)	(93)
Total operating revenue	474	532	580	578	46	(2)
Total operating expenditure	584	591	614	624	33	10
Balanced budget (LGFA requirement) ²	93.0%	100.2%	117.0%	99.9%	-0.3%	-17.1%
Total Rates	334	368	417	418	50	1
Total rates excluding volumetric water charges	295	325	368	365	39	(3)
Total Rates Increase (net growth and penalties)	13.1%	9.9%	10.4%	13.0%	3.0%	2.6%
Total rates increase (net growth and penalties), excluding volumetric water charges				11.6%		

¹ The limit on borrowing would be 280% for 2026/27 if a bespoke covenant was not in place

² The bespoke borrowing covenant requires that the balanced budget calculation is greater than 100%

- 31. The key financials are based on a capital programme of \$498 million² compared to the LTP which was \$68 million higher at \$565 million. The LTP had assumed very high capital subsidies (mainly from NZTA) which are lower in the draft 2026/27 Annual Plan by \$93 million. This combination of lower capital expenditure for the last two years offset by lower

² Being the capital programme of \$429m plus the operating expenditure of a capital nature of \$68m as per Table One.

capital subsidies means that overall debt in the draft annual plan is lower than in the LTP by \$53 million.

32. The balanced budget is currently just under the 100% requirement in 2026/27. Key loan-funded operating (opex) expenditure includes Digital opex of a capital nature of \$10.6 million, capitalised interest on development contributions of \$23.4 million, waters transition expenditure of \$6.3 million, and unfunded depreciation of \$23.9 million. In order to maintain a balanced budget close to 100%, any reductions in revenue would need to be accompanied by reductions in expenditure.

A discussion of revenue and expenditure is provided later in this report under Table 4.

Rates Impact

33. Not all the expenditure budgeted is funded through rates, with user fees a contributor across a number of activities such as Airport and Building Services. The following table summarises the rates changes (\$ and %), breaking out the rates related to waters separately (including the volumetric charge).

Table 2 – Rates

Rate	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026 AP	2027 % rates increase	Variance to 2027 LTP
	\$m	\$m	\$m	\$m	\$m	%	\$m
Water supply (volumetric + fixed)	42	46	54	57	12	3.2%	3
Wastewater targeted rate	51	53	57	57	4	1.2%	1
Stormwater rates	31	32	34	32	(0)	-0.1%	(2)
Other targeted rates	24	24	27	27	3	0.9%	0
Other General Rates	187	213	246	244	31	8.3%	(2)
Total Rates including volumetric water	334	368	417	418	50	13%	1

34. The above table shows that the overall increase in general rates is 8.3%. On top of this increase there have been significant increases in water supply targeted rate (metered water) and the wastewater activity charge. The volumetric water revenue is budgeted to increase 25% to provide a surplus of \$9 million in the WSDP. This 25% increase in the contributes 3.2% to the overall increase of 13%. While this was modelled in the plan to provide a gradual increase over time to support future investment and to ensure acceptable sustainability metrics from day one, it does not have to kick off so strongly in 2026/27 and could be reduced if Council wanted to influence the level of overall cost increases in the annual plan.
35. **Attachment 2** to this report provides a breakdown of rates requirement by activity, but it should be noted that a full year on year variance breakdown is difficult due to the impacts of the recent reset on where some of these costs sit in the activity structure.
36. The activities generating the largest increases in rating requirement are as follows:
- a) In the Waters activities as discussed above.
 - b) In Spaces and Places largely as a result of increased depreciation costs
 - c) In Arts and Culture reflecting the anticipated costs of setting up the Museum
 - d) In Libraries due to additional costs relating to the new Library and resulting from a reduction in funding from reserves.
 - e) In Corporate Treasury reflecting the increase in net financing costs.

1.

OPTIONS FOR RATES REDUCTION

37. A one percent increase in total rates equates to expenditure or revenue of \$3.68 million. The rates requirement in the working draft flows from what was planned through the LTP, adjusted for changes through the 2025/26 AP including the reset and activity manager assessment of likely user fee revenue and costs (excluding Council decisions regarding user fees). The budgets are also affected by Council decisions since the LTP.
38. Future Council decisions will also affect the final rates requirement. This report has recommendations relating to the following:

Funding of Te Manawataki o Te Papa

38. At present the rates figures provided assume airport revenue continues to contribute \$13 million toward TMoTP debt over time. This has the effect of reducing rates funding by \$0.7 million and is included in the December draft annual plan for 2026/27.
39. The agreed funding from parking surpluses and the asset realisation programme are not currently included in the December draft annual plan pending decisions from Council on the Te Manawataki Funding and Financing Update report and the asset realisation report to be presented at this meeting. The level of parking surplus recommended would be sufficient to support \$22 million of debt and thereby reduce rates requirements by \$0.9 million for the year. It is noted that in the LTP an amount of \$1.4 million of parking surplus was included for 2026/27 but actual revenues have been lower than anticipated in the LTP.
40. Asset realisation revenue has not been included in the working draft but if included at proposed divestment levels would reduce rates requirement by \$0.5 million.
41. If the decisions relating to the above are confirmed, then the rates requirement would reduce by approximately 0.4%.

Treatment of water revenue increases proposed in the WSDP

42. The WSDP prepared by TCC and accepted by DIA included a financial model of revenue and expenditure and debt for ten years and showing financial sustainability and compliance with borrowing metrics. As part of this model, surpluses were generated commencing in 2026/27 to maintain strong financial metrics. Council could consider whether it would wish to defer developing surpluses in the Waters activities and therefore reduce the rates increases generated by the waters activities to only that required to cover operating costs. This could reduce rates by circa 2% if including water and wastewater and fully removing these activity surpluses.
43. This change to the WSDP would require an explanation to DIA as to the reason for the change. The Board of LGFA in approving the bespoke covenant for TCC, identified as a condition of the covenant that the "council is expected to balance its operating budget as measured by the balanced budget financial benchmark". The proposed change to water revenue, would aggravate the current unbalanced budget position of 99.9%. Approval from the LGFA Board would be required. The move of the full Council accounts to an imbalanced budget also increases the likelihood of a credit downgrade to A from A+ noting TCC is already on negative watch. Such a downgrade would not be expected to significantly increase borrowing costs in the short term.
44. Alternatively, Council could retain the planned waters revenue but remove the volumetric water charge revenue, which is a significant driver of revenue increase from the rates calculation. This separation of the volumetric charge from other "rates" means that the rates increase percentage is consistent with the increase that will be charged through the annual rates bill, as metered water charges are billed separately and are a user charge based on volume of water consumed. It is noted that future rates cap assessments are proposed to also exclude waters.

Proposed further adjustments to be considered on 10 February 2026 Council meeting

45. **Capital Programme.** The initiatives proposed include reducing capex from \$498 million to \$400 million for the 2026/27 financial year which will reduce associated opex (debt servicing)

by approximately \$2 million. The impacts of prioritisation of the programme down to \$400 million are detailed in an attachment to be tabled at this meeting and can be considered by elected members as part of its capital prioritisation work prior to February Council decisions on the annual plan.

46. In order to reduce the programme to \$400 million, a variety of options may be explored to minimise the impact of deferring or discontinuing projects. However, decreasing the programme size will necessitate prioritising certain projects for exclusion from next year's annual plan, with the possibility of reassessment during the development of the subsequent Long-Term Plan (LTP). An initial assessment has been conducted to determine the programme's level of commitment, allowing it to be categorised as follows:

Table 3 – Current Capital Programme

Commitment Level	Proposed FY27 Budget \$m
Committed	140.9
Critical Risk Project	79.6
Renewals	133.1
Will be committed by June 2026 if no alternative action is taken	87.8
Uncommitted	56.3
Grand Total	497.6

47. Projects were evaluated according to a range of criteria outlined in the draft prioritisation framework, with the primary focus on the 12-month risk of deferral and, to a lesser degree, alignment with strategic outcomes. Additionally, projects were assessed for their “match readiness” to ensure delivery within the projected 2026/27 budget.
48. It is important to note that next year’s programme includes \$49 million in contingency funds, most of which are allocated to committed projects, some scheduled for completion during the 2026/27 period. At present, these projects are not sufficiently advanced to allow any release of this contingency.
49. There are strategies available to reduce the 2026/27 budget allocation prior to considering project removals. These include deferring some contingency allocations (while allowing for them to be reinstated if needed), adjusting project budgets based on readiness to optimise cash flow timing, and postponing or eliminating provisional budgets for which no expenditure is planned in 2026/27.
50. Such mechanisms offer flexibility within the programme and may reduce the number of projects that would need to be deferred or discontinued. Potentially, this could provide up to \$67 million in additional capacity; however, it introduces significant risk that project budgets may need to be accelerated to address emerging issues or if current schedules are maintained.
51. Under this approach, programme components that are neither committed, critical risk, nor renewals would require reduction by an amount ranging from \$31 million to \$98 million. This may have to include projects that are already underway and will be committed by June 2026.
52. It should also be highlighted that projects currently underway may still have to be terminated or deferred in order to remain within the \$400 million budget cap, which could lead to the write-off of costs incurred to date.
53. The attachment to be tabled at this meeting delivers a summary of these calculations, alongside tables detailing the programme breakdown and, using a ranking system, specifies which projects would need to be deferred or stopped to comply with the \$400 million threshold.

54. **Further Expenditure savings.** The Executive is in the process of identifying further adjustments to expenditure which could bring rates down a further 1 – 1.5%. These initiatives will have implications for the organisation or minor level of service changes which have not at this stage been fully worked through. Councillors will be provided with further information on these prior to Christmas which can be considered in more detail for the February meetings on the AP.
55. **Fees and Charges.** Council has considered user fees and charges over the last few months and has yet to make decisions on any adjustments. Additional or increases in existing user fees may help to reduce the rates requirement. Conversely, any decision to introduce new rates funding to cash- funded activities such as Cemeteries or Building Services would increase the rates requirement for next year. A \$1million adjustment to user fees could affect rates by up to approximately 0.3% either up or down.
56. Overall, the above initiatives if adopted could see the rates increase reduce closer to 7 to 8%.

More significant reductions to levels of service could enable lower rates increases

57. To reduce rates below the level of 7 to 8% which could be achieved if all the above initiatives are adopted, Council would need to identify areas where level of service changes would be considered. Staff are working through some very high-level level of service options which will be provided to Council before Christmas for feedback on whether any would be supported for further investigation by staff.
58. To achieve a rates increase of 4%, which is the proposed rates cap, rates funded expenditure savings of an **additional** \$11 million to \$14 million would be required or more if any of the above decisions to reduce rates requirement are not supported. Significant changes that would be needed to achieve a 4 % rates rise are unlikely to be fully available for the 2026/27 financial year.
59. It should be noted that with the introduction of rates capping, any reduction in rates through service changes or other expenditure reduction should be of a permanent nature as there will be very limited capacity to reintroduce higher levels of expenditure in later years within the rates cap.

EXCLUSIONS FROM PROPOSED SAVINGS

Proposed savings do not include the following:

- (a) Council controlled organisations. At the 18 November 2025 meeting, Council resolved to maintain funding to CCOs at the same level as 2025/26, effectively requiring savings to be made to absorb inflation and any other cost increases over the last year. Given how recently this decision was made and that we are waiting for CCOs response through the Statement of Intent process, no recommendations have been made to reduce funding further.
- (b) Regulatory Excellence. Council has committed to being the best regulatory council in the country. Any reduction in funding in the regulatory space is likely to have an impact on achieving this goal.
- (c) Investment in Māori Engagement structures. A review is currently underway of how we work with mana whenua, conducted in partnership with mana whenua. No attempts to identify savings has yet been made in this area ahead of any recommendations that may arise from this review.

EXPENDITURE NOT INCLUDED

60. **Māori Representation Referendum.** Under current legislation, Council will be required in the 2026/27 year to decide if it wants to retain the Te Awanui Māori ward. If it decides it wishes to retain the ward, then it will be required to conduct a referendum of all voters to confirm or reject that proposal.

61. This report does not seek to consider whether or not Council wishes to retain the Māori ward. That is a matter that Council will be invited to consider in 2026. The total costs of a referendum will include electoral officer costs, postage costs, and marketing and promotion costs. Having taken advice from the electoral officer, including current postal rates, a broad estimate of \$0.5 million should be budgeted for a city-wide referendum if required.
62. The cost for a referendum was not included in the LTP, and therefore any decision to undertake one will require a decision of council, which is likely to have an impact on rates of 0.2%.
63. The risk of not budgeting for a referendum is that if one is subsequently required it will be a significant item of unbudgeted expenditure. Conversely, the risk of budgeting for it is that if it is not required then the ratepayer has funded a project that is not going to occur (though any resultant rates surplus can be applied to future years' rates).

OPERATING REVENUE AND EXPENDITURE - DISCUSSION OF SIGNIFICANT COST CATEGORY MOVEMENTS

Table 4 – Whole of Council Operating Revenue and Expenditure

Whole of Council Operating Revenue & Expenditure	2025 Act \$m	2026 Annual Plan \$m	2027 LTP \$m	2027 Draft Annual Plan \$m	Variance to 2026 AP \$m	Variance to 2026 AP %	Variance to 2027 LTP \$m
Revenue	473.9	531.8	580.0	577.5	45.6	9%	(2.6)
Rates Revenue	334.2	368.0	416.9	417.6	49.6	13%	0.7
Grants and Subsidies Revenue	60.9	78.2	73.6	71.4	(6.8)	(9%)	(2.2)
Fees and Charges	66.5	79.5	83.5	80.1	0.6	1%	(3.4)
Dividends Revenue Received	0.4	0.5	0.5	0.6	0.0	4%	0.0
Finance Revenue	11.9	5.6	5.5	7.9	2.3	40%	2.4
Expenditure	584.5	594.7	616.6	630.7	35.9	6%	14.1
Employee Expenses	126.1	124.4	128.5	137.2	12.8	10%	8.7
Depreciation and Amortisation Expense	113.6	125.9	125.8	138.0	12.2	10%	12.2
Finance Expenses	62.2	66.0	80.9	83.1	17.1	26%	2.2
Other Operating Expense	282.6	278.4	281.4	272.3	(6.1)	(2%)	(9.1)
Administration Expenses	12.8	19.5	18.7	19.5	0.0	0%	0.8
Consultancy Expenses	53.8	44.7	45.5	38.7	(6.0)	(13%)	(6.8)
Grants, Contributions and Sponsorship Expense	103.7	91.9	82.4	91.4	(0.5)	(1%)	9.0
Insurance Expense	7.4	9.0	4.8	9.7	0.7	7%	4.9
Operational Contracts Expense	11.3	14.3	11.9	15.0	0.6	4%	3.1
Other Operating Expense	32.9	32.9	50.9	34.3	1.4	4%	(16.6)
Property Rental and Lease Expenses	7.8	10.7	8.0	5.0	(5.7)	(53%)	(3.0)
Repairs and Maintenance	34.0	36.1	41.1	37.8	1.7	5%	(3.3)
Utilities and Occupancy Expenses	19.0	19.1	18.1	20.9	1.8	9%	2.8
Operating Surplus / (Deficit)	(110.6)	(62.9)	(36.5)	(53.2)	9.7	(15%)	(16.6)

64. **Attachment 3** to this report replicates the above table for each activity of Council noting that year on year comparisons for some activities have been impacted by the recent reset, with some responsibilities or deliverables being transferred from one activity to another. The 'Activity Deck' as provided for the 2025/26 Annual Plan will be updated and available for Elected Members before Christmas.
65. **Employee costs** have increased year on year by \$12.8 million, 10.3%. The allowance for salary increases has been set at 3.5% and most actual cost categories in this group have decreased as can be seen in table 5 below. Exceptions are:

- (a) A new item in salary recharges for resourcing of the Water Organisation transition of \$1.5 million has been added in 2027. It is understood that this cost can be recovered, and an offsetting credit sits in revenue to reflect this.
- (b) The assumption for capitalizable salaries has reduced in 2027, adding \$4.2 million to net employee costs. \$3 million of this is related to how Digital reflect their project work, and an offsetting \$3 million credit sits in consultancy costs (relating to software-as-a-service or SaaS). The remaining reduction is based on a reassessed calculation post reset.
- (c) The assumption for churn or salary savings has reduced in 2027, adding \$2.4 million to net Employee costs. Actual churn currently being experienced is very low, at a little over 2%. This calculates to approximately \$3.1 million. An additional \$2.2 million saving has been assumed, to be generated through active management of vacancies over the year. Even so, there remains a \$2.4 million negative variance against 2026 annual plan.

Table 5 – Employee Costs

Employee Costs	2025 Actual \$m	2026 Annual Plan \$m	2027 LTP \$m	2027 Draft Annual Plan \$m	Variance to 2026 AP \$m	Variance to 2026 AP %	Variance to 2027 LTP \$m
FTE	1,349	1,268	1,374	1,260	- 9	-1%	- 114
Salaries & Wages	119.1	145.6	155.9	150.0	4.9	3%	(5.8)
Salaries	115.5	141.2	150.5	146.1	4.9	3%	(4.4)
Band movement	-	1.6	2.7	1.4	(0.2)	(15%)	(1.3)
Temporary staff expense	1.4	0.9	1.2	0.9	0.0	4%	(0.3)
Casual staff expense	1.0	0.9	0.7	0.5	(0.3)	(40%)	(0.2)
Overtime	1.2	1.0	0.8	1.1	0.1	13%	0.3
Outliers	-	(27.0)	(35.9)	(18.6)	8.4	(54%)	17.3
Salaries recharges	-	(0.0)	0.3	1.7	1.7	0%	1.5
Capitalised salaries	-	(19.3)	(24.5)	(15.1)	4.2	(22%)	9.4
Churn	-	(7.7)	(11.7)	(5.3)	2.4	(32%)	6.4
Salaries and Wages Total	119.1	118.6	120.0	131.4	13.3	11%	(2.9)
Other Employee Costs							
Direct Personnel Expenses	2.6	3.7	6.3	3.5	(0.3)	(7%)	(2.9)
Elected Member Remuneration	1.2	1.4	1.5	1.7	0.3	18%	0.2
Other Representation Remuneration	0.2	0.5	0.6	0.4	(0.0)	(9%)	(0.1)
Remuneration Benefits	2.9	0.2	0.1	0.2	(0.0)	(17%)	0.1
Total Employee Expenses	119.1	118.6	120.0	131.4	12.8	11%	11.5

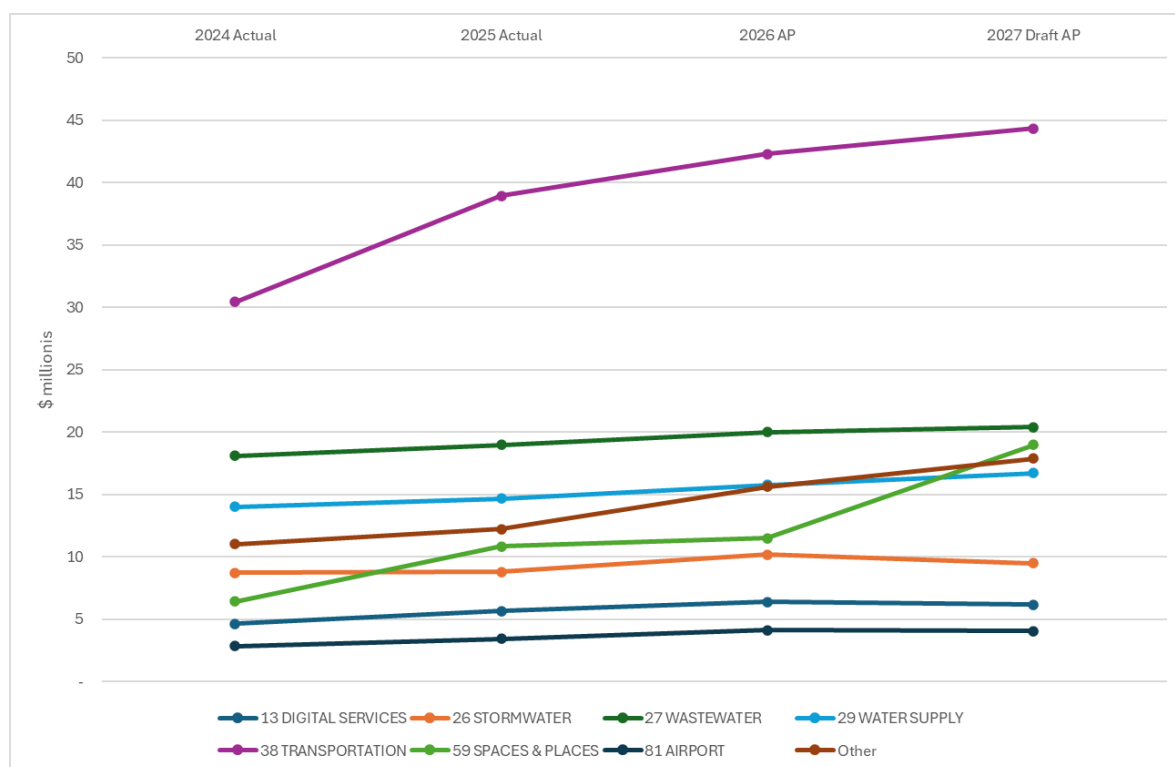
66. **Depreciation** costs have once again outstripped expectations with an increase (both year on year and against LTP) in excess of \$12 million. This is primarily driven by two things:

- (d) Capitalisation of \$116 million of projects in Spaces & Places in 2024/25, the main driver of the year-on-year increase in depreciation of \$7.5 million in this activity. This included projects such as the Memorial Park to city centre pathway, the waterfront playground, Elizabeth Street streetscape, Masonic Park upgrade, Haumaru indoor courts and Kopurererua Valley development.
- (e) Additional depreciation cost (amortisation) of \$2.7 million relating to the treatment of the lease payments for 90 Devonport Rd. Previously budgeted as an operating lease in the Other Operating Expenses category, during the 2024/25 Annual Report audit this treatment was changed to a finance lease, resulting in a reduction in property rental costs and an increase in recorded amortisation and interest costs. The table below shows the impact of this change in treatment.

Table 6 – 90 Devonport Road impact of finance lease

90 Devonport impact of Finance Lease	2026 AP \$000	2027 LTP \$000	2027 Draft AP \$000	Variance to 2026 AP \$000
Property rental	5,723	5,263	0	(5,723)
Lease Liability Interest	0	0	4,416	4,416
Amortisation	0	0	2,674	2,674
P&L impact	5,723	5,263	7,090	1,367
Unfunded Amortisation	0	0	(1,488)	(1,488)
Funding Impact	5,723	5,263	5,602	(121)

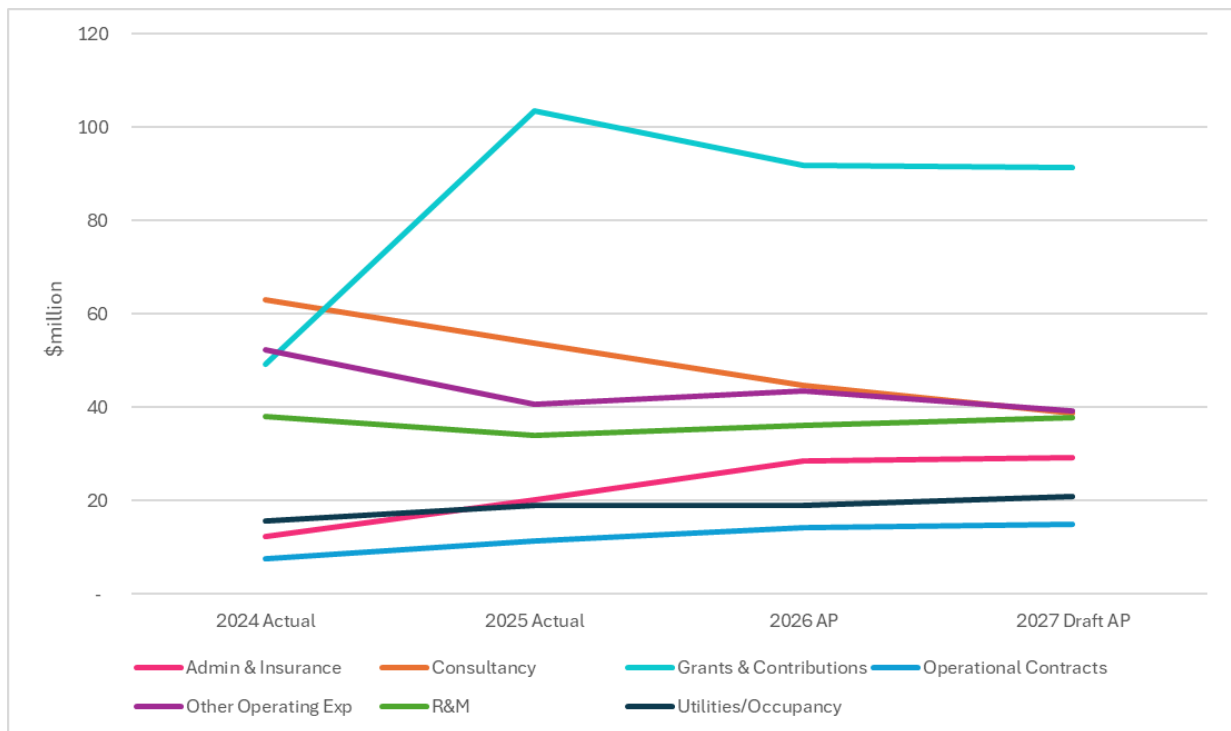
- 67. The finance lease calculation expenses more interest in the earlier years of the lease which makes the total expense in those years greater than the rental cost. The unfunded amortisation element in the table above means that only the rental cost is funded by the ratepayer, however it does have a minor negative impact on the balanced budget.
- 68. The following chart reflects depreciation cost over a four-year period by major activities.



- 69. **Finance expenses** have been impacted by debt and interest rate forecasts, alongside the addition of \$4.4 million of lease liability interest relating to 90 Devonport Road (Table 6 above). Net debt in the current model is budgeted to increase by \$112 million year on year, and the average cost of all borrowings is 4.01%. Included in the interest calculation is \$282 million of debt that will be refinanced in 2026/27 and the average cost of borrowing for new debt is 4.35%.
- 70. **Other operating expenditure** has reduced by \$6.1 million year on year, including \$3 million reduction in Digital consultants (offsetting employee costs, above), and \$5.7 million reduction

in property rental expenses relating to the 90 Devonport finance lease. Since the October draft there has been significant review, including the removal of the 2.2% inflation increment in many cost categories (not including R&M or those likely to have contractual implications), reduction to 2025 levels of budgets sitting within activities for training, conferences, travel and catering, and a 10% reduction in most consultancy budgets to acknowledge the process improvement implemented through the reset. Expenditure also includes additional costs for the set-up of the Museum \$1.9 million, and additional utilities costs (in rates, water rates, cleaning and electricity costs).

71. The following chart reflects categories of other operating expenditure over a four-year period:



Noting that grants and contributions expenditure includes the budgets relating to the funding arrangements for Tauriko West.

INTERNAL DRIVERS OF BUDGET INCREASES

72. There are several factors that contribute to TCC’s budget which are either already committed to, or difficult to reduce. Combined, these factors contribute to a need to increase rates, even if no other expenditure is approved. These factors are detailed below.

73. **Depreciation and interest.** Both depreciation and interest are long-term financial commitments that need to be considered when approving capital projects, as they affect future rates and operating budgets. The legal and audit requirement for accounting for depreciation are summarised below.

Legal Instrument	Depreciation Requirement
LGA 2002 Sections 100 & 111	Must include depreciation in operating expenses and apply generally accepted accounting practice (GAAP); unless prudent resolution
Financial Reporting & Prudence Regulations	Depreciation must be disclosed in Funding Impact Statement; affects balanced budget test

Legal Instrument

Depreciation Requirement

Audit NZ Guidelines

Audits enforce accuracy and sufficient funding of depreciation; flag under-investment

- 74. Two factors affect the ongoing increases in depreciation:
 - a) Building new assets
 - b) Revaluation of existing assets which is required under accounting standards.
- 75. Depreciation expense must be calculated on the latest valuation of assets. Council can consider whether to fund all depreciation. However, this would lead to or exacerbate an imbalanced budget where there is not sufficient revenue to fund expenses. Our bespoke covenant with LGFA requires a balanced budget where revenue is over 100% of expenditure as noted in paragraph 43.
- 76. Funded interest and depreciation increases alone make up a 5.5% rates increase (approx.)
- 77. **Capex drives opex.** Tauranga City Council has a large capital expenditure (capex) programme, caused by the need for infrastructure and facilities to accommodate a growing population. Throughout construction and beyond, debt servicing costs continue until the debt is repaid. Once these assets are operational, they create ongoing operational expenditure (opex) on depreciation, maintenance, insurance, staffing and utilities. Every new asset creates opex that increases long-term running costs for council. Many capex projects are already committed to, in turn creating long-term opex costs that are unavoidable.
- 78. **Contracts.** There are multi-year contracts that TCC is already committed to and costs cannot be reduced or removed. In some cases there are contractual obligations to increase payments to these contractors in line with inflation.
- 79. **Utilities and rates.** Much like increased opex costs, there is a corresponding rise in utilities and rates costs that result from the building of capital projects. For example, new community facilities create water and power costs, alongside the need to pay rates for the land that the building is situated on. Additionally, council has very limited opportunity to reduce or control these costs.
- 80. **Democracy costs.** TCC incurs costs associated with the effective running of democracy. Costs that will be incurred in the 2026/27 year include:
 - (a) Remuneration for elected members which is set independently by the Remuneration Authority. This was most recently discussed at the Council meeting on 18 November 2025. This includes salaries, allowances and reimbursements for councillors.
 - (b) Meeting and committee support, including technology support that allows for transparency: livestreaming of meetings and effective and safe record keeping.
- 81. **Other internal considerations.** Alongside the impacts from the change to salary savings assumptions and the accounting treatment of 90 Devonport Road discussed above, there are a number of other assumptions and initiatives that have impacted this annual plan as follows:
 - (a) The past decision to collect rates to contribute to unfunded debt including that related to weathertight claims and the write-off of Harrington St car park, as well as contributing rates to a risk reserve going forward.

Table 7 – Rates-funded debt retirement

Debt Retirement	2025 Act \$m	2026 Annual Plan \$m	2027 LTP \$m	2027 Draft Annual Plan \$m	Variance to 2026 AP \$m	Variance to 2027 LTP \$m
Weathertight reserve debt retirement (\$m)	2.0	2.0	2.0	1.0	(1.0)	(1.0)
Unfunded liabilities debt retirement (\$m)	0.0	0.0	1.5	1.0	1.0	(0.5)
Risk reserve funding (\$m)	1.0	1.0	1.0	1.0	0.0	0.0
Rates funded debt retirement (\$m) included in rates	3.0	3.0	4.5	3.0	0.0	(1.5)

- (b) The Executive has prioritised migration from Ozone within a 2 - 3 year timeframe due to significant risks arising from remaining on an unsupported platform.
- (c) Discussions regarding the accounting for the funding of Te Manawataki o Te Papa as referred to in the preceding paper to this meeting. Some adjustments have been made to this draft annual plan to avoid using complex reserves to account for funding contributions from the airport and parking activities and from asset realisation. In the case of parking and asset realisation this effectively results in the deferral of contributions of surpluses to reduce ratepayer funded interest costs of debt. As a result, rate-funded interest costs are higher than using the previous treatment.
- (d) There may need to be budget revisions for Local Water Done Well, noting that there is no budgeted amount for digital expenditure in Phase Two with decisions not expected before March/April 2026. Currently, loan-funded opex in waters to support the transition to the Waters Organisation is \$6.3 million in 2026/27, which impacts the balanced budget as it is expenditure without associated revenue. Should Council decide to reduce or remove the revenue surpluses generated in the Waters activities, the balanced budget would reduce further below 100% which would necessitate a discussion with LGFA.

STATUTORY CONTEXT

82. In accordance with the Local Government Act 2002 (LGA), Council is required to produce and adopt an annual plan, by 30 June 2026. The purpose is to identify variations from the financial statements of the third year of the current Long-term Plan.

STRATEGIC ALIGNMENT

83. The Annual Plan provides the funding that contributes to the promotion or achievement of all of Tauranga City council’s strategic community outcomes. How funding is allocated will determine the impact made in each of these areas.

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	✓
We are a well-planned city that is easy to move around	✓
We are a city that supports business and education	✓
We are a vibrant city that embraces events	✓

FINANCIAL CONSIDERATIONS

- 84. In considering the overall level of rates increases Council must weigh the benefit to the community of council expenditure against the burden of rates charges.
- 85. Council expenditure provides a range of benefits to the community and rates is used as an efficient way of gaining the required revenue to fund this expenditure. Council services benefit the community in a number of ways including:

- (a) Supporting people and businesses with well-functioning infrastructure such as a roading network and healthy and reliable water supply.
 - (b) Maintaining and enabling new infrastructure to support the physical and economic growth of the city
 - (c) Providing amenity such as community and recreational infrastructure
 - (d) Drawing tourists and visitors in to spend within our local economy
86. Central Government's proposal of a rates cap means that Council should have regard to a sustainable rates base when it sets its rates requirement for the 2026/27 annual plan. A short-term focus on low rates increase at the expense of levels of service or taking more risk would mean that the lower levels of service or higher risk would remain ongoing as the cap would not readily enable higher expenditure at a later date.
87. Using operating surpluses from non-rates funded activities such as airport or parking to cover debt that would otherwise be ratepayer funded flows through to a lower rates requirement but a higher level of debt (because a surplus held in an activity offsets net debt).
88. Options for a lower capital programme would reduce costs both in the annual plan year and flowing through to depreciation in later years. However, with a rate cap it would be harder to significantly increase the level of capital delivery in following years.
89. Lower revenue against TCC's already high debt levels would affect our financing ratio and would be likely to lead to a lowering of TCC's credit rating from A+ negative watch to A. This would not be expected to significantly increase borrowing costs in the short term.

LEGAL IMPLICATIONS / RISKS

90. In accordance with the Local Government Act 2002, council must consult with the community if the annual plan includes significant or material differences from the content of the Longterm Plan for the financial year to which the proposed annual plan relates.
91. Generating savings result in several risks that need to be considered. In general, these risks will increase as budget reductions increase.
- (a) **Pace of work.** Reduced resources will mean that the pace of work is likely to reduce. Projects may take longer to start, or to complete once they have begun. This will mean there is a delay in meeting the needs of the community, and may lead the community to question the value provided.
 - (b) **Responsiveness.** Savings will result in slower response times for complaints related to noise, animal control, parking or maintenance of council assets.
 - (c) **Reduction in Flexibility.** Reduced budgets will in turn create reduced capacity to respond to emerging issues without the need to return to Council for unbudgeted expenditure approval. This has the potential to exacerbate issues related to pace and responsiveness further.

TE AO MĀORI APPROACH

92. The Annual Plan process does not affect TCC's ambitions to align with the Te Ao Māori approach. However, funding decisions may have an impact on individual projects or programmes that are specifically working towards fulfilling on the approaches.

CLIMATE IMPACT

93. The Annual Plan process does not affect TCC's ambitions to align with the Climate Impact Statement. However, funding decisions may have an impact on individual projects or programmes that are specifically working towards fulfilling on this ambition.

SIGNIFICANCE

94. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
95. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the matter.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of high significance.




ENGAGEMENT

96. Under the proposed approach, consultation on the annual plan will occur in March and April 2026 alongside the draft Schedule of User Fees and Charges.

NEXT STEPS

39. Council decisions on this report will be used to further shape the draft Annual Plan. More detailed discussions on the annual plan will take place in early 2026 ahead of consultation and then adoption of the final plan in June.

ATTACHMENTS

1. **Attachment 1 - Standard & Poor's rates cap brief - A19497944** [↓](#) 
2. **Attachment 2 - Rates Requirement by Activity - A19513143** [↓](#) 
3. **Attachment 3 - Operating Revenue and Expenditure by Activity - A19513644** [↓](#) 

New Zealand Local Government Brief: Rates Cap Tightens The Financial Screws

December 2, 2025

This report does not constitute a rating action.

A cap on annual increases in property rates could strain the finances of New Zealand's debt-laden local councils. Unless the cap is matched over time with cuts to spending growth, we believe this will be credit negative for the sector.

What's Happening

On Dec. 1, 2025, New Zealand's central government announced that it will limit growth in local council rates to 2%-4% per year. The cap starts in 2029, but monitoring of rates will begin in 2027, presumably to dissuade frontloading of rate hikes. Rates inflation was 12.2% in the year to June 2025, the highest in decades. "Rates" (general rates, targeted rates, and uniform annual charges) are recurrent taxes levied by councils on property owners.

Why It Matters

Capping rates could exacerbate fiscal imbalances. New Zealand's councils have broad autonomy to raise rates as much as they see fit, and recent annual increases have far exceeded inflation. Despite this, some have failed to achieve balanced budgets (on an accrual basis), as required by regulation. If councils are inhibited in their ability to lift future rates, they could further struggle to balance the books or lean more heavily on debt to finance capital expenditure. This will weigh on credit quality. Subnational cash deficits and debt ratios in New Zealand are already much higher than global peers'.

Budgetary flexibility may no longer be superior to other municipal systems. We presently assess 10 councils (out of 24) as having above-average fiscal flexibility relative to domestic and international peers, and we reflect this in a positive adjustment to their budgetary performance assessments. We could remove this adjustment if a strict rates cap were enacted. (There may be exceptions for a handful of councils with large investment funds or sellable assets.)

Underinvestment could be an unintended outcome. A rates cap could lead to deferred maintenance or asset renewals, as observed in some Australian councils operating under a similar regime. In a recent briefing, New Zealand's Treasury cautioned: "Successive underspending by local councils over the last 35 years, in the face of pressure to keep rates low

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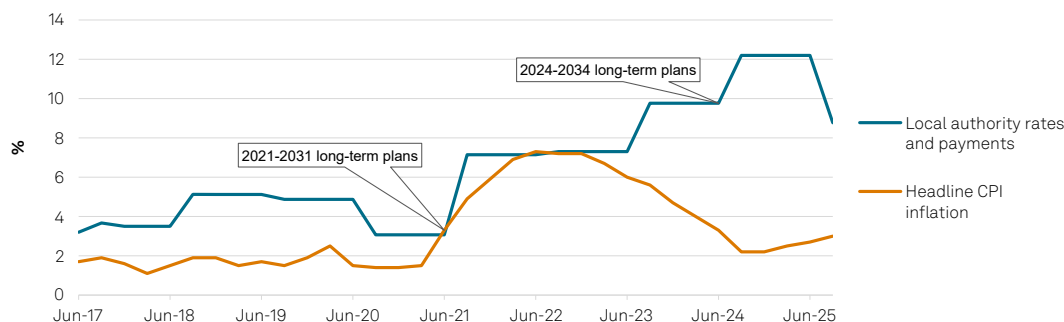
New Zealand Local Government Brief: Rates Cap Tightens The Financial Screws

and rate rises to a minimum, means that rates are significantly below the level that they need to be in order to be considered sustainable."

The proposed cap adds to policy uncertainty. In February 2025, we lowered our institutional framework assessment on the New Zealand council sector. Since then, the central government has unveiled an ambitious slew of proposals to reform the Resource Management Act, supplant regional councils, implement a regulated development levies system, and force councils to prioritize "core" services. The cumulative impact of these workstreams makes long-term planning difficult.

New Zealand council rates increases outpace broader inflation

Year-on-year price growth



Source: Stats NZ.
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What Comes Next

Councils will need to contemplate cost cuts. We anticipate that some councils will downsize (usually discreetly, through hiring freezes or a "sinking lid" policy), reduce levels of service, or seek other efficiencies. If councils hope to plough on with large capital investment programs, they may be forced to take on more debt. This would be credit negative.

There is limited scope to raise non-rates revenue. At most councils, rates revenue represents about one-half to two-thirds of total income. Some councils could partly offset lost rates revenue by lifting parking fees, bus fares, and other user charges. However, many other revenue lines, like consenting fees and development contributions, operate on a cost recovery model under legislation.

How exemptions are assessed will be important. Councils will be able to seek permission from a regulator to exceed the cap "in extreme circumstances, such as a natural disaster" or for "catching up on past underinvestment." But as severe weather events become increasingly common, and with many councils wanting to renew ageing assets, the regulator's amenability to exceptions could be a crucial credit consideration. Councils are not homogenous. A one-size-fits-all cap could heap pressure on those councils that need revenue growth the most.

We will update our credit views on each council as plans become clearer. As councils prepare their next round of budgets, the impact on credit ratings will hinge on the extent to which they can tighten their belts in a revenue-constrained environment.

www.spglobal.com/ratingsdirect

December 2, 2025 2

New Zealand Local Government Brief: Rates Cap Tightens The Financial Screws

Related Research

- [New Zealand Water Reforms Don't Guarantee Rating Relief For Local Councils](#), Oct. 28, 2025
- [Institutional Framework Assessment: New Zealand Local Governments Face Rising Fiscal Imbalances And Less Certain Policy Settings](#), March 17, 2025

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New Zealand Local Government Brief: Rates Cap Tightens The Financial Screws

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	B	C	D	E	F	G	H	I
1	ANNUAL PLAN RATES FUNDING BY ACTIVITY - Draft 30 Nov							
2								
3	Activity	Actual 2025	AP 2026	LTP 2027	AP 2027 Draft	Variance to 2026 AP	2027 % variance	Variance to 2027 LTP
4		\$m	\$m	\$m	\$m	\$m	%	\$m
5	101- CORPORATE TREASURY	(16.1)	(18.3)	(11.2)	(14.2)	4.1	(22.2%)	(3.0)
6	102- HEAD OFFICE - TCC	3.0	3.0	4.5	3.0	-	-	(1.5)
7	104- STRATEGIC PROPERTIES - TE TUMU	-	-	-	-	-	-	-
8	109- HEAD OFFICE - CORPORATE	0.0	0.0	0.0	0.0	(0.0)	(10.5%)	(0.0)
9	10- FINANCE	-	-	-	-	-	-	-
10	11- HUMAN RESOURCES	-	-	-	-	-	-	-
11	12- EXECUTIVE OFFICER	-	-	0.0	0.6	0.6	-	0.6
12	13- DIGITAL SERVICES	-	-	-	-	-	-	-
13	15- CIVIC COMPLEX	-	-	-	-	-	-	-
14	16- DEMOCRACY SERVICES	-	-	-	0.3	0.3	-	0.3
15	18- STRATEGY & CORPORATE PLANNING	-	-	-	2.0	2.0	-	2.0
16	19- INSURANCE	-	-	-	-	-	-	-
17	20- COMMUNICATIONS & ENGAGEMENT	-	-	-	-	-	-	-
18	21- STRATEGIC MAORI ENGAGEMENT	-	-	-	-	-	-	-
19	26- STORMWATER	30.7	32.1	33.6	31.8	(0.3)	(0.9%)	(1.8)
20	27- WASTEWATER	48.4	53.3	56.8	57.6	4.3	8.1%	0.8
21	29- WATER SUPPLY	42.3	46.4	55.4	58.5	12.1	26.0%	3.1
22	30- CITY WATERS SUPPORT SERVICES	-	-	-	-	-	-	-
23	31 - CITY OPERATIONS	11.9	18.4	12.9	20.0	1.6	8.5%	7.2
24	32- SUSTAINABILITY & WASTE	20.7	22.6	28.4	23.7	1.1	4.8%	(4.7)
25	38- TRANSPORTATION	63.9	73.2	76.6	75.2	2.0	2.7%	(1.4)
26	40- CITY CENTRE	-	-	0.1	-	-	-	(0.1)
27	43- REGULATORY SERVICES	-	-	0.1	0.7	0.7	-	0.6
28	44- EMERGENCY MANAGEMENT & CIVIL DEFENCE	1.4	1.7	2.6	1.8	0.1	6.8%	(0.7)
29	46- ENVIRONMENTAL PLANNING	4.6	2.9	5.8	2.8	(0.1)	(3.4%)	(3.0)
30	47- PERFORMANCE MONITORING & ASSURANCE	-	-	-	-	-	-	-
31	48- ENVIRONMENTAL HEALTH & LICENSING	1.4	1.4	1.6	1.3	(0.1)	(6.5%)	(0.3)
32	50- ANIMAL SERVICES	0.5	0.4	0.4	0.3	(0.0)	(5.1%)	(0.0)
33	51- CITY & INFRASTRUCTURE PLANNING	8.2	9.5	12.2	9.9	0.4	4.3%	(2.3)
34	52- BUILDING SERVICES	0.9	1.3	1.2	1.2	(0.1)	(5.3%)	(0.0)
35	54- CITY EVENTS	4.8	5.4	5.7	5.9	0.5	10.2%	0.2
36	55- LEGAL	-	-	-	0.3	0.3	-	0.3
37	56- COMMUNITY DEVELOPMENT	5.1	6.1	5.6	6.2	0.1	1.7%	0.6
38	57- MARINE PRECINCT	-	-	-	-	-	-	-
39	58- BAY VENUES LTD & CCO's	17.3	18.8	21.8	19.3	0.5	2.8%	(2.5)
40	59- SPACES & PLACES	44.0	50.3	52.7	61.8	11.5	23.0%	9.1
41	61- CITY CENTRE DEVELOPMENT & PARTNERSHIPS	1.3	1.5	3.3	0.3	(1.2)	(80.9%)	(3.0)
42	64- BAYCOURT COMMUNITY & ARTS CENTRE	2.9	3.1	3.3	3.2	0.1	3.9%	(0.1)
43	65- ARTS & CULTURE	5.1	5.5	8.9	8.5	3.0	53.7%	(0.4)
44	66- WASTE LEVY	-	-	-	0.1	0.1	-	0.1
45	67- MARINE FACILITIES	2.0	2.3	2.6	2.3	-	-	(0.3)
46	68- BEACHSIDE	-	-	-	-	-	-	-
47	69- ASSET SERVICES	-	0.1	0.5	0.0	(0.1)	(77.3%)	(0.4)
48	72- SMARTGROWTH IMPLEMENTATION	-	-	-	-	-	-	-
49	74- REGULATION MONITORING	0.7	0.9	0.7	1.0	0.1	12.1%	0.2
50	76- ECONOMIC PARTNERSHIPS	5.4	5.1	5.8	5.4	0.2	4.7%	(0.5)
51	77- LIBRARIES & COMMUNITY HUBS	16.5	13.9	15.7	19.6	5.7	41.4%	3.9
52	81- AIRPORT	-	-	-	-	-	-	-
53	83- FLEET MANAGEMENT	-	-	-	-	-	-	-
54	84- CEMETERIES	-	-	-	-	-	-	-
55	85- PARKING MANAGEMENT	-	-	-	-	-	-	-
56	90- PROPERTY MANAGEMENT	1.2	1.3	1.5	1.6	0.3	25.6%	0.1
57	92- HISTORIC VILLAGE	3.4	3.8	3.0	3.6	(0.3)	(7.1%)	0.6
58	94- ELDER HOUSING	-	-	-	-	-	-	-
59	95- COMMERCIAL ADVISORY	2.5	2.0	4.9	2.0	(0.0)	(2.0%)	(2.9)
60	Total Rates	334.2	368.0	416.9	417.6	49.6	13.5%	0.7

	A	B	C	D	E	F	G
1	ANNUAL PLAN OPERATING REVENUE AND EXPENDITURE BY ACTIVITY - Draft 30 Nov						
2							
3		\$000	\$000	\$000	\$000	\$000	\$000
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
5	10- FINANCE	7,653	7,666	7,606	8,107	441	500
6	REV- Revenue	(124)	(140)	(579)	(143)	(3)	436
7	USE- Fees and Charges	(124)	(140)	(179)	(143)	(3)	36
8	SUB- Grants and Subsidies Revenue	0	0	(400)	0	0	400
9	EXP- Expenditure	7,777	7,806	8,185	8,249	444	64
10	EMP- Employee Expenses	6,085	5,696	6,157	6,060	363	(98)
11	DEP- Depreciation and Amortisation Expense	54	54	243	67	13	(176)
12	FIN- Finance Expenses	79	140	162	143	3	(19)
13	OPR- Other Operating Expense	1,559	1,916	1,623	1,980	64	357
14	ADM- Administration Expenses	372	420	284	414	(6)	130
15	CON- Consultancy Expenses	712	785	757	771	(15)	14
16	OFOPR- Other Operating Financial Expense	(73)	0	0	0	0	0
17	OTOPR- Other Operating Expense	72	149	135	103	(46)	(32)
18	PRENT- Property Rental and Lease Expenses	0	16	0	0	(16)	0
19	R&M- Repairs and Maintenance	475	546	447	693	147	246
20	101- CORPORATE TREASURY	(245,570)	(264,123)	(289,745)	(293,565)	(29,442)	(3,820)
21	REV- Revenue	(305,957)	(330,471)	(371,001)	(372,173)	(41,703)	(1,172)
22	RATE- Rates Revenue	(294,592)	(325,259)	(365,690)	(364,603)	(39,344)	1,087
23	USE- Fees and Charges	(63)	(53)	(883)	(54)	(1)	830
24	DIV- Dividends Revenue Received	(441)	(538)	(532)	(559)	(21)	(27)
25	INT- Finance Revenue	(10,860)	(4,621)	(3,896)	(6,957)	(2,337)	(3,062)
26	EXP- Expenditure	60,387	66,347	81,256	78,608	12,261	(2,648)
27	EMP- Employee Expenses	219	240	239	284	44	45
28	FIN- Finance Expenses	60,133	65,823	80,682	78,024	12,202	(2,657)
29	OPR- Other Operating Expense	35	285	335	300	15	(35)
30	ADM- Administration Expenses	(41)	85	92	90	6	(2)
31	CON- Consultancy Expenses	27	0	0	0	0	0
32	OFOPR- Other Operating Financial Expense	0	0	0	0	0	0
33	OTOPR- Other Operating Expense	49	200	242	210	10	(33)
34	102- HEAD OFFICE - TCC	(304)	502	37	513	11	476
35	EXP- Expenditure	(304)	502	37	513	11	476
36	EMP- Employee Expenses	14	0	0	0	0	0
37	FIN- Finance Expenses	1	0	0	0	0	0
38	OPR- Other Operating Expense	(320)	502	37	513	11	476
39	ADM- Administration Expenses	(3)	0	0	0	0	0
40	CON- Consultancy Expenses	(8)	500	0	511	11	511
41	OFOPR- Other Operating Financial Expense	969	0	0	0	0	0
42	OTOPR- Other Operating Expense	(1,280)	0	0	0	0	0
43	UOPR- Utilities and Occupancy Expenses	1	2	37	2	0	(35)
44	104- STRATEGIC PROPERTIES - TE TUMU	1,526	121	168	1,108	986	940
45	EXP- Expenditure	1,526	121	168	1,108	986	940
46	EMP- Employee Expenses	0	0	0	0	0	0
47	DEP- Depreciation and Amortisation Expense	648	0	0	451	451	451
48	FIN- Finance Expenses	734	0	0	500	500	500
49	OPR- Other Operating Expense	144	121	168	156	35	(12)
50	UOPR- Utilities and Occupancy Expenses	144	121	168	156	35	(12)
51	11- HUMAN RESOURCES	6,132	5,778	7,801	5,716	(63)	(2,085)
52	REV- Revenue	(27)	(80)	(451)	(65)	15	386
53	USE- Fees and Charges	(7)	0	0	0	0	0
54	SUB- Grants and Subsidies Revenue	(20)	(80)	(451)	(65)	15	386
55	EXP- Expenditure	6,159	5,858	8,252	5,781	(78)	(2,471)
56	EMP- Employee Expenses	5,156	5,093	7,318	5,075	(18)	(2,243)
57	DEP- Depreciation and Amortisation Expense	1	85	112	3	(82)	(109)
58	FIN- Finance Expenses	8	0	0	0	0	0
59	OPR- Other Operating Expense	993	681	822	703	22	(119)
60	ADM- Administration Expenses	73	69	84	54	(16)	(30)
61	CON- Consultancy Expenses	319	165	203	197	32	(5)
62	IOPR- Insurance Expense	329	200	0	204	4	204
63	OFOPR- Other Operating Financial Expense	(17)	0	0	0	0	0
64	OTOPR- Other Operating Expense	290	247	536	248	1	(288)
65	12- EXECUTIVE OFFICER	5,737	4,736	5,550	5,267	532	(283)
66	REV- Revenue	(16)	0	0	0	0	0
67	USE- Fees and Charges	(16)	0	0	0	0	0
68	EXP- Expenditure	5,753	4,736	5,550	5,267	532	(283)
69	EMP- Employee Expenses	5,318	4,202	4,943	4,897	694	(46)
70	DEP- Depreciation and Amortisation Expense	0	0	0	0	0	(0)
71	FIN- Finance Expenses	0	0	0	0	0	0
72	OPR- Other Operating Expense	436	534	607	371	(163)	(236)
73	ADM- Administration Expenses	125	112	117	103	(9)	(14)
74	CON- Consultancy Expenses	221	186	216	171	(15)	(45)
75	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
76	OFOPR- Other Operating Financial Expense	(18)	0	0	0	0	0
77	OTOPR- Other Operating Expense	91	236	273	97	(139)	(177)
78	PRENT- Property Rental and Lease Expenses	15	0	0	0	0	0
79	UOPR- Utilities and Occupancy Expenses	0	0	0	0	0	0

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
80	13- DIGITAL SERVICES	52,396	44,489	45,045	45,192	703	147
81	REV- Revenue	(153)	(174)	(2,665)	(144)	30	2,521
82	USE- Fees and Charges	(153)	(174)	(182)	(144)	30	38
83	SUB- Grants and Subsidies Revenue		0	(2,483)	0	0	2,483
84	EXP- Expenditure	52,549	44,664	47,710	45,337	673	(2,374)
85	EMP- Employee Expenses	11,970	9,129	7,262	12,656	3,527	5,393
86	DEP- Depreciation and Amortisation Expense	5,671	6,380	4,191	6,168	(213)	1,977
87	OPR- Other Operating Expense	34,907	29,155	36,257	26,513	(2,641)	(9,744)
88	ADM- Administration Expenses	10,716	13,219	12,538	13,698	479	1,159
89	CON- Consultancy Expenses	20,817	10,741	17,253	7,944	(2,798)	(9,310)
90	OCOPR- Operational Contracts Expense	1,193	4,589	0	4,335	(254)	4,335
91	OFOPR- Other Operating Financial Expense	(565)	0	0	0	0	0
92	OTOPR- Other Operating Expense	2,560	426	6,261	375	(52)	(5,886)
93	PRENT- Property Rental and Lease Expenses	54	28	30	12	(16)	(18)
94	R&M- Repairs and Maintenance	62	82	85	75	(7)	(10)
95	UOPR- Utilities and Occupancy Expenses	70	69	90	75	6	(15)
96	15- CIVIC COMPLEX	7,972	11,413	10,211	11,450	37	1,239
97	REV- Revenue	(50)	(135)	(918)	(465)	(330)	453
98	USE- Fees and Charges	(50)	(135)	(918)	(465)	(330)	453
99	EXP- Expenditure	8,021	11,548	11,128	11,915	367	786
100	EMP- Employee Expenses	819	874	1,193	903	29	(290)
101	DEP- Depreciation and Amortisation Expense	389	3,292	2,330	4,276	984	1,946
102	FIN- Finance Expenses				4,416	4,416	4,416
103	OPR- Other Operating Expense	6,814	7,382	7,605	2,320	(5,062)	(5,285)
104	ADM- Administration Expenses	153	183	191	187	4	(5)
105	CON- Consultancy Expenses	379	0	0	0	0	0
106	OCOPR- Operational Contracts Expense	92	0	0	0	0	0
107	OFOPR- Other Operating Financial Expense	(27)	0	0	0	0	0
108	OTOPR- Other Operating Expense	459	879	1,144	1,216	337	72
109	PRENT- Property Rental and Lease Expenses	4,899	5,661	5,280	86	(5,575)	(5,193)
110	R&M- Repairs and Maintenance	123	51	129	50	(1)	(79)
111	UOPR- Utilities and Occupancy Expenses	736	608	861	780	172	(81)
112	16- DEMOCRACY SERVICES	3,629	3,234	3,262	3,478	244	216
113	REV- Revenue	(46)	(36)	(10)	(37)	(1)	(26)
114	USE- Fees and Charges	(46)	(36)	(10)	(37)	(1)	(26)
115	EXP- Expenditure	3,675	3,270	3,272	3,515	245	243
116	EMP- Employee Expenses	2,466	2,671	2,689	2,657	(14)	(31)
117	DEP- Depreciation and Amortisation Expense	3	11	0	148	137	148
118	FIN- Finance Expenses	0	0	0	0	0	0
119	OPR- Other Operating Expense	1,206	588	584	710	122	126
120	ADM- Administration Expenses	365	313	287	349	36	62
121	CON- Consultancy Expenses	170	120	122	199	79	77
122	GOPR- Grants, Contributions and Sponsorship Expense	3	40	42	41	1	(1)
123	OFOPR- Other Operating Financial Expense	(2)	0	0	0	0	0
124	OTOPR- Other Operating Expense	667	116	132	121	5	(12)
125	PRENT- Property Rental and Lease Expenses	0	0	0	0	0	0
126	UOPR- Utilities and Occupancy Expenses	4	0	0	0	0	0
127	18- STRATEGY & CORPORATE PLANNING	2,053	2,171	2,982	5,187	3,016	2,205
128	REV- Revenue	(0)	0	(170)	0	0	170
129	USE- Fees and Charges	(0)	0	0	0	0	0
130	SUB- Grants and Subsidies Revenue		0	(170)	0	0	170
131	EXP- Expenditure	2,053	2,171	3,151	5,187	3,016	2,035
132	EMP- Employee Expenses	1,801	1,810	2,077	2,574	764	497
133	DEP- Depreciation and Amortisation Expense		0	0	15	15	15
134	OPR- Other Operating Expense	252	361	1,075	2,597	2,237	1,523
135	ADM- Administration Expenses	110	119	178	215	96	37
136	CON- Consultancy Expenses	71	126	635	1,336	1,210	701
137	GOPR- Grants, Contributions and Sponsorship Expense				321	321	321
138	OFOPR- Other Operating Financial Expense	(7)	0	0	0	0	0
139	OTOPR- Other Operating Expense	78	115	261	726	610	464
140	19- INSURANCE	6,265	8,098	4,372	8,726	628	4,354
141	REV- Revenue	(700)	(712)	(440)	(728)	(16)	(288)
142	USE- Fees and Charges	(700)	(712)	(440)	(728)	(16)	(288)
143	EXP- Expenditure	6,964	8,811	4,812	9,454	644	4,642
144	OPR- Other Operating Expense	6,964	8,811	4,812	9,454	644	4,642
145	CON- Consultancy Expenses		11	11	11	0	(0)
146	IOPR- Insurance Expense	6,964	8,800	4,801	9,443	643	4,642

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
147	20- COMMUNICATIONS & ENGAGEMENT	3,733	3,470	3,762	4,126	656	364
148	REV- Revenue	0	0	(211)	0	0	211
149	SUB- Grants and Subsidies Revenue		0	(211)	0	0	211
150	EXP- Expenditure	3,733	3,470	3,973	4,126	656	154
151	EMP- Employee Expenses	3,571	3,252	3,518	3,618	365	100
152	DEP- Depreciation and Amortisation Expense	4	4	1	5	1	4
153	OPR- Other Operating Expense	158	214	454	503	290	49
154	ADM- Administration Expenses	125	80	112	72	(8)	(39)
155	CON- Consultancy Expenses	15	19	22	1	(19)	(22)
156	OFOPR- Other Operating Financial Expense	(24)	0	0	0	0	0
157	OTOPR- Other Operating Expense	41	114	320	431	317	110
158	UOPR- Utilities and Occupancy Expenses	1	0	0	0	0	0
159	21- STRATEGIC MAORI ENGAGEMENT	1,115	2,043	1,048	1,582	(461)	534
160	REV- Revenue	(23)	(3)	(56)	(3)	(0)	53
161	USE- Fees and Charges	(23)	0	0	0	0	0
162	SUB- Grants and Subsidies Revenue		(3)	(56)	(3)	(0)	53
163	EXP- Expenditure	1,139	2,046	1,104	1,585	(461)	481
164	EMP- Employee Expenses	748	936	892	953	17	62
165	FIN- Finance Expenses	0	0	0	0	0	0
166	OPR- Other Operating Expense	391	1,110	212	631	(478)	419
167	ADM- Administration Expenses	37	7	7	14	7	7
168	CCOE- Community Contracts		40	0	80	40	80
169	CON- Consultancy Expenses	134	46	140	8	(38)	(132)
170	GOPR- Grants, Contributions and Sponsorship Expense	182	1,000	42	527	(473)	485
171	OFOPR- Other Operating Financial Expense	(1)	0	0	0	0	0
172	OTOPR- Other Operating Expense	27	17	22	2	(14)	(20)
173	PRENT- Property Rental and Lease Expenses	11	0	0	0	0	0
174	UOPR- Utilities and Occupancy Expenses	1	0	0	0	0	0
175	26- STORMWATER	14,957	17,271	18,084	16,482	(789)	(1,602)
176	REV- Revenue	(190)	(4)	(4)	(30)	(26)	(26)
177	USE- Fees and Charges	(38)	(4)	(4)	(30)	(26)	(26)
178	SUB- Grants and Subsidies Revenue	(152)	0	0	0	0	0
179	EXP- Expenditure	15,147	17,275	18,089	16,512	(763)	(1,577)
180	EMP- Employee Expenses	498	449	931	759	310	(172)
181	DEP- Depreciation and Amortisation Expense	8,795	10,185	10,713	9,488	(697)	(1,225)
182	OPR- Other Operating Expense	5,854	6,641	6,445	6,265	(376)	(180)
183	ADM- Administration Expenses	8	7	4	4	(3)	0
184	CON- Consultancy Expenses	2,244	1,266	1,395	1,035	(231)	(360)
185	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
186	OFOPR- Other Operating Financial Expense	(281)	0	0	0	0	0
187	OTOPR- Other Operating Expense	534	726	179	483	(242)	304
188	PRENT- Property Rental and Lease Expenses	155	188	145	192	4	47
189	R&M- Repairs and Maintenance	3,045	4,277	4,496	4,360	83	(135)
190	UOPR- Utilities and Occupancy Expenses	148	178	226	190	12	(36)
191	27- WASTEWATER	32,518	34,700	34,019	36,994	2,293	2,975
192	REV- Revenue	(2,394)	(3,215)	(3,390)	(2,533)	681	857
193	USE- Fees and Charges	(2,394)	(3,215)	(3,390)	(2,533)	681	857
194	EXP- Expenditure	34,912	37,915	37,409	39,527	1,612	2,118
195	EMP- Employee Expenses	1,896	2,107	2,082	2,010	(96)	(72)
196	DEP- Depreciation and Amortisation Expense	19,019	19,994	20,101	20,409	415	308
197	FIN- Finance Expenses	0	0	0	0	0	0
198	OPR- Other Operating Expense	13,996	15,814	15,226	17,107	1,293	1,882
199	ADM- Administration Expenses	59	74	69	76	2	7
200	CCOE- Community Contracts	5	0	95	0	0	(95)
201	CON- Consultancy Expenses	1,412	2,757	2,542	2,812	55	269
202	OFOPR- Other Operating Financial Expense	(424)	0	0	0	0	0
203	OTOPR- Other Operating Expense	4,825	4,148	4,484	4,829	681	345
204	PRENT- Property Rental and Lease Expenses	253	455	443	465	10	22
205	R&M- Repairs and Maintenance	4,145	3,980	4,131	4,337	357	206
206	UOPR- Utilities and Occupancy Expenses	3,720	4,400	3,461	4,589	189	1,128
207	29- WATER SUPPLY	(8,733)	(11,322)	(20,228)	(20,013)	(8,691)	215
208	REV- Revenue	(40,899)	(44,083)	(52,192)	(53,268)	(9,185)	(1,076)
209	RATE- Rates Revenue	(39,563)	(42,736)	(51,258)	(53,003)	(10,267)	(1,745)
210	USE- Fees and Charges	(1,335)	(1,346)	(933)	(265)	1,082	669
211	EXP- Expenditure	32,165	32,761	31,963	33,254	493	1,291
212	EMP- Employee Expenses	2,983	3,252	1,754	3,074	(177)	1,320
213	DEP- Depreciation and Amortisation Expense	14,736	15,776	17,427	16,728	952	(699)
214	FIN- Finance Expenses	4	0	0	0	0	0
215	OPR- Other Operating Expense	14,441	13,733	12,782	13,452	(281)	670
216	ADM- Administration Expenses	184	124	126	127	3	1
217	CON- Consultancy Expenses	1,590	1,425	1,634	1,221	(204)	(413)
218	OFOPR- Other Operating Financial Expense	(164)	0	0	0	0	0
219	OTOPR- Other Operating Expense	4,892	4,159	3,017	3,829	(330)	812
220	PRENT- Property Rental and Lease Expenses	206	219	150	224	5	74
221	R&M- Repairs and Maintenance	5,312	5,145	5,431	5,325	179	(107)
222	UOPR- Utilities and Occupancy Expenses	2,422	2,660	2,423	2,727	67	304

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
223	30- CITY WATERS SUPPORT SERVICES	8,045	14,016	5,536	13,277	(739)	7,742
224	REV- Revenue	(2,101)	(1,354)	(1,783)	(2,899)	(1,545)	(1,116)
225	USE- Fees and Charges	(1,785)	(1,354)	(1,783)	(2,899)	(1,545)	(1,116)
226	SUB- Grants and Subsidies Revenue	(316)	0	0	0	0	0
227	EXP- Expenditure	10,146	15,370	7,319	16,176	806	8,858
228	EMP- Employee Expenses	6,629	4,001	4,453	7,109	3,109	2,656
229	DEP- Depreciation and Amortisation Expense	1,134	1,531	384	1,169	(362)	785
230	FIN- Finance Expenses	0	0	0	0	0	0
231	OPR- Other Operating Expense	2,383	9,839	2,481	7,898	(1,941)	5,417
232	ADM- Administration Expenses	818	1,390	1,488	783	(607)	(705)
233	CON- Consultancy Expenses	1,015	7,602	251	6,297	(1,305)	6,046
234	OFOPR- Other Operating Financial Expense	(30)	0	0	0	0	0
235	OTOPR- Other Operating Expense	488	740	656	708	(32)	52
236	PRENT- Property Rental and Lease Expenses	59	73	39	75	2	36
237	R&M- Repairs and Maintenance	34	26	38	28	2	(10)
238	UOPR- Utilities and Occupancy Expenses	0	8	9	8	0	(1)
239	31 - CITY OPERATIONS	12,714	21,421	13,862	22,357	936	8,495
240	REV- Revenue	(78)	0	0	(80)	(80)	(80)
241	USE- Fees and Charges	(78)	0	0	(80)	(80)	(80)
242	EXP- Expenditure	12,792	21,421	13,862	22,437	1,016	8,575
243	EMP- Employee Expenses	7,922	13,045	8,442	13,473	428	5,031
244	DEP- Depreciation and Amortisation Expense	852	1,354	1,114	1,953	599	839
245	FIN- Finance Expenses	0	0	0	0	0	0
246	OPR- Other Operating Expense	4,018	7,021	4,306	7,011	(10)	2,705
247	ADM- Administration Expenses	46	60	16	49	(11)	33
248	CON- Consultancy Expenses	990	1,264	0	1,142	(121)	1,142
249	IOPR- Insurance Expense				3	3	3
250	OFOPR- Other Operating Financial Expense	(9)	0	0	0	0	0
251	OTOPR- Other Operating Expense	2,022	3,414	3,785	3,185	(230)	(600)
252	PRENT- Property Rental and Lease Expenses	184	1,674	86	1,771	97	1,685
253	R&M- Repairs and Maintenance	522	383	273	617	234	344
254	UOPR- Utilities and Occupancy Expenses	264	226	146	244	18	98
255	32- SUSTAINABILITY & WASTE	19,166	15,357	23,521	16,297	940	(7,224)
256	REV- Revenue	(3,322)	(3,334)	(1,901)	(457)	2,877	1,445
257	USE- Fees and Charges	(373)	(434)	(457)	(457)	(23)	(0)
258	SUB- Grants and Subsidies Revenue	(2,949)	(2,900)	(1,445)	0	2,900	1,445
259	EXP- Expenditure	22,487	18,692	25,423	16,754	(1,937)	(8,669)
260	EMP- Employee Expenses	3,131	2,192	3,219	937	(1,255)	(2,283)
261	DEP- Depreciation and Amortisation Expense	1,446	1,434	1,646	1,617	183	(29)
262	OPR- Other Operating Expense	17,910	15,066	20,558	14,200	(866)	(6,357)
263	ADM- Administration Expenses	248	288	324	60	(228)	(264)
264	CON- Consultancy Expenses	3,547	979	1,495	391	(588)	(1,104)
265	GOPR- Grants, Contributions and Sponsorship Expense	451	314	0	0	(314)	0
266	OCOPR- Operational Contracts Expense	9,990	9,714	11,785	10,605	891	(1,180)
267	OFOPR- Other Operating Financial Expense	(33)	0	0	0	0	0
268	OTOPR- Other Operating Expense	1,894	2,192	5,553	1,478	(714)	(4,075)
269	PRENT- Property Rental and Lease Expenses	23	25	30	21	(4)	(9)
270	R&M- Repairs and Maintenance	48	105	151	106	1	(44)
271	UOPR- Utilities and Occupancy Expenses	1,743	1,449	1,219	1,538	89	320
272	38- TRANSPORTATION	74,881	56,042	58,441	58,606	2,563	165
273	REV- Revenue	(55,381)	(75,470)	(68,204)	(67,091)	8,379	1,113
274	USE- Fees and Charges	(589)	(519)	(553)	(521)	(2)	32
275	SUB- Grants and Subsidies Revenue	(54,792)	(74,951)	(67,651)	(66,570)	8,381	1,081
276	EXP- Expenditure	130,262	131,513	126,644	125,697	(5,816)	(948)
277	EMP- Employee Expenses	13,670	7,220	7,786	6,982	(238)	(804)
278	DEP- Depreciation and Amortisation Expense	38,920	42,291	43,055	44,331	2,039	1,276
279	FIN- Finance Expenses	1	0	0	0	0	0
280	OPR- Other Operating Expense	77,671	82,001	75,803	74,383	(7,618)	(1,419)
281	ADM- Administration Expenses	399	294	209	264	(30)	54
282	CON- Consultancy Expenses	5,995	5,193	5,952	4,638	(555)	(1,314)
283	GOPR- Grants, Contributions and Sponsorship Expense	55,972	60,761	49,057	53,100	(7,661)	4,043
284	OCOPR- Operational Contracts Expense	34	0	0	0	0	0
285	OFOPR- Other Operating Financial Expense	(636)	0	0	0	0	0
286	OTOPR- Other Operating Expense	5,252	2,769	7,118	2,742	(27)	(4,376)
287	PRENT- Property Rental and Lease Expenses	129	119	112	216	97	104
288	R&M- Repairs and Maintenance	8,518	10,724	11,320	11,219	495	(101)
289	UOPR- Utilities and Occupancy Expenses	2,007	2,142	2,035	2,206	64	171

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
290	43- REGULATORY SERVICES	(397)	(397)	(7)	1,522	1,919	1,529
291	REV- Revenue	(1,818)	(1,786)	(1,410)	(3,722)	(1,937)	(2,312)
292	USE- Fees and Charges	(1,818)	(1,786)	(1,410)	(3,722)	(1,937)	(2,312)
293	EXP- Expenditure	1,420	1,389	1,403	5,244	3,856	3,841
294	EMP- Employee Expenses	1,414	1,353	1,364	4,518	3,165	3,154
295	OPR- Other Operating Expense	6	36	39	726	691	687
296	ADM- Administration Expenses	6	12	13	64	52	52
297	CON- Consultancy Expenses				538	538	538
298	OTOPR- Other Operating Expense	0	24	26	98	74	72
299	R&M- Repairs and Maintenance				26	26	26
300	44- EMERGENCY MANAGEMENT & CIVIL DEFENCE	1,027	1,221	2,104	1,363	142	(741)
301	REV- Revenue	(0)	0	0	0	0	0
302	USE- Fees and Charges	(0)	0	0	0	0	0
303	EXP- Expenditure	1,027	1,221	2,104	1,363	142	(741)
304	EMP- Employee Expenses	713	731	769	853	122	84
305	DEP- Depreciation and Amortisation Expense	5	23	725	214	191	(511)
306	OPR- Other Operating Expense	309	467	610	297	(171)	(314)
307	ADM- Administration Expenses	23	10	7	4	(6)	(3)
308	CON- Consultancy Expenses	100	186	200	15	(171)	(185)
309	GOPR- Grants, Contributions and Sponsorship Expense	2	32	37	33	1	(4)
310	OTOPR- Other Operating Expense	181	223	350	228	5	(121)
311	PRENT- Property Rental and Lease Expenses	4	11	12	12	0	(0)
312	R&M- Repairs and Maintenance		4	4	4	0	(0)
313	46- ENVIRONMENTAL PLANNING	1,872	320	3,005	129	(191)	(2,876)
314	REV- Revenue	(3,637)	(6,073)	(3,755)	(5,356)	717	(1,601)
315	USE- Fees and Charges	(3,637)	(6,073)	(3,755)	(5,356)	717	(1,601)
316	EXP- Expenditure	5,509	6,393	6,760	5,485	(908)	(1,275)
317	EMP- Employee Expenses	4,480	5,391	5,549	4,803	(587)	(746)
318	DEP- Depreciation and Amortisation Expense	1	1	1	1	0	0
319	FIN- Finance Expenses	3	0	0	0	0	0
320	OPR- Other Operating Expense	1,025	1,001	1,209	680	(321)	(529)
321	ADM- Administration Expenses	32	58	61	27	(30)	(33)
322	CON- Consultancy Expenses	998	921	1,123	632	(289)	(492)
323	OFOPR- Other Operating Financial Expense	(35)	0	0	0	0	0
324	OTOPR- Other Operating Expense	14	15	18	14	(1)	(4)
325	PRENT- Property Rental and Lease Expenses	16	7	7	7	0	(0)
326	47- PERFORMANCE MONITORING & ASSURANCE	4,288	3,428	3,103	3,188	(239)	85
327	EXP- Expenditure	4,288	3,428	3,103	3,188	(239)	85
328	EMP- Employee Expenses	4,035	2,146	1,594	1,656	(490)	62
329	DEP- Depreciation and Amortisation Expense	11	144	449	255	111	(195)
330	OPR- Other Operating Expense	243	1,137	1,060	1,277	140	217
331	ADM- Administration Expenses	18	25	28	22	(4)	(6)
332	CON- Consultancy Expenses	135	1,022	897	1,231	209	334
333	IOPR- Insurance Expense				15	15	15
334	OFOPR- Other Operating Financial Expense	(1)	0	0	0	0	0
335	OTOPR- Other Operating Expense	79	67	111	(13)	(81)	(125)
336	PRENT- Property Rental and Lease Expenses	9	19	20	19	0	(0)
337	R&M- Repairs and Maintenance	3	4	4	4	0	(0)
338	48- ENVIRONMENTAL HEALTH & LICENSING	533	638	692	550	(88)	(143)
339	REV- Revenue	(981)	(859)	(860)	(1,037)	(178)	(177)
340	USE- Fees and Charges	(981)	(859)	(860)	(1,037)	(178)	(177)
341	EXP- Expenditure	1,513	1,497	1,552	1,587	90	35
342	EMP- Employee Expenses	1,335	1,344	1,329	1,493	150	164
343	DEP- Depreciation and Amortisation Expense		0	10	10	10	0
344	OPR- Other Operating Expense	179	153	213	84	(70)	(130)
345	ADM- Administration Expenses	24	23	14	14	(8)	0
346	CON- Consultancy Expenses	129	97	164	33	(63)	(131)
347	OCOPR- Operational Contracts Expense	4	0	0	0	0	0
348	OFOPR- Other Operating Financial Expense	(6)	0	0	0	0	0
349	OTOPR- Other Operating Expense	7	16	16	17	2	1
350	PRENT- Property Rental and Lease Expenses	16	17	17	17	0	(0)
351	R&M- Repairs and Maintenance		1	1	1	0	0
352	UOPR- Utilities and Occupancy Expenses	5	0	0	0	0	0
353	50- ANIMAL SERVICES	(523)	(665)	(784)	(615)	50	169
354	REV- Revenue	(1,819)	(1,965)	(2,130)	(2,011)	(47)	118
355	USE- Fees and Charges	(1,819)	(1,965)	(2,130)	(2,011)	(47)	118
356	EXP- Expenditure	1,297	1,300	1,346	1,396	97	50
357	EMP- Employee Expenses	863	873	876	948	75	72
358	DEP- Depreciation and Amortisation Expense	58	49	29	104	56	75
359	FIN- Finance Expenses	0	0	0	0	0	0
360	OPR- Other Operating Expense	376	378	441	344	(34)	(97)
361	ADM- Administration Expenses	46	18	21	20	2	(1)
362	CON- Consultancy Expenses	51	31	88	(23)	(54)	(111)
363	OFOPR- Other Operating Financial Expense	(72)	0	0	0	0	0
364	OTOPR- Other Operating Expense	144	229	222	239	10	17
365	PRENT- Property Rental and Lease Expenses	48	56	69	61	5	(8)
366	R&M- Repairs and Maintenance	24	14	16	14	0	(2)
367	UOPR- Utilities and Occupancy Expenses	135	30	25	32	2	7

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
368	51- CITY & INFRASTRUCTURE PLANNING	7,060	7,155	9,391	7,549	394	(1,841)
369	REV- Revenue	(399)	0	0	0	0	0
370	USE- Fees and Charges	(399)	0	0	0	0	0
371	EXP- Expenditure	7,459	7,155	9,391	7,549	394	(1,841)
372	EMP- Employee Expenses	4,757	4,125	5,130	4,774	649	(356)
373	DEP- Depreciation and Amortisation Expense		0	38	0	0	(38)
374	FIN- Finance Expenses	0	0	0	0	0	0
375	OPR- Other Operating Expense	2,702	3,031	4,223	2,776	(255)	(1,447)
376	ADM- Administration Expenses	32	89	128	106	18	(22)
377	CON- Consultancy Expenses	2,667	2,754	3,707	2,497	(257)	(1,210)
378	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
379	OFOPR- Other Operating Financial Expense	(85)	0	0	0	0	0
380	OTOPR- Other Operating Expense	20	188	387	172	(16)	(215)
381	PRENT- Property Rental and Lease Expenses	66	0	0	0	0	0
382	52- BUILDING SERVICES	(556)	(4,055)	(5,987)	(3,623)	432	2,364
383	REV- Revenue	(11,005)	(15,415)	(17,589)	(14,376)	1,039	3,213
384	USE- Fees and Charges	(11,005)	(15,415)	(17,589)	(14,376)	1,039	3,213
385	EXP- Expenditure	10,449	11,360	11,602	10,753	(606)	(848)
386	EMP- Employee Expenses	8,574	9,996	10,002	9,670	(325)	(332)
387	DEP- Depreciation and Amortisation Expense	3	5	16	11	6	(5)
388	FIN- Finance Expenses	6	0	0	0	0	0
389	OPR- Other Operating Expense	1,865	1,359	1,583	1,072	(287)	(511)
390	ADM- Administration Expenses	63	45	63	39	(6)	(24)
391	CON- Consultancy Expenses	1,520	1,042	1,212	756	(286)	(456)
392	OFOPR- Other Operating Financial Expense	(15)	0	0	0	0	0
393	OTOPR- Other Operating Expense	56	64	91	65	0	(26)
394	PRENT- Property Rental and Lease Expenses	241	187	196	191	4	(5)
395	R&M- Repairs and Maintenance		20	21	20	0	(0)
396	UOPR- Utilities and Occupancy Expenses	0	0	0	0	0	(0)
397	54- CITY EVENTS	3,987	4,740	5,356	5,389	649	33
398	REV- Revenue	(250)	(23)	(15)	(28)	(6)	(13)
399	USE- Fees and Charges	(35)	(23)	(15)	(28)	(6)	(13)
400	SUB- Grants and Subsidies Revenue	(215)	0	0	0	0	0
401	EXP- Expenditure	4,238	4,763	5,371	5,417	655	46
402	EMP- Employee Expenses	1,867	1,947	2,006	2,245	298	239
403	DEP- Depreciation and Amortisation Expense		0	0	0	0	(0)
404	FIN- Finance Expenses	0	0	0	0	0	0
405	OPR- Other Operating Expense	2,371	2,815	3,365	3,172	357	(193)
406	ADM- Administration Expenses	361	276	331	277	1	(54)
407	CON- Consultancy Expenses	166	229	341	302	73	(39)
408	GOPR- Grants, Contributions and Sponsorship Expense	6	0	297	2	2	(295)
409	OCOPR- Operational Contracts Expense		83	74	74	(9)	0
410	OFOPR- Other Operating Financial Expense	(3)	0	0	0	0	0
411	OTOPR- Other Operating Expense	1,797	2,228	2,321	2,477	249	156
412	UOPR- Utilities and Occupancy Expenses	44	0	0	40	40	40
413	55- LEGAL	1,281	1,017	3,896	3,445	2,428	(452)
414	REV- Revenue	(0)	0	(223)	0	0	223
415	USE- Fees and Charges	(0)	0	0	0	0	0
416	SUB- Grants and Subsidies Revenue		0	(223)	0	0	223
417	EXP- Expenditure	1,281	1,017	4,119	3,445	2,428	(675)
418	EMP- Employee Expenses	697	759	3,467	3,002	2,243	(465)
419	DEP- Depreciation and Amortisation Expense		0	0	0	0	(0)
420	OPR- Other Operating Expense	584	258	653	443	185	(210)
421	ADM- Administration Expenses	44	142	105	190	48	85
422	CON- Consultancy Expenses	696	116	435	206	91	(229)
423	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
424	OFOPR- Other Operating Financial Expense	(157)	0	0	0	0	0
425	OTOPR- Other Operating Expense	0	0	113	47	47	(66)
426	56- COMMUNITY DEVELOPMENT	4,865	6,052	4,361	5,652	(400)	1,291
427	REV- Revenue	(188)	(175)	(73)	(178)	(4)	(105)
428	USE- Fees and Charges	(10)	0	0	0	0	0
429	SUB- Grants and Subsidies Revenue	(178)	(175)	(73)	(178)	(4)	(105)
430	EXP- Expenditure	5,053	6,226	4,435	5,830	(396)	1,396
431	EMP- Employee Expenses	1,867	1,258	1,637	1,216	(43)	(422)
432	DEP- Depreciation and Amortisation Expense		0	60	20	20	(40)
433	OPR- Other Operating Expense	3,186	4,968	2,737	4,595	(373)	1,858
434	ADM- Administration Expenses	159	78	83	119	42	36
435	CCOE- Community Contracts	113	1,055	166	1,065	11	899
436	CON- Consultancy Expenses	341	64	74	87	23	13
437	GOPR- Grants, Contributions and Sponsorship Expense	2,147	3,021	1,426	2,576	(445)	1,150
438	OFOPR- Other Operating Financial Expense	(8)	0	0	0	0	0
439	OTOPR- Other Operating Expense	434	751	988	747	(4)	(241)
440	UOPR- Utilities and Occupancy Expenses	1	0	0	0	0	0

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
441	57- MARINE PRECINCT	(20)	(130)	(204)	163	293	367
442	REV- Revenue	(1,092)	(256)	(365)	0	256	365
443	USE- Fees and Charges	(1,092)	(256)	(365)	0	256	365
444	EXP- Expenditure	1,072	126	161	163	37	2
445	EMP- Employee Expenses	6	0	0	0	0	0
446	DEP- Depreciation and Amortisation Expense		9	4	1	(8)	(3)
447	FIN- Finance Expenses	1	0	0	0	0	0
448	OPR- Other Operating Expense	1,065	117	157	162	45	5
449	ADM- Administration Expenses	22	0	0	0	0	0
450	CON- Consultancy Expenses	648	45	52	41	(4)	(11)
451	IOPR- Insurance Expense	16	0	0	0	0	0
452	OFOPR- Other Operating Financial Expense	(79)	0	0	0	0	0
453	OTOPR- Other Operating Expense	76	0	0	0	0	0
454	PRENT- Property Rental and Lease Expenses	20	30	0	31	1	31
455	R&M- Repairs and Maintenance	96	42	44	0	(42)	(44)
456	UOPR- Utilities and Occupancy Expenses	265	0	61	90	90	29
457	58- BAY VENUES LTD & CCO's	22,741	15,164	19,674	22,963	7,799	3,289
458	REV- Revenue	(1,123)	(1,317)	(2,024)	(1,242)	75	782
459	USE- Fees and Charges	(83)	(334)	(448)	(341)	(7)	107
460	SUB- Grants and Subsidies Revenue	3	0	0	0	0	0
461	INT- Finance Revenue	(1,042)	(983)	(1,576)	(901)	82	675
462	EXP- Expenditure	23,864	16,481	21,698	24,206	7,724	2,507
463	EMP- Employee Expenses	3	0	0	0	0	0
464	DEP- Depreciation and Amortisation Expense		0	1,867	0	0	(1,867)
465	OPR- Other Operating Expense	23,861	16,481	19,831	24,206	7,724	4,375
466	ADM- Administration Expenses	10	32	34	0	(32)	(34)
467	CON- Consultancy Expenses	38	89	104	0	(89)	(104)
468	GOPR- Grants, Contributions and Sponsorship Expense	23,608	15,951	19,293	23,781	7,830	4,488
469	OFOPR- Other Operating Financial Expense	(37)	0	0	0	0	0
470	OTOPR- Other Operating Expense	0	2	2	(0)	(2)	(2)
471	R&M- Repairs and Maintenance	16	133	139	136	3	(3)
472	UOPR- Utilities and Occupancy Expenses	227	274	258	289	15	30
473	59- SPACES & PLACES	34,503	29,662	32,474	39,138	9,477	6,664
474	REV- Revenue	(2,695)	(570)	(581)	(583)	(13)	(2)
475	USE- Fees and Charges	(880)	(568)	(578)	(580)	(12)	(2)
476	SUB- Grants and Subsidies Revenue	(1,815)	(3)	(3)	(3)	(0)	(0)
477	EXP- Expenditure	37,197	30,232	33,055	39,721	9,489	6,666
478	EMP- Employee Expenses	7,120	3,913	4,278	4,799	885	521
479	DEP- Depreciation and Amortisation Expense	10,852	11,499	9,826	18,989	7,490	9,163
480	FIN- Finance Expenses	1	0	0	0	0	0
481	OPR- Other Operating Expense	19,223	14,819	18,952	15,933	1,114	(3,018)
482	ADM- Administration Expenses	101	51	71	79	28	8
483	CCOE- Community Contracts	963	379	890	387	8	(503)
484	CON- Consultancy Expenses	2,465	1,474	1,142	1,146	(328)	4
485	GOPR- Grants, Contributions and Sponsorship Expense	5,303	3,107	2,822	3,109	2	286
486	OCOPR- Operational Contracts Expense		0	9	9	9	0
487	OFOPR- Other Operating Financial Expense	(428)	0	0	0	0	0
488	OTOPR- Other Operating Expense	2,476	2,559	3,550	3,383	824	(167)
489	PRENT- Property Rental and Lease Expenses	92	82	86	84	2	(2)
490	R&M- Repairs and Maintenance	6,695	5,696	9,241	5,985	289	(3,256)
491	UOPR- Utilities and Occupancy Expenses	1,555	1,470	1,140	1,751	280	611
492	61- CITY CENTRE DEVELOPMENT & PARTNERSHIPS	7,802	3,908	3,975	924	(2,984)	(3,051)
493	REV- Revenue	(32)	0	0	0	0	0
494	USE- Fees and Charges	(12)	0	0	0	0	0
495	SUB- Grants and Subsidies Revenue	(20)	0	0	0	0	0
496	EXP- Expenditure	7,834	3,908	3,975	924	(2,984)	(3,051)
497	EMP- Employee Expenses	5,077	1,470	1,494	430	(1,040)	(1,064)
498	DEP- Depreciation and Amortisation Expense	10	10	10	0	(10)	(10)
499	FIN- Finance Expenses	0	0	0	0	0	0
500	OPR- Other Operating Expense	2,747	2,428	2,471	494	(1,934)	(1,977)
501	ADM- Administration Expenses	90	296	338	255	(42)	(84)
502	CON- Consultancy Expenses	1,505	1,131	690	224	(908)	(466)
503	GOPR- Grants, Contributions and Sponsorship Expense	605	0	0	0	0	0
504	OCOPR- Operational Contracts Expense	2	0	0	0	0	0
505	OFOPR- Other Operating Financial Expense	(10)	0	0	0	0	0
506	OTOPR- Other Operating Expense	376	1,002	1,435	16	(986)	(1,419)
507	PRENT- Property Rental and Lease Expenses	142	0	0	0	0	0
508	R&M- Repairs and Maintenance	10	(10)	0	0	10	0
509	UOPR- Utilities and Occupancy Expenses	27	9	8	0	(9)	(8)

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
510	64- BAYCOURT COMMUNITY & ARTS CENTRE	1,834	2,110	2,231	2,196	86	(35)
511	REV- Revenue	(1,020)	(930)	(673)	(1,014)	(84)	(342)
512	USE- Fees and Charges	(1,020)	(930)	(673)	(1,014)	(84)	(342)
513	EXP- Expenditure	2,855	3,040	2,904	3,211	171	307
514	EMP- Employee Expenses	1,418	1,397	1,235	1,520	124	285
515	DEP- Depreciation and Amortisation Expense	668	679	861	730	51	(131)
516	FIN- Finance Expenses	3	0	0	0	0	0
517	OPR- Other Operating Expense	765	964	809	961	(3)	152
518	ADM- Administration Expenses	153	193	168	225	32	57
519	CON- Consultancy Expenses	52	254	125	97	(157)	(28)
520	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
521	OCOPR- Operational Contracts Expense	0	0	0	0	0	0
522	OFOPR- Other Operating Financial Expense	(4)	0	0	0	0	0
523	OTOPR- Other Operating Expense	197	225	246	225	(0)	(22)
524	PRENT- Property Rental and Lease Expenses	10	18	15	19	0	4
525	R&M- Repairs and Maintenance	177	88	93	164	76	72
526	UOPR- Utilities and Occupancy Expenses	179	185	161	231	45	69
527	65- ARTS & CULTURE	4,368	4,030	7,229	5,788	1,758	(1,441)
528	REV- Revenue	(117)	0	(107)	104	104	211
529	USE- Fees and Charges	(10)	0	0	0	0	0
530	SUB- Grants and Subsidies Revenue	(107)	0	(107)	104	104	211
531	EXP- Expenditure	4,485	4,030	7,336	5,684	1,653	(1,652)
532	EMP- Employee Expenses	1,035	1,602	2,846	1,438	(164)	(1,408)
533	DEP- Depreciation and Amortisation Expense	56	96	443	230	134	(213)
534	OPR- Other Operating Expense	3,394	2,332	4,047	4,016	1,683	(31)
535	ADM- Administration Expenses	73	121	260	207	86	(53)
536	CCOE- Community Contracts	1,846	1,353	2,060	1,489	136	(570)
537	CON- Consultancy Expenses	85	91	68	65	(27)	(4)
538	GOPR- Grants, Contributions and Sponsorship Expense	645	55	741	(174)	(229)	(914)
539	OFOPR- Other Operating Financial Expense	(1)	0	0	0	0	0
540	OTOPR- Other Operating Expense	383	278	455	1,987	1,709	1,532
541	PRENT- Property Rental and Lease Expenses	259	310	235	317	7	82
542	R&M- Repairs and Maintenance	40	42	125	69	27	(56)
543	UOPR- Utilities and Occupancy Expenses	63	81	103	56	(25)	(47)
544	66- WASTE LEVY				(3,087)	(3,087)	(3,087)
545	REV- Revenue				(4,519)	(4,519)	(4,519)
546	USE- Fees and Charges				(2)	(2)	(2)
547	SUB- Grants and Subsidies Revenue				(4,517)	(4,517)	(4,517)
548	EXP- Expenditure				1,432	1,432	1,432
549	EMP- Employee Expenses				574	574	574
550	DEP- Depreciation and Amortisation Expense				8	8	8
551	OPR- Other Operating Expense				850	850	850
552	ADM- Administration Expenses				118	118	118
553	CON- Consultancy Expenses				360	360	360
554	OTOPR- Other Operating Expense				363	363	363
555	PRENT- Property Rental and Lease Expenses				9	9	9
556	67- MARINE FACILITIES	1,533	2,204	1,515	1,838	(366)	323
557	REV- Revenue	(863)	(572)	(1,021)	(585)	(13)	436
558	USE- Fees and Charges	(509)	(572)	(1,021)	(585)	(13)	436
559	SUB- Grants and Subsidies Revenue	(353)	0	0	0	0	0
560	EXP- Expenditure	2,396	2,777	2,536	2,423	(354)	(113)
561	EMP- Employee Expenses	49	23	126	24	1	(102)
562	DEP- Depreciation and Amortisation Expense	1,613	1,946	1,549	1,713	(233)	164
563	FIN- Finance Expenses	1	0	0	0	0	0
564	OPR- Other Operating Expense	732	808	861	686	(122)	(175)
565	ADM- Administration Expenses	3	0	0	0	0	(0)
566	CON- Consultancy Expenses	93	97	17	106	9	89
567	OCOPR- Operational Contracts Expense	3	(50)	52	(51)	(1)	(103)
568	OFOPR- Other Operating Financial Expense	(35)	0	0	0	0	0
569	OTOPR- Other Operating Expense	50	92	68	37	(55)	(32)
570	PRENT- Property Rental and Lease Expenses	41	73	29	74	2	45
571	R&M- Repairs and Maintenance	475	488	500	402	(85)	(98)
572	UOPR- Utilities and Occupancy Expenses	102	109	194	117	9	(76)
573	68- BEACHSIDE	(800)	(1,106)	(1,248)	(787)	319	461
574	REV- Revenue	(2,843)	(3,330)	(3,536)	(3,015)	315	520
575	USE- Fees and Charges	(2,843)	(3,330)	(3,536)	(3,015)	315	520
576	EXP- Expenditure	2,043	2,224	2,288	2,229	5	(59)
577	EMP- Employee Expenses	530	472	493	495	23	2
578	DEP- Depreciation and Amortisation Expense	249	356	395	251	(105)	(144)
579	FIN- Finance Expenses	18	12	12	12	0	(0)
580	OPR- Other Operating Expense	1,247	1,385	1,388	1,471	86	83
581	ADM- Administration Expenses	17	25	54	26	1	(28)
582	OFOPR- Other Operating Financial Expense	(13)	0	0	0	0	0
583	OTOPR- Other Operating Expense	52	80	105	82	2	(23)
584	PRENT- Property Rental and Lease Expenses	68	67	70	68	1	(2)
585	R&M- Repairs and Maintenance	178	154	182	158	4	(24)
586	UOPR- Utilities and Occupancy Expenses	945	1,059	977	1,137	78	160

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
587	69- ASSET SERVICES	3,364	2,588	3,531	2,071	(517)	(1,460)
588	REV- Revenue	(860)	(934)	(936)	0	934	936
589	USE- Fees and Charges	(860)	(934)	(936)	0	934	936
590	EXP- Expenditure	4,224	3,522	4,467	2,071	(1,451)	(2,396)
591	EMP- Employee Expenses	3,588	3,002	3,577	1,905	(1,098)	(1,672)
592	DEP- Depreciation and Amortisation Expense	32	32	33	32	0	(1)
593	FIN- Finance Expenses	0	0	0	0	0	0
594	OPR- Other Operating Expense	603	488	857	134	(353)	(723)
595	ADM- Administration Expenses	54	1	1	7	5	5
596	CON- Consultancy Expenses	497	433	724	96	(337)	(627)
597	OFOPR- Other Operating Financial Expense	(12)	0	0	0	0	0
598	OTOPR- Other Operating Expense	7	28	106	32	4	(74)
599	PRENT- Property Rental and Lease Expenses	49	0	0	0	0	0
600	R&M- Repairs and Maintenance	9	25	27	0	(25)	(27)
601	72- SMARTGROWTH IMPLEMENTATION	0	0	0	0	0	0
602	REV- Revenue	(889)	(1,076)	(1,355)	(983)	93	372
603	USE- Fees and Charges	(889)	(1,016)	(1,235)	(836)	180	399
604	SUB- Grants and Subsidies Revenue	(60)	(60)	(120)	(147)	(87)	(27)
605	EXP- Expenditure	889	1,076	1,355	983	(93)	(372)
606	EMP- Employee Expenses	77	217	251	110	(107)	(141)
607	FIN- Finance Expenses	0	0	0	0	0	0
608	OPR- Other Operating Expense	812	859	1,104	873	14	(231)
609	ADM- Administration Expenses	15	99	87	75	(25)	(13)
610	CON- Consultancy Expenses	662	747	806	652	(94)	(154)
611	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
612	OTOPR- Other Operating Expense	135	14	210	146	133	(64)
613	74- REGULATION MONITORING	2,717	2,657	2,237	2,449	(208)	213
614	REV- Revenue	(243)	(152)	(154)	(155)	(3)	(1)
615	USE- Fees and Charges	(220)	(152)	(154)	(155)	(3)	(1)
616	SUB- Grants and Subsidies Revenue	(23)	0	0	0	0	0
617	EXP- Expenditure	2,960	2,809	2,390	2,605	(204)	214
618	EMP- Employee Expenses	1,808	1,784	1,654	2,072	288	418
619	DEP- Depreciation and Amortisation Expense	3	0	0	3	3	3
620	OPR- Other Operating Expense	1,149	1,025	736	530	(495)	(207)
621	ADM- Administration Expenses	144	97	30	141	44	111
622	CON- Consultancy Expenses	6	9	10	9	0	(1)
623	OFOPR- Other Operating Financial Expense	(24)	0	0	0	0	0
624	OTOPR- Other Operating Expense	884	819	627	257	(562)	(370)
625	PRENT- Property Rental and Lease Expenses	107	100	69	122	22	53
626	R&M- Repairs and Maintenance	1	0	0	0	0	0
627	UOPR- Utilities and Occupancy Expenses	31	0	0	0	0	0
628	76- ECONOMIC PARTNERSHIPS	5,043	4,781	5,424	5,025	244	(399)
629	EXP- Expenditure	5,043	4,781	5,424	5,025	244	(399)
630	EMP- Employee Expenses	2	0	0	0	0	0
631	OPR- Other Operating Expense	5,041	4,781	5,424	5,025	244	(399)
632	CCOE- Community Contracts	4,991	4,743	5,391	4,997	254	(394)
633	GOPR- Grants, Contributions and Sponsorship Expense	50	36	31	27	(9)	(5)
634	OTOPR- Other Operating Expense	1	1	2	1	0	(0)
635	77- LIBRARIES & COMMUNITY HUBS	13,461	13,507	13,298	14,479	973	1,181
636	REV- Revenue	(303)	(225)	(593)	(359)	(135)	234
637	USE- Fees and Charges	(297)	(225)	(365)	(359)	(135)	5
638	SUB- Grants and Subsidies Revenue	(5)	0	(229)	0	0	229
639	EXP- Expenditure	13,764	13,731	13,891	14,839	1,107	947
640	EMP- Employee Expenses	9,456	9,393	10,179	10,294	901	115
641	DEP- Depreciation and Amortisation Expense	1,923	1,783	973	1,657	(126)	684
642	FIN- Finance Expenses	5	0	0	0	0	0
643	OPR- Other Operating Expense	2,379	2,555	2,740	2,887	332	148
644	ADM- Administration Expenses	515	597	427	685	88	258
645	CON- Consultancy Expenses	24	47	52	41	(6)	(11)
646	GOPR- Grants, Contributions and Sponsorship Expense	1	0	0	0	0	0
647	OFOPR- Other Operating Financial Expense	(107)	23	23	23	(0)	(1)
648	OTOPR- Other Operating Expense	354	306	1,033	328	23	(704)
649	PRENT- Property Rental and Lease Expenses	826	855	12	477	(378)	465
650	R&M- Repairs and Maintenance	54	78	67	107	29	40
651	UOPR- Utilities and Occupancy Expenses	712	649	1,125	1,225	576	100

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
652	81- AIRPORT	(7,392)	(10,179)	(11,063)	(10,790)	(610)	273
653	REV- Revenue	(15,272)	(19,216)	(20,187)	(19,411)	(194)	776
654	USE- Fees and Charges	(15,272)	(19,216)	(20,187)	(19,411)	(194)	776
655	EXP- Expenditure	7,881	9,037	9,124	8,621	(416)	(503)
656	EMP- Employee Expenses	423	393	397	409	16	12
657	DEP- Depreciation and Amortisation Expense	3,436	4,136	4,213	4,050	(86)	(163)
658	FIN- Finance Expenses	82	0	0	0	0	0
659	OPR- Other Operating Expense	3,941	4,508	4,515	4,162	(346)	(352)
660	ADM- Administration Expenses	37	30	31	30	1	(1)
661	CON- Consultancy Expenses	290	63	70	49	(13)	(21)
662	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
663	OCOPR- Operational Contracts Expense	2	0	0	0	0	0
664	OFOPR- Other Operating Financial Expense	(232)	0	0	0	0	0
665	OTOPR- Other Operating Expense	1,559	2,003	2,063	1,938	(64)	(125)
666	PRENT- Property Rental and Lease Expenses	84	22	47	23	0	(24)
667	R&M- Repairs and Maintenance	781	1,107	1,007	1,004	(104)	(4)
668	UOPR- Utilities and Occupancy Expenses	1,420	1,284	1,295	1,118	(166)	(178)
669	83- FLEET MANAGEMENT	274	(34)	210	(35)	(1)	(245)
670	REV- Revenue	(1)	0	0	0	0	0
671	USE- Fees and Charges	(1)	0	0	0	0	0
672	EXP- Expenditure	274	(34)	210	(35)	(1)	(245)
673	EMP- Employee Expenses	0	6	6	6	0	(0)
674	OPR- Other Operating Expense	274	(40)	204	(41)	(1)	(245)
675	OFOPR- Other Operating Financial Expense	(6)	0	0	0	0	0
676	OTOPR- Other Operating Expense	(104)	75	135	77	2	(58)
677	PRENT- Property Rental and Lease Expenses	383	(119)	66	(121)	(3)	(188)
678	R&M- Repairs and Maintenance		3	3	3	0	(0)
679	84- CEMETERIES	(347)	(798)	(781)	(1,085)	(287)	(304)
680	REV- Revenue	(1,675)	(2,183)	(2,413)	(2,473)	(289)	(60)
681	USE- Fees and Charges	(1,675)	(2,183)	(2,413)	(2,473)	(289)	(60)
682	EXP- Expenditure	1,328	1,385	1,632	1,388	2	(244)
683	EMP- Employee Expenses	597	574	618	613	39	(4)
684	DEP- Depreciation and Amortisation Expense	247	278	513	276	(2)	(237)
685	FIN- Finance Expenses	1	0	0	0	0	0
686	OPR- Other Operating Expense	483	534	501	499	(35)	(2)
687	ADM- Administration Expenses	3	0	0	0	0	(0)
688	CON- Consultancy Expenses	3	0	0	0	0	0
689	OFOPR- Other Operating Financial Expense	(9)	0	0	0	0	0
690	OTOPR- Other Operating Expense	123	208	170	131	(77)	(39)
691	PRENT- Property Rental and Lease Expenses	20	11	11	11	0	(0)
692	R&M- Repairs and Maintenance	157	167	234	126	(41)	(108)
693	UOPR- Utilities and Occupancy Expenses	186	148	85	231	83	146
694	85- PARKING MANAGEMENT	(5,277)	(6,782)	(5,918)	(7,380)	(598)	(1,462)
695	REV- Revenue	(7,895)	(10,505)	(9,356)	(11,155)	(650)	(1,799)
696	USE- Fees and Charges	(7,895)	(10,505)	(9,356)	(11,155)	(650)	(1,799)
697	EXP- Expenditure	2,618	3,722	3,439	3,775	53	336
698	EMP- Employee Expenses	133	123	91	284	161	193
699	DEP- Depreciation and Amortisation Expense	1,158	1,304	1,443	1,327	22	(117)
700	FIN- Finance Expenses	2	19	19	19	0	(0)
701	OPR- Other Operating Expense	1,325	2,276	1,885	2,145	(131)	260
702	ADM- Administration Expenses	37	0	0	0	0	0
703	CON- Consultancy Expenses	236	231	262	256	26	(6)
704	IOPR- Insurance Expense		25	0	26	1	26
705	OCOPR- Operational Contracts Expense	1	0	0	0	0	0
706	OFOPR- Other Operating Financial Expense	(231)	0	0	0	0	0
707	OTOPR- Other Operating Expense	234	608	407	337	(271)	(70)
708	R&M- Repairs and Maintenance	531	705	750	760	56	11
709	UOPR- Utilities and Occupancy Expenses	518	708	467	767	59	299
710	90- PROPERTY MANAGEMENT	2,097	190	1,132	467	276	(665)
711	REV- Revenue	(4,606)	(4,223)	(5,868)	(4,347)	(124)	1,521
712	USE- Fees and Charges	(4,606)	(4,223)	(5,868)	(4,347)	(124)	1,521
713	EXP- Expenditure	6,703	4,413	6,999	4,813	400	(2,186)
714	EMP- Employee Expenses	1,144	1,252	1,234	1,230	(22)	(5)
715	DEP- Depreciation and Amortisation Expense	284	228	631	410	182	(221)
716	FIN- Finance Expenses	0	0	0	0	0	0
717	OPR- Other Operating Expense	5,275	2,933	5,134	3,174	240	(1,960)
718	ADM- Administration Expenses	36	63	52	25	(38)	(26)
719	CON- Consultancy Expenses	199	121	245	231	110	(14)
720	IOPR- Insurance Expense	67	0	0	0	0	0
721	OFOPR- Other Operating Financial Expense	(141)	0	0	0	0	0
722	OTOPR- Other Operating Expense	1,482	72	1,343	56	(16)	(1,287)
723	PRENT- Property Rental and Lease Expenses	670	496	704	506	10	(198)
724	R&M- Repairs and Maintenance	1,973	1,316	1,696	1,468	152	(228)
725	UOPR- Utilities and Occupancy Expenses	989	866	1,094	887	21	(207)

	A	B	C	D	E	F	G
4	Row Labels	2025 Actual	2026 AP	2027 LTP	2027 AP Draft	Variance to 2026	Variance to 2027 LTP
726	92- HISTORIC VILLAGE	1,597	1,935	1,139	1,705	(230)	566
727	REV- Revenue	(670)	(828)	(842)	(846)	(18)	(4)
728	USE- Fees and Charges	(670)	(828)	(842)	(846)	(18)	(4)
729	EXP- Expenditure	2,267	2,763	1,981	2,552	(211)	570
730	EMP- Employee Expenses	433	430	419	444	14	26
731	DEP- Depreciation and Amortisation Expense	712	914	415	921	7	506
732	FIN- Finance Expenses	0	0	0	0	0	0
733	OPR- Other Operating Expense	1,122	1,419	1,147	1,186	(232)	39
734	ADM- Administration Expenses	124	208	113	160	(48)	47
735	CON- Consultancy Expenses	87	58	78	52	(6)	(26)
736	GOPR- Grants, Contributions and Sponsorship Expense	0	0	0	0	0	0
737	OFOPR- Other Operating Financial Expense	(4)	0	0	0	0	0
738	OTOPR- Other Operating Expense	58	57	136	37	(20)	(99)
739	PRENT- Property Rental and Lease Expenses	24	28	28	28	1	0
740	R&M- Repairs and Maintenance	505	715	456	516	(198)	60
741	UOPR- Utilities and Occupancy Expenses	330	352	337	392	40	56
742	94- ELDER HOUSING	(67)	26	0	192	166	192
743	REV- Revenue	(87)	0	0	(60)	(60)	(60)
744	USE- Fees and Charges	(87)	0	0	(60)	(60)	(60)
745	EXP- Expenditure	19	26	0	252	226	252
746	OPR- Other Operating Expense	19	26	0	252	226	252
747	CON- Consultancy Expenses				204	204	204
748	IOPR- Insurance Expense				2	2	2
749	OFOPR- Other Operating Financial Expense	(5)	0	0	0	0	0
750	OTOPR- Other Operating Expense	13	0	0	0	0	0
751	R&M- Repairs and Maintenance				10	10	10
752	UOPR- Utilities and Occupancy Expenses	11	26	0	36	9	36
753	95- COMMERCIAL ADVISORY	2,784	2,616	1,220	1,514	(1,102)	294
754	REV- Revenue	(59)	0	0	0	0	0
755	USE- Fees and Charges	(59)	0	0	0	0	0
756	EXP- Expenditure	2,842	2,616	1,220	1,514	(1,102)	294
757	EMP- Employee Expenses	2,606	2,301	890	1,355	(946)	464
758	DEP- Depreciation and Amortisation Expense		0	21	0	0	(21)
759	OPR- Other Operating Expense	236	315	309	160	(156)	(149)
760	ADM- Administration Expenses	36	53	21	13	(40)	(8)
761	CON- Consultancy Expenses	196	207	139	115	(92)	(24)
762	OTOPR- Other Operating Expense	0	52	86	27	(24)	(59)
763	UOPR- Utilities and Occupancy Expenses	4	3	63	4	0	(59)
764	Grand Total	119,532	62,885	36,540	53,186	(9,699)	16,647

11.3 Local Water Done Well - Project Update and Recruitment

File Number: A19422431

Author: Charles Lane, Team Leader: Commercial Legal
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Authoriser: Christine Jones, General Manager: Strategy, Partnerships & Growth

PURPOSE OF THE REPORT

1. This report seeks:
 - Council direction regarding recruitment of an Establishment Chief Executive Officer for the proposed Multi-Council Water Organisation.
 - approval for a variation to the Commitment Agreement.
 - approval for the Terms of Reference for the Joint Governance Group.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Local Water Done Well - Project Update and Recruitment".

Recruitment

EITHER

- (b) Agrees to the appointment of a Water Organisation Establishment Chief Executive Officer, with recruitment to commence now so that a recommendation can be made subject to Council and Western Bay of Plenty District Council's final decision to proceed with the Water Organisation on 2nd April 2026 (with a likely start date circa 1 July 2026)

OR

- (c) Agrees to the appointment of a Water Organisation Establishment Chief Executive Officer, with recruitment to commence 2 April 2026 so that a recommendation can be made subject to Council and Western Bay of Plenty District Council's final decision to proceed with the Water Service Organisation on 2nd April 2026 (with a likely start date circa 15th September 2026)

OR

- (d) Agrees to the appointment of a Transitional Director, with recruitment commencing now and the appointment made as soon as practical, with a further decision on the timing of the Water Organisation Chief Executive to be made at the time of the final decision of Council on proceeding with the Water Organisation.

Project Governance

- (e) Endorses the appointment of the following Tangata Whenua representatives to the Joint Governance Group:
 - Kylie Smallman
 - Hakopa Tapiata
 - Shadrach Rolleston
 - Rohario Murray

-
- Kiritapu Allan
 - Roana Bennett
- (f) Approves the variation to the Commitment Agreement to reflect the establishment of the Joint Governance Group and delegates authority to the General Manager: Strategy, Partnerships & Growth to execute the Variation Agreement (see Attachment 1).
- (g) Approves the Terms of Reference for the Joint Governance Group (Attachment 2), noting that these have been endorsed at the Joint Governance Meeting of 8 December 2025.
- (h) Endorses the Commercial Terms Sheet (Attachment 3)
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EXECUTIVE SUMMARY

2. This report provides an update on progress towards establishment of a Multi-Council Water Organisation (WO) by Tauranga City Council and Western Bay of Plenty District Council (noting that the final decision will occur end of March 2026, following due diligence).
3. The report also seeks Council:
 - Approval to initiate recruitment for an Establishment Chief Executive Officer (CE).
 - Endorsement of Tangata Whenua representatives.
 - Approval of a variation to the Commitment Agreement and Terms of Reference for the Joint Governance Group (JGG).
4. Recruitment for the Establishment CE is proposed to begin on 5 January 2026, with applications closing mid-February. The appointment, targeted to commence 1 July 2026, would be on a two-year fixed term and contingent on the councils' due diligence decision in March 2026.
5. Early recruitment is recommended to ensure strong leadership during the establishment phase, enable involvement in executive appointments, and support strategic planning with the Board. The CE may transition into the permanent role, offering continuity.
6. Alternative options include delaying recruitment until after March or appointing a Transition Director first; however, these approaches risk reduced candidate availability, delayed organisational decisions, and higher costs.
7. This report also seeks Council endorsement of Tangata Whenua representatives. Six representatives—Kylie Smallman, Hakopa Tapiata, Shadrach Rolleston, Rohario Murray, Kiritapu Allan, and Roana Bennett—have been appointed through an expression of interest process managed by Tangata Whenua.
8. The Tangata Whenua representatives sit alongside Elected Members from Council and WBOPDC on the Joint Governance Group (JGG), which held its inaugural meeting on 8 December 2025. Further meetings are scheduled for December and early 2026. This report seeks Council approval of a variation to the Commitment Agreement to include reference to the JGG and approval of the terms of reference for JGG.
9. A cross-council project team has been stood up, consisting of staff from both Council and WBOPDC, and work has been allocated across workstreams. A project update providing progress highlights and upcoming areas of focus for each workstream is provided as Attachment 5.
10. An initial establishment budget of \$6.1m was developed for the purposes of the Annual Plan 2025/26, and for inclusion in the Water Services Delivery Plan and the Commitment Agreement (this figure does not include the budget for the Digital Programme, which is discussed separately in a public excluded report at this same 16 December Council

meeting³). Work is underway within each workstream to develop budgets from a 'bottom-up' perspective. Revised budget estimates will be shared with Council as they become available.

11. Next steps include commencing recruitment for the Establishment CE if approved, continuing to progress due diligence and establishment planning, and refining budgets.

BACKGROUND

12. Tauranga City Council (Council), in partnership with Western Bay of Plenty District Council (WBOPDC, is progressing the establishment of a Multi-Council Water Organisation (WO) in response to the Government's Local Water Done Well (LWDW) reform programme. The WO has a 'go live' date of 1 July 2027.
13. Council endorsed the Multi-Council Water Organisation Summary Plan (including Due Diligence) on 29 October 2025. This plan sets out the approved approach to complete the necessary steps to establish the WO. It was prepared based on the Commitment Agreement between the two councils and the approved Water Service Delivery Plans (WSDP).
14. This paper provides an update on the following matters which form part of the process to establish a WO:
 - (a) Recruitment process for an Establishment Chief Executive Officer for the WO.
 - (b) Partnership with Tangata Whenua.
 - (c) Establishment of the Joint Governance Group.
 - (d) An update on project progress.

Recruitment process for an Establishment Chief Executive Officer for the Water Organisation

15. The recruitment and appointment process for the Establishment Chief Executive (CE) and Executive Team is included in the People and Relationships workstream in the Establishment Planning phase of the summary project plan.
16. It is proposed that the recruitment process for the Establishment CE begins now to allow the appointment of the Establishment CE in July 2026 (fixed term for 2 years). This appointment would be dependent on the whether the councils' (Council and WBOPDC) decide to proceed with establishment of the WO.
17. Having the Establishment CE on board from July 2026 is part of setting the WO up for success. The Establishment CE is the key appointment to ensure a strong transition from council operations to a WO. There is opportunity for the Establishment CEO to be directly appointed in the ongoing CE role for the WO, creating seamless transition. Early appointment also allows the CE to be involved in the appointment of their executive team, and work with the appointed Chair and Board of Directors on matters such as the development of the Water Services Strategy for the WO.
18. The proposed process:
 - Recruitment of Establishment CE initiated 5 January 2026.
 - Recruitment closes for Establishment CE role 15th February 2026.
 - Interviews to commence post 15th February 2026.
 - Preferred candidate recommendation to Council for a decision post March due diligence decision.
19. Alternative approaches that Council may wish to consider are recruiting a Transition Director (followed by a permanent Chief Executive), or to delay recruitment until after March 2026.

³ The projected cost for the digital programme is excluded from this report to protect Council's commercial position.

20. An options analysis is provided later in this report and Attachment 4 displays likely timing for the various options.

Partnership with Tangata Whenua

21. As outlined in the approved WSDP and the Commitment Agreement, Council is working in partnership with Tangata Whenua on the establishment of the proposed WO. Council and WBOPDC held a joint hui with Tangata Whenua on 20 November 2025 to discuss options for working together and invited Tangata Whenua to nominate representatives to work with the councils.
22. This includes the development of a partnership plan and inviting Tangata Whenua representatives to work alongside Elected Members to represent the interests of all Iwi, Hapū, Māori entities, tāngata whenua forums and whenua Māori trusts.
23. Tangata Whenua representatives were selected by Tangata Whenua through an expression of interest process. A range of skills and knowledge were considered including communication, understanding of Te Tiriti o Waitangi, strategic thinker, advocacy and influence, matauranga and tikanga Maori, kaitiakitanga, analytical and critical thinker, governance and management, knowledge of legislation and regulations, understanding of infrastructure and environment management, and capacity and availability.
24. The selection panel appointed the following members:
- Kylie Smallman
 - Hakopa Tapiata
 - Shadrach Rolleston
 - Rohario Murray
 - Kiritapu Allan
 - Roana Bennett

Establishment of a Joint Governance Group

25. The Commitment Agreement gave discretion to allow for the establishment of an Elected Members Governance Group (EMG), with five members from each council (Council and WBOPDC).
26. As the councils have agreed to work in partnership with Tangata Whenua, it is proposed that the Commitment Agreement is amended to include the establishment of a Joint Governance Group⁴. The members of the Joint Governance Group will include the members of the proposed Elected Members Governance Group with the addition of the six confirmed Tangata Whenua representatives.
27. A meet and greet with nominated Elected Members from each council and Tangata Whenua representatives took place on the 3 December 2025.
28. The initial meeting of the Joint Governance Group (JGG) was held 8 December 2025, and the following matters were considered:
- The Terms of Reference for the JGG
 - Whether to establish a Shareholder Representative Forum
 - Whether to issue an Interim Statement of Expectation
 - Commercial Term Sheet
29. A further JGG meeting is planned for 22 December 2025. Further JGG meetings will be held over the course of February and March 2026.

⁴ The provisions regarding the Elected Members Governance Group will remain in the Commitment Agreement, allowing for this group to be activated at a later date if needed.

- 30. The internal Elected Member working groups for each council meet regularly to discuss a range of matters in preparation for the JGG meetings.
- 31. This report seeks Council’s approval to enter into a variation of the Commitment Agreement (Attachment 1) and the Terms of Reference for the Joint Governance Group (Attachment 2). The Commercial Terms Sheet is provided as Attachment 3, and this records the matters which will inform the drafting of the Shareholders Agreement and Constitution. Each matter is classified as either a political decision (that will be supported by an issues and options paper) or a commercial decision (that will come with a recommendation based on best/industry practice).

PROJECT UPDATE

- 32. A cross-council project team has been stood up, consisting of staff from both Council and WBOPDC, and work has been allocated to the following workstreams:
 - Legal and Governance
 - Digital and Customer
 - Finance
 - People and Workforce
 - Asset Management and Operation Systems (AMOS)
 - Communication and Engagement
 - Tangata Whenua
- 33. A project update providing progress highlights and upcoming areas of focus for each workstream is provided as Attachment 5. An initial establishment budget of \$6.1m was developed for the purposes of the Annual Plan 2025/26, and for inclusion in the Water Services Delivery Plan and the Commitment Agreement (this figure does not include the budget for the Digital Programme, which is discussed separately in a public excluded report at this same 16 December Council meeting⁵).
- 34. Due to the change in timing for the establishment from 1 July 2026 to 1 July 2027, additional staff time costs are anticipated to support the programme of work. Work is also underway within each workstream to develop budgets from a ‘bottom-up’ perspective. Revised budget estimates will be shared with Council as they become available.

STATUTORY CONTEXT

- 35. The matters in this report form part of Council’s overall response to the government’s Local Water Done Well reform programme and associated legislation. There are no specific statutory compliance matters to be considered in respect of this report.

STRATEGIC ALIGNMENT

- 36. Council’s overall response to the Local Water Done Well reforms supports delivery of the following community outcomes.

	Contributes
An inclusive city	<input type="checkbox"/>
A city that values, protects and enhances the environment	<input checked="" type="checkbox"/>
A well-planned city that is easy to move around	<input checked="" type="checkbox"/>
A city that supports business and education	<input type="checkbox"/>
A vibrant city that embraces events	<input type="checkbox"/>

⁵ The projected cost for the digital programme is excluded from this report to protect Council’s commercial position.

37. This report, and the wider water reform programme, are part of ensuring Tauranga has water services that are sustainable, affordable, well-planned and maintained, and of high quality.

OPTIONS ANALYSIS

38. In terms of the recommendations made by this report, the key decision is whether to proceed with the recruitment process for the Establishment CE now versus either waiting until a decision is made by Council and WBOPDC on due diligence at the end of March 2026 or proceeding with recruitment of a Transitional Director ahead of a permanent CE.
39. As the ‘go-live’ date for the WO is 1 July 2027, a CE needs to be in place considerably ahead of that date to enable the organisation to be fully operational as at 1 July 2027. For example, IAWAI (the Waikato and Hamilton WO) have a ‘go-live’ date of 1 July 2026 and announced the appointment of their CE in November 2025, with a start date for the position of 12 January 2026.
40. The assessment below sets out the advantages and disadvantages of each option. Attachment 4 provides an approximate timeline for each of the following options.

Option 1 – Proceed with recruitment of the Establishment CE to preferred candidate stage. Final appointment dependent on the outcomes of the due diligence decision in March 2026. (RECOMMENDED)

Advantages	Disadvantages
<ul style="list-style-type: none"> • Having a CEO appointed early in the establishment phase provides a strong foundation for the on-going success of the WO. The CEO will be involved in shaping the WO’s vision, governance, and operating model. • There is opportunity for the Establishment CE to be directly appointed into permanent CE position for WO. • There are a number of other WOs being established and this ensures that potential candidates can consider this role alongside other opportunities. • Most senior executives have a three-month notice period. An early recruitment process reduces the impact of this time constraint on the final appointment of a CE. 	<ul style="list-style-type: none"> • Potential candidates may be concerned that the appointment process is dependent on the final due diligence decision (end March 2026). • Potentially a higher cost option than option 2 due to salary costs.

Option 2 – Do not proceed with recruitment of the Establishment CE until the Council and WBOPDC have made the due diligence decision.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Certainty that the role exists (or not) as the final due diligence decision would have been made. • Potentially a lower cost approach, as salary costs may not be incurred until a later date (than in Option 1 and 	<ul style="list-style-type: none"> • The skills required for this establishment role are in tight supply and a delayed recruitment process may mean a smaller number of potential candidates. • A delayed recruitment process may mean that organisational decisions need to be

<p>Option 3)</p> <ul style="list-style-type: none"> • There is opportunity for the Establishment CE to be directly appointed into permanent CE position for WO. 	<p>made ahead of the appointment of a CE.</p>
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**Option 3 – Proceed with recruitment of a Transition Director to preferred candidate stage
Final appointment dependent on the outcomes of the due diligence decision in March 2026.
Recruitment of a permanent CE would commence June 2026.**

Advantages	Disadvantages
<ul style="list-style-type: none"> • Ensures there is a dedicated leadership resource for the WO during the transition phase, ahead of recruiting the CE. 	<ul style="list-style-type: none"> • Potential candidates may be concerned that the appointment process is dependent on the final due diligence decision (end March 2026). • It is unlikely that a Transition Director will have the necessary skillset to be appointed into the ongoing CE role for the WO. • The skills required for the CE role are in tight supply and a delayed recruitment process may mean a smaller number of potential candidates. • Whilst the salary of a Transitional Director will be lower than that of an Establishment CE, there will still be salary costs. • A delayed recruitment process may mean that a number of organisational decisions will be made ahead of the appointment of a CE. • Likely to be the highest cost option, due to: <ul style="list-style-type: none"> ○ additional recruitment costs, as will need to recruit the Transition Director and then the CE position. ○ a crossover in the roles of Transition Director and CE, leading to higher salary costs overall.

LEGAL IMPLICATIONS / RISKS

41. There are no direct legal implications.

TE AO MĀORI APPROACH

42. Council and WBOPDC have committed to work in partnership with Tangata Whenua on work relating to the establishment of a WO. This report provides the details of Tangata Whenua representatives and confirms the establishment of a Joint Governance Group.

CLIMATE IMPACT

43. There are no direct climate impacts resulting from the recommendations of this report.

CONSULTATION / ENGAGEMENT

44. Engagement regarding the option of establishing a multi-council Water Organisation occurred alongside Council's 2025/2026 Annual Plan consultation process.

SIGNIFICANCE

45. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
46. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- the current and future social, economic, environmental, or cultural well-being of the district or region
 - any persons who are likely to be particularly affected by, or interested in, the decisions of this report.
 - the capacity of the local authority to perform its role, and the financial and other costs of doing so.
47. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decisions are of low significance. The decisions proposed by this report have been assessed as of low significance as they are procedural in nature and allow for the implementation of matters in the previously approved Multi-Council Water Organisation Summary Plan.

ENGAGEMENT

48. Taking into consideration the above assessment, that the decisions are of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

49. Depending on Council's decision, begin a recruitment process for the position of a Establishment Chief Executive for the proposed Water Organisation.

ATTACHMENTS

- Variation Agreement - Commitment Agreement - A19514289** [↓](#) 
- Terms of Reference Joint Governance Working Group - A19514236** [↓](#) 
- Commercial Term Sheet - A19514284** [↓](#) 
- Recruitment timelines - A19514274** [↓](#) 
- Project Update Report - LWDW - as at 5 December 2025 - A19514256** [↓](#) 

VARIATION AGREEMENT

LWDW COMMITMENT AGREEMENT

TAURANGA CITY COUNCIL

AND

WESTERN BAY OF PLENTY DISTRICT COUNCIL

**VARIATION AGREEMENT
LWDW COMMITMENT AGREEMENT**

DATED: _____

PARTIES

1. **TAURANGA CITY COUNCIL (“TCC”)**
2. **WESTERN BAY OF PLENTY DISTRICT COUNCIL (“WBOPDC”)**

BACKGROUND

- A. TCC and WBOPDC (collectively “the Councils”) entered into a commitment agreement dated 1 September 2025 (“the **Commitment Agreement**”) for the planning of a joint waters operation model under the Local Government (Water Services) Act 2025.
- B. The Councils wish to vary the Commitment Agreement to introduce an additional governance group within the Commitment Agreement’s governance structure.
- C. The parties have agreed to enter into this Variation Agreement to record the terms of the variation.

VARIATION AGREEMENT

1. INTERPRETATION

- 1.1 Unless the context otherwise requires:
 - (a) Any term in this Variation Agreement which is defined in the Commitment Agreement and is not specifically defined in this document will have the meaning given in the Commitment Agreement.
 - (b) The rules of interpretation and the rules relating to the construction of certain references set out in the Commitment Agreement apply as if incorporated in this Variation Agreement, with any necessary or consequential modifications.

2. VARIATION

- 2.1 The Commitment Agreement is varied as follows:
 - (a) By adding the following row to the table comprising Schedule 1 (below the row that commences “Elected Members Governance Group” and above the row that commences “CEO Oversight Group”):

Joint Governance Group

(Clause Error! Reference source not found., Schedule 2)

Members: The members of the Joint Governance Group will be the following persons (or such other persons as are nominated by the relevant Council from time to time):

- Tauranga City Council members: To be nominated by the Mayor of Tauranga City Council.

- Western Bay of Plenty District Council members: To be nominated Mayor of Western Bay of Plenty District Council.
- Tangata Whenua representatives: To be nominated by Tangata Whenua.

Meetings: The Joint Governance Group will meet regularly, based on what is dictated by the work and decision-making programme, or at such other times or frequency as they determine from time to time.

(b) By amending clause 4.1, 4.2 and 4.3 of Schedule 2 as follows:

4.1 **Governance structure:** The governance model for the Project comprises the following:

(a) Elected Members Governance Group ("EGG");

~~(a)~~(b) Joint Governance Group ("JGG");

~~(b)~~(c) CEO Governance Group ("COG");

~~(c)~~(d) Project Steering Group ("PSG"); and

~~(d)~~(e) Project Team.

4.2 **Terms of Reference:** Each of the EGG, JGG, COG, the PSG and the Project Team will develop its own terms of reference to align with the Objectives and its role under this agreement.

4.3 **Decisions made by the governance groups:**

(a) Each Council will be responsible for their own decision-making using the Project Team's advice and assistance.

(b) The EGG, JGG, COG, PSG, and Project Team will make decisions on a consensus basis.

(c) Where consensus is not possible, decisions will be made by the majority, or alternatively escalated to the next governance level, with final decisions to be made by the EGG (if the EGG has been established and if the EGG has not been established, by the COG).

(c) By adding the following as clause 4.6 (and re-numbering the earlier versions of clause 4.6 – 4.8 as clauses 4.7 – 4.9 respectively).

4.6 Joint Governance Group: The JGG shall be responsible for:

(a) addressing issues that have been escalated to it by the COG or the PSG;

(b) keeping informed on the Project and considering Issues & Options papers on matters where governance direction is required; and

(c) referring issues raised by the COG to the EGG (if established) or otherwise to the Councils for consideration and approval where relevant.

3. GENERAL

3.1 **Commitment Agreement:** The Commitment Agreement shall remain in full force and effect except as varied herein.

3.2 **Entire agreement:** The Commitment Agreement, as varied by this Variation Agreement and any other written variation signed by both parties, contains the entire agreement between the parties with respect to its subject matter and supersedes all prior agreements and understandings between the parties in connection with it.

TERMS OF REFERENCE – JOINT GOVERNANCE GROUP LWDW

1. Background

- 1.1. Tauranga City Council (**TCC**) is working, together with Western Bay of Plenty District Council (**WBOP**) towards establishment of a joint Water Organisation (**WO**) under the Local Government (Water Services) Act 2025 (**Project**).
- 1.2. On 1 September 2025 TCC and WBOP entered a Commitment Agreement to facilitate the establishment of the WO. The Commitment Agreement allows for an Elected Members Governance Group (**EMG**) to be established (at TCC and WBOP's discretion).
- 1.3. The Commitment Agreement records the following Relationship Principles:
 - (a) work together collaboratively and in good faith;
 - (b) ensure communication between them is open, proactive, transparent and inclusive, to avoid any surprises;
 - (c) make every effort to understand the other Council's needs and objectives for the joint operating model, and make all reasonable endeavours to ensure the joint operating model meets such needs and objectives;
 - (d) raise any issues that arise in connection with this agreement at the earliest opportunity, for joint resolution;
 - (e) resolve disagreements between them promptly and amicably; and
 - (f) as a courtesy and in the interest of clear and consistent communication, consult with the other Council before commenting publicly on the joint operating model or this agreement.
- 1.4. Following execution of the Commitment Agreement, the Councils have invited Tangata Whenua (**TW**) to be involved in the establishment discussions¹.
- 1.5. TCC and WBOPDC have agreed, at their respective working groups, to vary the Commitment Agreement to have, in addition to the EMG², a Joint Governance Group (**JGG**) which includes Tangata Whenua representatives (as nominated by Tangata Whenua). This agreement shall be documented by way of a formal variation to the Commitment Agreement, and approved by TCC and WBOPDC.
- 1.6. This terms of reference is for the JGG.

2. Joint Governance Group Purpose and Decision Making

- 2.1. To ensure that governance direction is provided in a timely manner, and that the project works at pace, a Joint Governance Group (**JGG**) has been formed to provide a forum to:

¹ To give effect to the objectives stated in the Commitment Agreement, which includes upholding Treaty of Waitangi obligations and commitments in accordance with the establishment principles.

² Yet to be established at the Councils' discretion in accordance with clause 4.5 of the Commitment Agreement

- Hear and consider the views of the other parties, to give effect to the objectives set out in the Commitment Agreement.
- Address issues that have been escalated to it by the Project Sponsors or CEO Oversight Group for consideration.
- Consider Issues & Options papers on matters where governance direction is required.

3.2 Decisions will be made on the following basis:

- Where possible reach a consensus view that can proceed as a recommendation to the respective Councils for final decision making.
- Where a consensus view is not reached, the matter will be escalated to the full Councils, together with a report that clearly outlines the different positions and the associated rationale.

3. Scope of the Joint Governance Group

3.1. The scope of Joint Governance Group meetings will include:

- a. The 'Multi-Council Water Organisation Summary Plan (including Due Diligence)' endorsed by TCC on 29 October 2025 and WBOPDC on 14 November 2025.
- b. The matters in the Commercial Terms Sheet endorsed by the Councils at their meetings of 16 December 2025.
- c. Other matters not captured in (a) or (b) above, recommended by staff for consideration or identified by members of the JGG, and agreed to by consensus by JGG.

3 Membership and Structure

3.2. The members of the JGG will be the following persons (or such other persons as are nominated by the Mayor/Council/ Tangata Whenua from time to time):

Tauranga City Council Elected Member Working Group

- Cr Marten Rozeboom (Chair TMG)
- Mayor Mahe Drysdale
- Cr Kevin Schuler
- Cr Glen Crowther
- Cr Hautapu Baker

Western Bay of Plenty Elected Members Working Group

- Mayor James Denyer (Chair WBMG)
- Rodney Joyce
- Darlene Dinsdale
- Grant Dally
- Graeme Elvin

Tangata Whenua Working Group

- Kylie Smallman - selected by Tauranga Moana Iwi Collective
- Hakopa Tapiata - selected by Nga Iwi o Te Tau Ihu o Te Arawa Collective
- Shadrach Rolleston
- Rohario Murray
- Kiritapu Allan
- Roana Bennett

4 Meetings and Procedures

- 3.3. Frequency: The JGG will meet regularly, based on what is dictated by the work and decision-making programme.
- 3.4. Format: Meetings may be held in person or virtually, as required.
- 3.5. Quorum: a minimum of three persons each from TCC, WBOP, and TW.
- 3.6. Chairing: The Councils have jointly appointed Lyall Thurston as Chair to facilitate meetings. In the absence of the appointed Chair, the Councils will jointly appoint an acting chair for that meeting.
- 3.7. Agenda: Agendas and supporting documentation will be circulated at least two working days in advance of each meeting when possible. TCC as administrative agent for the project will distribute the agenda.
- 3.8. Meeting outcomes and direction: Direction and Action points will be recorded and maintained.

5 Supporting Principles and Criteria

- 3.9. The JGG will respect the establishment principles and criteria approved by TCC and WBOP, and contained in the Commitment Agreement, including:
 - a. Affordability and Equity: Ensuring water services are affordable and equitable for all communities.
 - b. Transparency: Operating with transparency and accountability.
 - c. Safe and Resilient Services: Delivering reliable and resilient water services.
 - d. Environmental Stewardship: Acting as kaitiaki for water resources.
 - e. WO is set up for success: the right governance, capabilities and direction are provided to enable long-term operational success and public value.
 - f. Iwi/Hapū Engagement: Upholding Treaty obligations and maintaining open engagement with Iwi and Hapū.
 - g. Financial and Asset Management: Overseeing fair and equitable asset and debt transfer, pricing, and capital programme prioritisation.

6 Review and Amendment

- 3.10. These Terms of Reference will be reassessed at the conclusion of the Due Diligence and Establishment Planning Phase when the Councils have made a final decision on whether to proceed with establishing the WO.
- 3.11. Amendments to the Terms of Reference require approval of both TCC and WBOP.

7 Duration

- 3.12. The JGG will operate for the duration of the Project (i.e. either until the WO is operational and/or successfully transitioned, or until a WO Shareholders' Representative Forum is established) or until the JGG is disestablished by agreement of the Councils.

DRAFT

Working draft: 9 December 2025

Tauranga City Council and Western Bay of Plenty District Council

Term Sheet: Water Organisation Foundation Documents

Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²	
Constitution					
Foundational information					
1.	<i>Name of Water Organisation</i>	[TBC]	It is proposed that a workstream will be established to address the name of the WO	Yes	No
2.	<i>Scope of business</i>	Providing Drinking Water, Wastewater and Stormwater services in the Service Areas, and ancillary activities.	We understand that WBOPDC has resolved to transfer stormwater responsibility to the WO, but a question mark remains over TCC's position. If responsibility for stormwater does transfer to the WO, the intention is for SW related land to be retained by the Councils (dual purpose reserves etc.).	Yes. Political Decision re Stormwater <u>for TCC</u> ³ (to be covered in its own separate issues and options paper).	No

¹ Proposed political decisions to be covered in issues & options paper.

² Proposed decision to be covered by recommendation only.

³ WBOPDC has already made a decision regarding Stormwater.

Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²	
Ownership and control, and governance structure					
3.	<i>Number of directors</i>	[Any number; does not need to be expressly specified but useful to have, eg “Up to 5 directors”]	<p>There are no legislative restrictions on numbers, so this should be led by the Councils’ views on ‘right sizing’ the board to ensure a good mix of skills and experience, by reference to the skills matrix to be developed for the Board.</p> <p>We consider a board of up to 5 directors would enable the appointment of a suitable mix of skills and experience, aligned with the skills matrix (see below).</p> <p>The working assumption is that there will not be an ‘interim’ or ‘establishment’ board, but that the Directors appointed will continue through to July 2027 and beyond.</p>	Yes	No
4.	<i>Director appointment</i>	<p>(a) Each shareholder will have a right to appoint one or more directors (as specified), with additional directors appointed by agreement (but noting all directors must be independent once the Water Organisation takes on the Water Services obligations)</p> <p>(b) Shareholders (directly or via Shareholders Representative Forum) will jointly appoint all directors</p>	<p>Generally the approach being taken is to have this as one of the roles of the Shareholders Representative Forum (SRF) (or similar) (see discussion below). Appointments to the Board should be based on whether the proposed directors meet the requirements of the skills matrix.</p> <p>We have seen iwi representation on SRFs (or similar), but not with specific Board rights, given the requirement for independent directors. We would expect the skills matrix to contain reference to mana whenua knowledge and related matters, which would provide the opportunity to have appropriate expertise on the Board.</p>	Yes	No

TCC - WBPDC - Establishment Documents Term Sheet(43069935.1)
Page 2

	Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
			<p>Ideally, the Constitution would align with each Council’s policy relating to the appointment and remuneration of a director, as far as practicable, or a new appointment policy will be prepared and adopted for the Water Organisation itself based on these policies.</p> <p>Shareholding councils (through the SRF, if relevant) will prepare a board skills matrix to satisfy the requirement to have an appropriate mix of skills, knowledge, and experience on the Board in relation to providing water services, which will then be applied by the SRF in making director appointments.</p>		
5.	<i>Director Term of appointment</i>	<p>(a) Specified appointment term (eg 3 years), with a requirement to retire (but option to be re-elected) up to a maximum term (eg 9 years (3 x 3))</p> <p>(b) Unspecified appointment term, with no requirement to retire unless removed/replaced</p>	<p>Generally the approach being taken is to have a set appointment term with a maximum aggregate term (noting that initial appointments will need to be staggered to ensure ability to rotate directors over time).</p> <p>We would recommend that an initial 3 year term, with a maximum of 3 terms (ie up to 9 years) would be suitable.</p>	No	Yes
6.	<i>Director Remuneration</i>	<p>(a) Determined by shareholders by ordinary resolution (ie >50% vote)</p> <p>(b) Determined by shareholders by unanimous resolution</p> <p>(c) Determined by the SRF</p>	<p>We would recommend option (c), while having regard to each shareholding council’s appointment and remuneration policy and independent data (or the Water Organisation’s remuneration policy).</p>	Yes	No

TCC - WBPDC - Establishment Documents Term Sheet(43069935.1)
Page 3

Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
7.	<i>Should interested directors be allowed to vote on remuneration or other matters?</i>	(a) Yes (b) No (c) No, except for specified circumstances.	No	Yes
Other matters				
8.	<i>Whether dividends permitted</i>	(a) No dividend permitted (b) Dividend permitted with board approval (c) Dividend permitted with unanimous shareholder approval	Yes	No
9.	<i>Additional reporting obligations of the Water Organisation to each Council</i>	(a) Include additional reporting requirements (b) Rely on s 249 Local Government (Water Services) Act 2025, for notice to require additional plans or reports	No	Yes

	Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
10.	<i>Scope and nature of Statement of Expectations</i>	(a) SOE cannot provide direction to the WO on operational matters (b) SOE can provide direction to the WO on operational matters.	Section 228(3) of the Local Government (Water Services) Act 2025 states a SOE must <u>not</u> include any requirement or expectation related to the WO's performance, or exercise of a duty, function or power under the Act. However, section 228(4) states section 228(3) does not apply if the WO's foundation documents provide otherwise. If the shareholders elect option (b), what are those specific operational matters it wishes to influence in the SOE? For example, stormwater charging.	Yes	No
11.	<i>Scope and nature of shareholders involvement in preparing, amending and finalising the WSS.</i>	(a) Shareholders can provide comments on the draft WSS, but cannot (i) require the WO to amend the draft WSS; or, (ii) approve the final WSS. (b) Shareholders can (i) provide comments on the draft WSS; (ii) require the WO to amend the draft WSS; (iii) approve the final WSS.	Regardless of the option selected, the WO must give effect to the SOE. Section 236(4) Local Government (Water Services) Act 2025, requires the shareholders to address the scope and nature of its involvement in preparing the WSS in the foundation documents.	Yes	No
Shareholders' Agreement					
Foundational information					
12.	<i>Initial and ongoing shareholdings</i>	(a) Proportionate to the net assets each shareholding council transfers to the Water Organisation (and not subsequently adjusted) (b) Proportionate to the population or number of water connections each shareholding council	We have seen varying approaches taken to this. It is important to link the (anticipated) percentage shareholdings with decision-making thresholds.	Yes	No

Term		Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
		has at the transfer date (and not subsequently adjusted) (c) A hybrid model comprised of one or more of a range of metrics (net assets, population, connections etc.) (d) One of the above options, with a subsequent review and adjustment (eg annually) to water connections			
Voting rights and decision making					
13.	<i>Rights attaching to shares</i>	(a) The number of shares determine the voting rights of a shareholder (b) Each shareholder has equal voting rights	To be considered against the potential initial and ongoing shareholding percentages. Given there are (at least initially) only 2 shareholders, the question becomes whether the larger shareholder should have any 'sole' decision-making power, or whether all shareholder decisions will be by unanimity.	Yes	No
14.	<i>SRF membership and appointment rights</i>	(a) [One or more] elected member[s] of each shareholding council (b) At least one elected member, and [one or more] other person[s] appointed by a shareholding council to represent it (which can be an elected member)	Option (b) reflects the legal requirements for a joint committee under the Local Government Act 2002, which must involve a representative of each local authority. An alternative option would be to establish an other type of subordinate decision-making body, which can allow for entirely appointed members, but we anticipate that elected member representation will be preferred.	Yes	No
15.	<i>SRF membership and appointment rights –</i>	(a) No tangata whenua representation (b) Person[s] appointed by iwi, and confirmed by shareholding councils (c) Person[s] appointed by each shareholding council	Some representation on or involvement with SRF considerations and decision-making can provide an appropriate level of participation, even if tangata whenua are not given a specific right to appoint director(s) of the WO.	Yes	No

TCC - WBPDC - Establishment Documents Term Sheet(43069935.1)
Page 6

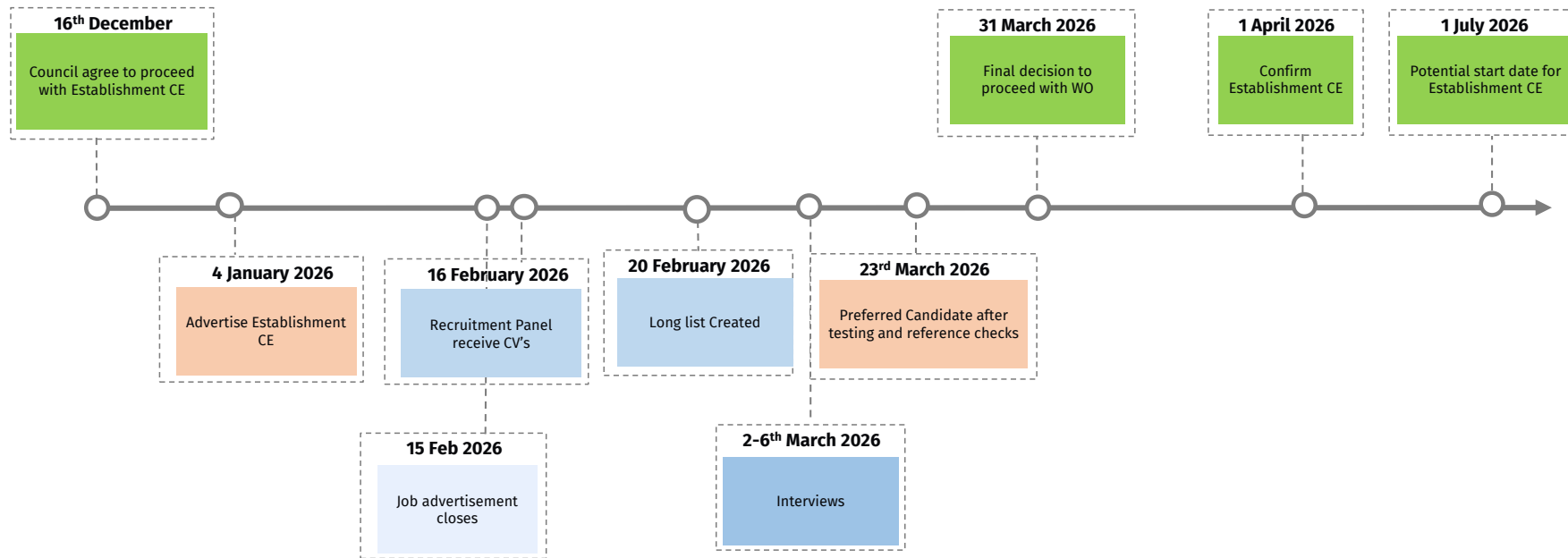
	Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
	<i>tangata whenua</i>	(d) Person[s] appointed jointly by shareholding councils			
16.	<i>SRF membership and appointment rights – independent chair</i>	(a) Yes (b) No	An independent chair of the SRF will promote good governance and help streamline discussions (noting the chair will not necessarily have a casting vote).	Yes	No
17.	<i>Who will have the right to appoint a shareholder representative to the SRF?</i>	(a) Each Council individually appoints its own representatives to the SRF. (b) TCC and WBOPDC jointly appoint all representatives to the SRF	Option (a) is the standard approach adopted. Note that each Council will need to approve the delegations to the SRF. Depending on the decisions for items 14 and 15 above, the representatives on the SRF may include: Elected Member(s); Other representative(s), such as senior Council Officers or independent experts; Tangata Whenua Representative(s), if it is agreed Tangata Whenua should be represented on the SRF.	Yes	No
18.	<i>Extent of shareholding council's guarantee to Water Organisation's</i>	(a) Proportionate to shareholding (b) Equal liability	To be considered.	Yes	No

Term		Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
	<i>under LGFA arrangements</i>				
Board meetings					
19.	<i>Frequency of board meetings</i>	Monthly or as otherwise determined by the Board.	We would recommend adopting this as the standard approach.	No	Yes
20.	<i>Will the chair of a board have a casting vote?</i>	No	This is the standard approach. However, this needs to be considered in the context of Board numbers (ie ability to break a tie).	Yes	No
Shareholder meetings					
21.	<i>Frequency of SRF meetings</i>	Specify (eg monthly) or leave it to the SRF itself to determine.	Likely the SRF will require a regular cadence initially, and may then be on a more as-required basis except for specific annual activities.	No	Yes
22.	<i>Frequency of shareholder meetings</i>	Annual, with a right for either shareholder to call a meeting at any time.	We would recommend adopting this as the standard approach.	No	Yes
23.	<i>What constitutes a quorum at a shareholders meeting</i>	A representative from each shareholding council.	We would recommend adopting this as the standard approach.	No	Yes

Term		Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
Decision-making by SRF					
24.	<i>Decision-making</i>	Generally by simple majority	We would recommend adopting this approach as it reflects equal voting rights for representatives on SRF (note unanimity point where there are 2 shareholders).	No	Yes
25.	<i>Responsibilities of SRF</i>	Suggest includes the following matters: (a) Approval of initial plan and budget (b) Preparation and approval of Statement of Expectations (c) Adoption of or changes to Director Skills Matrix (d) Director appointment policy (e) Comments to Water Organisation on draft Water Services Strategy (f) Review of draft Transfer Agreements (but not execution, as that is matter for Councils) (g) Review of draft Transitional or Service Level Agreements (but not execution) (h) Other matters	We would recommend it is appropriate to have all of these matters decided at SRF level, rather than at individual Council level. Note tangata whenua membership on the SRF may influence what is included in this scope or may require adjustments so that certain decisions are only for Shareholders as opposed to non-Shareholder representatives.	Yes	No
Reserved or other matters					
26.	<i>Matters requiring unanimous approval of shareholders</i>	Can include the following matters: (a) Addition of new shareholder (b) Addition of new party to the SRF (c) Liquidation or winding up of Water Organisation (d) Amalgamation (e) Other matters	We would recommend this should be limited to the most critical matters. We recommend (a) to (d).	Yes	No

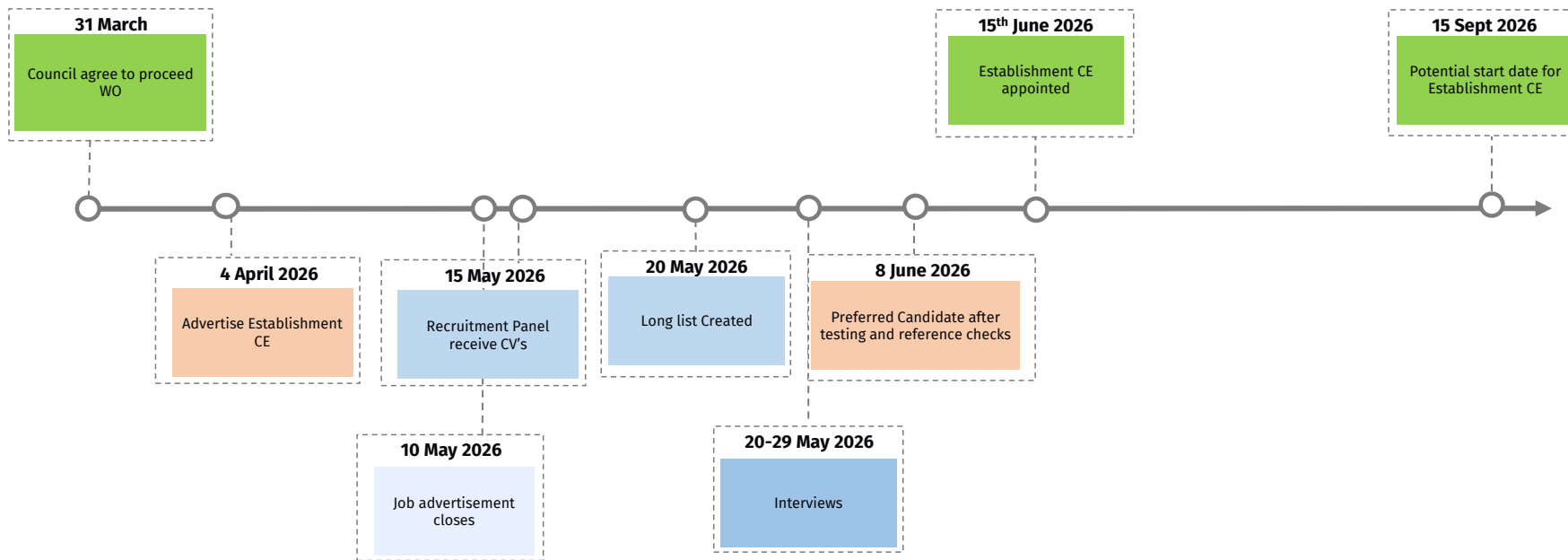
	Term	Options for consideration	Comments	Proposed political decision ¹	Proposed commercial decision ²
27.	<i>Matters requiring 75+% approval of shareholders' votes</i>	(a) Issue of, or changes to, buy-backs of shares (b) Major transactions (being transactions with a value of 50% or more of the assets of the Water Organisation) (c) Changes to constitution (d) Material change to the nature of the Water Organisation's business (e) Giving financial assistance for the purposes of purchasing shares (f) Other matters	We would recommend adopting this as per the list. This list should be limited to matters which require substantial alignment among shareholding councils. We recommend (a) to (e).	Yes	No
28.	<i>Protection against privatisation</i>	Expressly address this theme within the foundation documents	This is in direct response to a request from the JGG. On that basis we recommend including this provision. However, including such a clause is very unlikely to override any central government legislation.	Yes	No
Dispute resolution					
29.	<i>Dispute resolution regime</i>	Negotiation, mediation, arbitration	We would suggest including a usual escalation process and then mediation.	No	Yes

Option 1 – Establishment Chief Executive Pathway – proceed prior to final decision



Information is provided for general information only and does not constitute a contract.

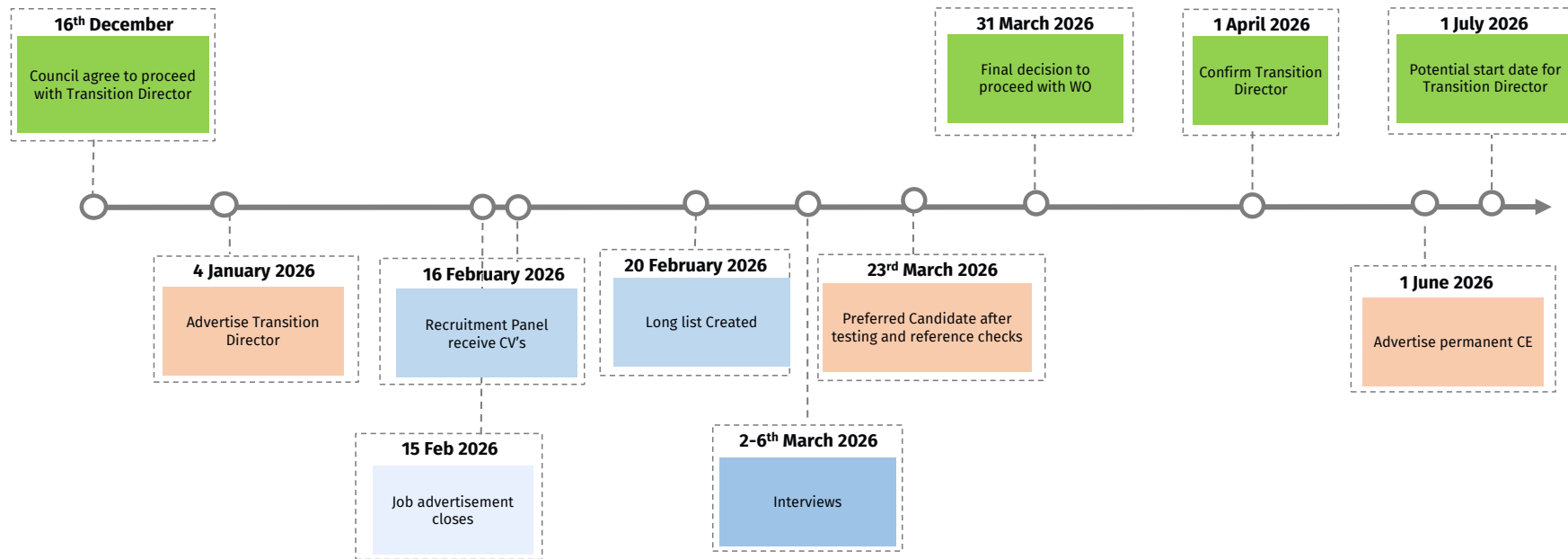
Option 2 – Establishment Chief Executive Pathway – proceed post to final decision



Information on this page is correct as at the date of publication. It is subject to change without notice.

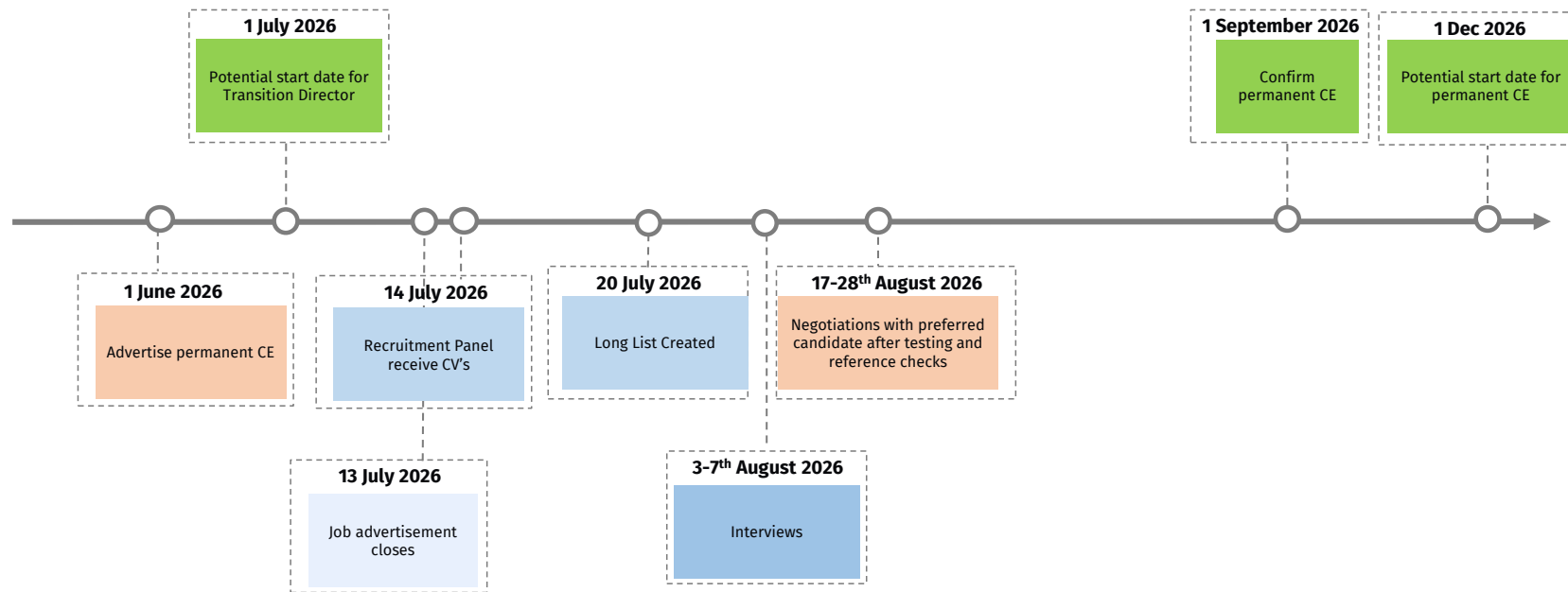
Option 3: Pathway for dual appointments, Transition Director followed by permanent Chief Executive

Transition Director is a fixed term appointment until post 'go-live' date of 1 July



Option 3 – Pathway for dual appointments, Transition Director followed by permanent Chief Executive, continued

There is an expected overlap for the roles of Transition Director and the permanent Chief Executive



Multi-Council Water Organisation Project Update – as at 5th December 2025

Operations (AMOS)	Digital & Customer	Legal & Governance	People & Workforce	Finance	Comms & Engagement	Tangata Whenua	Overall Project Health
●	●	●	●	●	●	●	●
RAG Indicators Legend: Green= On Track/To Plan, Amber= At risk, Lead is managing back to green, Red = Significant Risk, requires support							

Overall Project Updates

- Governance arrangements as set out in the joint Commitment Agreement Program have progressed further with the appointment of elected members from both Councils to the Elected Members Governance Group. The CE Oversight Group and the Steering Group has been functional since October. The Project Team has also been mobilised in part to undertake due diligence work (DD).
- Workstreams are undertaking DD work as outlined in the adopted "Multi-Council Water Organisation Summary Plan" and the flow of information to the Joint Governance Group (JGG) through fact sheets, reports and briefings is accelerating to meet key decision dates.
- Tangata Whenua representatives appointed to the JGG.

Workstream Lead Updates

Workstream	Progress Highlights for this period	Focus for next period
Legal & Governance	<ul style="list-style-type: none"> Stormwater: Prepared factsheets and briefings that addressed responsibility, ownership, WSP, charging, stormwater service zones, service level agreements, interface with regional council etc. Digital: Finalised MOU. Shareholders Representative Forum: Prepared I&O Paper for instructions. Interim Statement of Expectations: Prepared I&O Paper for instructions. Commercial Term Sheet: Prepared commercial term sheet to inform drafting of the foundation documents. 	<ul style="list-style-type: none"> Stormwater: Finalise I&O Paper, including working with finance to finalise financial modelling, for EMG meeting on 22 December 2025. Director Skills Matrix: Provide to each council's EMG and the TW working group for review and comment. Finalise draft for endorsement. Commercial Terms: Preparing I&O papers for issues requiring political and Tangata Whenua input and recommendation papers (for commercial issues). These matters will be addressed at a combination of TMG, WBMG and JGG meetings in February 2025. Legal Due Diligence: Complete and answer self-assessment questionnaires on legal claims and contracting arrangements. Next I&O Papers will include WO Governance Structure and Shareholding and Voting Rights.
Digital & Customer	<ul style="list-style-type: none"> MoU, Business Case, Independent VfM work completed and ready for Dec 16th. Board & Elected member engagement underway. 	<ul style="list-style-type: none"> 16th Dec council resolutions TCC/WBOPDC, 18th Dec IAWAI board resolutions. Phase 1 mobilisation planning for Q1 (facilities, resources, contracting and Joint Partnership Agreement).
Finance	<ul style="list-style-type: none"> A Draft Finance Workstream Plan has been prepared for review by the Steering Group Financial modelling is underway to compare effects of Stormwater remaining in-house <p>Initiating work on debt due diligence</p>	<ul style="list-style-type: none"> Working with AMOS workstream to align DD financial outputs with assets / land related elements. Financial modelling associated with SW options. Establishing basis for debt figures for TCC for due diligence work.
People & Workforce	<ul style="list-style-type: none"> Functional design workshops held with senior leadership from both Councils Prepared a Draft P&W Workstream Plan and functional Design documents 	<ul style="list-style-type: none"> Review and finalise P&W Workstream Plan for Steering Group adoption. Functional design outputs to flow into stranded costs finance workstream.
Asset Management & Operation Systems (AMOS)	<ul style="list-style-type: none"> Held joint hi-level AMOS scoping workshops. Drafted schedule identifying AMOS elements for "Due Diligence" (DD) assessment. 	<ul style="list-style-type: none"> Identify staff within both organisations to co-ordinate and undertake DD tasks. Agree target dates for all DD elements . Finalise Workstream Plan. Develop DD Questionnaire.

Multi-Council Water Organisation Project Update – as at 5th December 2025

Communications & Engagement	<ul style="list-style-type: none"> • Drafting and publication of Water Services Delivery Plan acceptance & respective Council working group appointments media releases. • Updating of respective Local Water Done Well project web pages - Local Water Done Well Your Place Western Bay of Plenty / Delivering water services through future partnerships. • Initial discussions on brand development process, including scoping document and strategic framework for multi-council water organisation. 	<ul style="list-style-type: none"> • Potential joint communications – media release – following 16 December Council meetings on progress to date and key decisions. • Progressing brand development process, including scoping document and strategic framework for multi-council water organisation. • Liaising with Tangata Whenua workstream on Tangata Whenua involvement in the development of the brand project document, and subsequent brand process .
Tangata Whenua	<ul style="list-style-type: none"> • Tangata Whenua have confirmed 6 representatives who will sit on the Joint Governance Group. 	<ul style="list-style-type: none"> • Confirm with the 6 representatives the areas for Tangata Whenua input (proposed as per the Summary Plan). • Finalise a Partnership Plan (now the 6 representatives are onboard) as per Commitment Plan requirements. • Work with the Tangata Whenua working group.

11.4 Mount College 50m Pool Due Diligence

File Number: A19105023

Author: Cashy Ball, Principal Advisor to the Executive
Alison Law, Head of Spaces & Places
Susan Braid, Finance Lead Capital Performance and Community Investment

Authoriser: Marty Grenfell, Chief Executive

PURPOSE OF THE REPORT

1. The purpose of this report is to present the findings of the due diligence work undertaken to date on the Mount Maunganui Aquatic Centre Proposal, to develop a 50m outdoor training pool at Mount Maunganui College.
2. This report seeks either Council agreement to provide a one-off capital grant and ongoing operational grant funding to subsidise the cost of the 50m pool. Or Council request staff present a report to Council in early 2026, following resolution of outstanding actions.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Mount College 50m Pool Due Diligence".
- (b) Considers the outcome of the due diligence work undertaken to date.
- (c) Confirms support for the Mount Maunganui College 50m training pool expansion proposal, following due-diligence, including ongoing Council support to subsidise the community use of the pool, with:
 - (i) a \$4.945m +GST 10-year loan-funded operational grant for the pool construction, paid to the Mount Maunganui Aquatic Centre Trust. Currently budgeted to be phased over 2025/26 (\$2.59m) and 2026/27 (\$2.355m), although actual payment of grant will be dependent on project delivery and linked to key project milestones, and
 - (ii) up to \$340,000 +GST annual operational grant, inflated annually, based on actual net operational costs, on an ongoing basis to meet the extra cost of providing a 50m community pool. Starting with a 50% payment (up to \$170,000 +GST) in 2026/27 to reflect the first half year of operation and 100% (up to \$340,000 +GST) from 2027/28. Noting that the operational grant will not fully fund depreciation.

Subject to the satisfactory resolution of:

- New lease agreed between the Mount Maunganui College Board of Trustees (with Ministry of Education consent) and the Mount Maunganui Aquatic Centre Trust that, at a minimum, includes the new pool footprint and provides an initial term of 14 years and 364 days plus two 10-year rights of renewal (total potential tenure of up to 35 years).
 - Full capital funding for construction secured.
 - Quantity Survey peer review - due by 23 December 2025; and
- (d) Delegates authority to the Chief Executive to approve and execute the Funding Agreement and Operating and Community Use Agreement on behalf of council, consistent with the terms outlined in this report, including approving minor amendments

within delegated authority.

OR

- (e) Confirms continued in-principle support for the Mount Maunganui College 50m training Pool expansion proposal, including ongoing Council support to subsidise the community use of the pool. Instructs staff to report back to Council in the New Year for a final decision, once the final due diligence tasks and agreements between parties have been finalised, including the satisfactory resolution of:
- New lease agreed between the Mount Maunganui College Board of Trustees (with Ministry of Education consent) and the Mount Maunganui Aquatic Centre Trust that, at a minimum, includes the new pool footprint and provides an initial term of 14 years and 364 days plus two 10-year rights of renewal (total potential tenure of up to 35 years).
 - Full capital funding secured.
 - Finalised terms of the Funding and Operating and Community Use Agreements.
 - Quantity Survey peer review completed.
- (f) Agrees to prioritise the school carpark expansion, at a capital cost of \$296,982 +GST as a Council funded enabling project, by reprioritising existing budgets through the Annual Plan 2026/27. Noting that depreciation and maintenance costs of this carpark expansion would not be the responsibility of Council.
-

EXECUTIVE SUMMARY

3. This report asks Council to consider whether to confirm funding for the Mount Maunganui College 50m pool proposal or defer a final decision until outstanding due diligence tasks are complete. The project responds to long-standing community demand for a 50m pool, confirmed through engagement and surveys. The facility will primarily serve structured aquatic user training, freeing up lane space at Baywave and supporting training for major events and training camps. Delivery is community-led by the Mount Maunganui Aquatic Centre Trust (MMACT), with Council providing financial support and oversight.

Current Position

4. Preliminary design and engineering work is complete. Construction cost is estimated at \$7.1m, with Council's contribution capped at \$4.945m. A funding gap of \$2.155m remains.
5. Currently, operational modelling indicates an annual operating cost of \$596,000, against projected revenue of \$300,000, leaving a residual loss of \$296,000, excluding any renewals funding. Council is asked to consider an annual operating grant of up to \$340,000 +GST, which would mean that some money may be available to put in a Council held reserve for renewals. Financial sustainability will depend on user uptake, geothermal heating, and additional revenue streams.

Outstanding Actions

6. Several critical dependencies must be resolved before Funding Agreements can be finalised or Council funding can be released. These include:
- External Funding: Confirmation of TECT's \$1.2m application and other contributions to close the \$2.155m funding gap.
 - Legal Agreements: Completion of negotiations with the Ministry of Education (MoE) and execution of a new lease between the Board of Trustees (with MoE consent) and MMACT that, at a minimum, includes the new pool footprint and provides potential

tenure of up to 35 years; and finalisation of the Funding Agreement and the Operating & Community Access Agreement.

- Cost Verification: Peer review of Quantity Survey due 23 December. Residual risk of cost escalation remains, but Council's contribution is capped. Renewals costs and subsequent funding of renewals need to be finalised. Operating costs may reduce if geothermal heating utilised.
- Operational Model: Pricing and scheduling frameworks still to be finalised. Revenue assumptions depend on major user groups shifting training from Baywave, discussions with key user-groups still underway.
- Community Access: KPIs and pricing for equitable access to be embedded in agreements.

Residual Risks

7. Despite the mitigation actions taken to date, some risk remains, including:

- Land Tenure: Negotiations to date indicate that key MoE lease terms, particularly termination provisions, permitted use, and the absence of Council step-in rights may not be able to be amended. While the proposed lease provides potential tenure of up to 35 years, long-term community access cannot be guaranteed. Council staff are continuing conversations with MoE to see if these risks can be minimised through variations to lease terms.
- Financial Sustainability: Operating deficit could utilise most of the proposed operational grant, especially in the first three years, without including renewals funding. Renewals funding remains uncertain.
- Timing: Delays in resolving lease, funding, or QS review could impact procurement and delivery, risking missing the 2026/27 summer target and resulting in potential cost escalation.

BACKGROUND

Community demand for a 50m pool

8. Competitive and club swimmers have voiced demand for a 50m pool in Tauranga since before the development of Baywave in 2001. However, through both the Baywave Aquatic Centre and now the Memorial Park Aquatic Centre design phase, combining a 50m pool within an indoor aquatic centre has been considered unaffordable for the community.
9. Feedback that the Council has received through various Long Term Plans and user-group engagement has continued to highlight the community demand for a 50m pool.
10. In late October to early November 2024, the Council undertook a community survey targeted specifically at the aquatic needs of the whole community. This survey received a significant 5,292 responses from a broad range of community members, including existing aquatic users (75%) and non-aquatic users (25%). The key takeouts from the survey relevant to this proposal include:
 - 73% of respondents think we need more aquatic facilities in Tauranga, of these -
 - The second highest priority pool feature was an Indoor* 50m lane pool.
 - 45% of respondents had an indoor* 50m lane pool in their top 3 ranked features.
 - Of the 2,511 'other pool features' provided, a 50m pool was mentioned 4x more than anything else - 929 additional suggestions for a 50m pool.

*Note the survey specifically asked about an 'indoor' 50m pool.

11. Council's Annual Resident Survey in 2024 showed a decline in visitation for Council's swimming pools. The narrative provided by residents suggests that this decrease is due to the lack of availability of lanes at the time of visit, outdated facilities and high costs.
12. Targeted engagement was undertaken during January and February 2025 regarding the structured swimming and water sports community's aquatic needs:
 - Overall, it was clear that the needs of different user groups varied dependent on sport. A variety of facilities, through a coordinated network approach, is required to meet aquatic user needs.
 - For the swim clubs and surf clubs, a 50m pool is a high priority. For these clubs, a 50m pool would not mean they stop using other Council pools, but they will no longer need to travel to Rotorua for training in preparation for long-course events. For some, there is a desire for an indoor competition grade 50m pool.
 - Depth is a greater priority for water-sports and for some, being indoors is important. Storage, dry land space and seating are also important. Providing 2-3m deep pool space indoors would be ideal for these groups.
 - Across all users there is a common perception that lane availability is an issue, and this may be helped with the provision of any new lane space.

Mount Maunganui Aquatic Centre Trust's 50m pool proposal

13. Following a strong community response requesting a 50m pool, the Mount Maunganui Aquatic Centre Trust (MMACT) has identified an opportunity to work with the Council to provide an outdoor 50m training pool, at Mount Maunganui College. MMACT presented a proposal (attachment 1) for Council's consideration to the Council meeting on 27 May 2025. The proposal presents an opportunity for the Council to support the provision of a 50m training pool for the Tauranga community, without having to meet the full cost of building and maintaining the pool.
14. The Council resolutions at the 27 May 2025 Council meeting included that the Council:
 - f) Confirms in-principle support for the Mount Maunganui College 50m Pool expansion proposal, including ongoing Council support to subsidise the community use of the pool, with:
 - i. a \$4.945m initial 10-year loan-funded operational grant for the pool construction, paid to the Mount Maunganui Aquatic Centre Trust over 2025/26 (\$2.59m) and 2026/27 (\$2.355m), and
 - ii. up to \$340,000 annual operational grant, based on actual net operational costs, on an ongoing basis to meet the extra cost of providing a 50m community pool, as outlined in the Mount Maunganui Aquatic Centre Trust proposal (attachment 4). Subject to: Annual Plan decisions and their impacts on the balanced budget financial benchmark, formal support for the proposal from Ministry of Education and Mount Maunganui College Board of Trustees, and the outcomes of resolution (g).
 - g) Instructs staff to continue further due diligence and financial modelling, and to work with the Mount Maunganui Aquatic Centre Trust to finalise a funding agreement that provides:
 - i. the legal and financial framework for the upgrade and ongoing operation of a new 50m pool,
 - ii. long-term confidence to the Mount Maunganui Aquatic Centre Trust and the Council regarding the financial sustainability of the proposal, and
 - iii. fair, equitable and safe community use of the pool, including non-structured community open use.

h) If resolution (f) and (g) are not successfully implemented, signal in-principle support for option 2, 33m pool expansion to a wider 33m x 25m pool in 2025/26 and 2026/27 approving:

- iii. an initial 10-year loan-funded operational grant of \$2.6 mil for construction, and
- iv. an ongoing operational grant of up to \$20,000 to cover the additional cost of meeting PoolSafe requirements,

as the alternative preferred option. Subject to Annual Plan decisions and their impacts on the balanced budget financial benchmark and formal support for the proposal from Ministry of Education and Mount Maunganui College Board of Trustees.

OBJECTIVES OF THE 50M POOL

- 15. The primary offering of the 50m pool will be providing for 50m lane swimming training. This unique offering for Tauranga will enable our top level, competitive swimmers to train in a pool that is consistent with national swimming competitions.
- 16. In addition to specific long-course event training, a 50m pool also provides enhanced fitness training for all aquatic users. This will benefit the large range of aquatic users in the city, including surf life-savers, triathletes, underwater hockey and water polo. Opportunities to enhance high-performance sport through access to a 50m pool are far reaching.
- 17. The pool will also be a valuable community training asset in the lead up to and during major national and international sporting events including the upcoming world triathlon series, surf-lifesaving competitions, training camps for national and international athletes, for example high-performance water-polo. All of which can bring financial and social benefits to the city.
- 18. The provision of a 50m pool within the city’s aquatic network will have an impact on the wider pool network. Consultation with structured aquatic sport users identified that a range of clubs would look to shift at least some of their training sessions to the 50m pool. For current Baywave users there is potential for a large portion of training moved from Baywave to the 50m pool if the funding model, scheduling and access are well managed. Based on best estimates, it is likely that up to 115 lane hours per week of training could move from Baywave to the 50m pool, and this space at Baywave would be expected to be filled straight away by other users (both structured use and lane swimming).

STATUTORY CONTEXT

19. Council is not statutorily required to provide aquatic facilities. However, in making this decision Council must comply with the decision-making obligations in sections 76–79 of the Local Government Act 2002, and the financial management and funding principles in section 101, including consideration of the long-term costs, funding sources and financial sustainability of the proposal. The provisional Council grant to MMACT to support the 50m pool is included in Council’s Annual Plan 2025/26.

STRATEGIC ALIGNMENT

20. This contributes to the promotion or achievement of the following strategic community outcome(s):

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	<input type="checkbox"/>
We are a well-planned city that is easy to move around	<input type="checkbox"/>
We are a vibrant city that embraces events	✓
We are a city that supports business and education	✓

21. The provision of aquatic facilities contributes significantly to community well-being, creating a thriving environment and contributing to community safety, health, social connection and enjoyment.
22. Current aquatic network planning (based on catchment analysis and condition assessments) supports the Mount College 50m Pool expansion delivering a unique service (50m training) alongside the suite of existing aquatic offerings and further project upgrades for other aquatic facilities – Ōtūmoetai (upgraded), Memorial Park Aquatic Centre and in the future - Wairakei and Tauriko. There is currently \$94m in 2041-44 for a new community aquatic facility.
23. The 50m pool will expand the aquatic facilities available within the city, meeting the needs of a wider community. The pool will also specifically support training for sporting events, specifically with the upcoming World Triathlon Series and other national and local sporting events. The pool will also be a valuable addition for school use, both the Mount Maunganui College and other local schools, and will expand the capacity for learn to swim through to high performance training.
24. Delivering a stand-alone indoor 50m pool would cost Council significantly more money to build and operate alone. Delivering a pool through a school means that off-peak times (during school hours) the pool is still being well utilised. This proposal does not meet the community demand for an indoor event 50m pool facility, which would be a much more costly project, and the school location would not be ideal for that facility. Council may consider an indoor 50m pool capable of hosting large events in future years as part of the Aquatic Network Plan. However, this proposal presents a relatively quick and value for money solution to meet the majority of the 50m pool community training demand. Council funding for community pools to subsidise user-fees is common practise, with all Council pools operate by Bay Venues being subsidised by rate-payer funding to ensure affordable access for the community.

WORKING GROUP


25. Since the Council resolution on 27 May 2025, a working group has been meeting comprising the Deputy Mayor and Councillor Schuler, Council staff, MMACT, Mount Maunganui College, New Zealand Commercial Construction Limited (NZCCL) (construction) and Omanu Swim Club (operation). The group has also been engaging with the Ministry of Education (MoE), Bay Venues and user-groups as required.
26. The focus for the working group has been to work through the due diligence requirements identified through the 27 May 2025 Council report, and develop a concept that is financially robust, sustainable, maximises community benefit and safeguards community investment.

DUE DILIGENCE ON THE PROPOSAL

27. The Council report of 27 May 2025 identified the need for due diligence covering three key components of the proposal: the legal and financial framework, financial sustainability of the proposal, and fair, equitable and safe community use of the pool,

Dashboard Summary

Assessment Area	Status	Key Conditions / Actions
Legal & Financial Framework	● Partially resolved	Continue negotiations with the Ministry of Education on the lease. Confirm Council’s tolerance for the level of residual risk that may remain in the lease. Finalise and execute funding agreement and Operating & Community Access Agreement.
Financial Sustainability	● Partially resolved	Secure all external capital funding, complete QS peer review. Confirm operating cost assumptions, including the impact of geothermal heating. Include robust reporting and audit requirements in the agreements. Finalise the approach to renewals obligations and funding.

Fair, equitable and safe community access	 Partially resolved	Through Operating and Community Access Agreement, confirm KPIs for community use, the pricing and scheduling framework, the visibility of the booking system, and PoolSafe compliance. Establish ongoing mechanisms for Council oversight and reporting
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THE LEGAL AND FINANCIAL FRAMEWORK

- 28. Various legal structures were reviewed by the Working Group to ensure the framework met the requirements of each party. The proposed framework, Community-Led Delivery, is consistent with MMACT’s original proposal. The project remains community-led, with MMACT responsible for delivery and ownership of the improvement works on the pool, the college will provide land tenure through MoE consent (lease), and Council will provide both capital and operating support linked to community outcomes.
- 29. Ownership of the pool will continue to sit with Mount Maunganui College, as the facility is located on Ministry of Education land. MMACT will hold the lease from the College (with MoE consent) and will be responsible for managing the facility. Omanu Swim Club will then operate the pool under a licence from MMACT.
- 30. The key agreements required to formalise this structure, including the lease, funding agreement, and operating and community access agreement, are still under negotiation.

Deed of Lease:

- 31. The lease is between the Mount Maunganui College Board of Trustees (as Landlord) and the Mount Maunganui Aquatic Centre Trust (as Tenant), with the Ministry of Education providing consent under section 162 of the Education and Training Act 2020. The lease requires MMACT to maintain and manage the pool while ensuring College access during school hours. The Ministry has advised that the lease must remain in its standard form, and that the majority of key provisions cannot be amended. The permitted use is restricted to “swimming school business”, with any additional educational or community use requiring case-by-case written approval from the College. The lease provides a 15-year (14 years and 364 days) initial term, with two further 10-year rights of renewal, giving a potential maximum tenure of 35 years.
- 32. The following table identifies a summary of potential risks with the proposed lease and MoE’s response. Staff propose to continue negotiating with MoE to see if some common agreement can be reached. It would be useful to have Council’s view on the level of risk appetite for these issues:

Clause	Potential Risk	MoE response
Permitted use	The lease only allows MMACT to operate a swim school. MMACT/Omanu Swim Club will be operating outside the lease terms	Lease cannot be amended – other purposes can be approved by the Board of Trustees, from time to time.
Termination rights	The proposed lease does not allow Council to step in or take over operations if MMACT cannot continue. This creates a continuity risk for Council’s investment	The lease cannot be amended to include step-in rights or pre-approved assignment to Council (or a CCO). MoE may choose to sign a lease with Council in this scenario.
Continuity of operations (step-in and assignment)	If anything should lead to MMACT no longer being able to manage the pool, the lease will be terminated, rather than Council being able to take over	Lease cannot be amended to allow Council step-in rights. In this eventuality, MoE may choose to sign a lease with Council.

- 33. The lease does not currently explicitly provide for the type of use proposed by the Trust (namely other user-groups hiring lanes, or open community swimming). Whilst it is likely that

the proposed operation would still operate as proposed, it must be acknowledged that this is outside of the lease terms.

34. The lease includes a number of broad termination rights for the Board of Trustees and the Secretary for Education, including termination for educational repurposing, uneconomic repairs, or damage and destruction. Although the College has indicated verbally that early termination is unlikely, these clauses cannot be amended and create a risk to Council's capital and operational investment.
35. Whilst step-in rights have been proposed, to enable the Council to step-in and take over the lease and operations should MMACT no longer be in a position to do so, this is not able to be provided for in the lease. This intention can be included in the Council's funding agreements with MMACT, but this will not impact the lease. Again, verbal assurance has been provided that, should this eventuality occur the College would support Council, or an appropriate alternative, stepping-in and taking over the lease. However, this is a remaining risk.
36. Council staff are continuing conversations with MoE to see if these risks can be minimised through variations to lease terms. Council will need to consider whether the level of residual risk in the MoE lease framework is acceptable.

Funding Agreement (Capital):

37. The final details of the Funding Agreement are still to be determined, but the Agreement is proposed to include:
 - Milestone-based payments, with Quantity Surveyor approved drawdown reports providing assurance of work.
 - Quarterly financial reporting during construction.
 - A quality assurance process to enable a Council representative to assess and physically audit work underway.
 - Requirement for payments to be made subject to receiving receipts and proof of work completed.
 - Requirement for Council staff to review contracts and insurance arrangements.
 - Proof of full funding commitment prior to Council providing any funding.
 - Subject to Building Consent prior to Council providing any funding.

Operating & Community Access Agreement:

38. The final details of the Operating and Community Access Agreement are still to be determined, but the Agreement is proposed to include:
 - Community use performance measures and reporting requirements, with targets to be met to release funding.
 - Council approval of the fee pricing framework and visibility of booking system.
 - Open-book approach to operating and revenue to substantiate operational grant requirement.
 - Requirement to gain, retain and comply with PoolSafe accreditation and a minimum maintenance schedule including water testing.
 - Asset Management Planning requirements, including renewals funding
 - Inclusion of a Council representative to attend MMACT Board meetings
 - Agreement that, should MMACT be unable to continue managing the pool, full cooperation would be provided to transfer management to Council, or a suitable replacement, subject to MoE agreement to transfer the lease.
 - Ongoing operational reporting to ensure transparency and responsible use of ratepayer funding

Conclusion

39. Legal and governance arrangements are partially satisfied. The final wording of the agreements are still being finalised, but the intent is outlined above. The risks associated with the lease arrangement have not been mitigated to date and staff will continue negotiating with MoE to mitigate the risk. However, Council will need to consider the level of risk in accordance with its risk appetite, if negotiations with MoE fail to mitigate these risks.

FINANCIAL SUSTAINABILITY OF THE PROPOSAL

Construction costs

40. Preliminary design work is complete, and engineering investigations have been funded by Council to confirm construction feasibility and cost assumptions. Final pool, heating, filtration, and carpark designs have been provided by NZCCL, with an independent Quantity Survey (QS) completed by PHC Ltd - Quantity Surveyors and a peer review currently underway by Rider Levett Bucknall (RLB). Procurement and construction will be managed by the MMACT appointed contractor, and will be subject to Council review of contracts and insurance arrangements.
41. The independent QS of the pool construction quote estimated the construction cost at \$7.6m. This is \$500,000 above the quote from NZCCL (\$7.1m). The QS from PHC notes that the favourable pricing reflects NZCCL's relationship with both MMACT and suppliers. The independent peer-review of the QS is still underway. There is a residual risk that the actual construction cost exceeds the quote, and if Council approves funding capped at \$4.945m, the requirement to fund any additional costs will fall on MMACT.
42. The design incorporates energy-efficient filtration systems, with geothermal bore heating being proposed. Use of solar is also being investigated. If implemented, use of solar and geothermal would require an updated renewals and operating cost plan but are expected to reduce operating costs. A renewals plan is already in place to support long-term asset maintenance.

Funding

43. The construction cost is \$7.1 million, with Council's contribution capped at \$4.945 million over two years. A funding gap of \$2.155 million remains, requiring confirmation of external funding. The Trust has applied to TECT's Facilities of Regional Significance Fund for \$1.2m and this will be considered at the TECT Board's meeting in December, with a response expected before Christmas. Early indications suggest a high level of support for the project. The Omanu Beach Charitable Trust has provisionally agreed to underwrite a shortfall in funding of approximately \$250,000 whilst fundraising continues.
44. If the \$1.2m TECT funding is successful, funding of \$955,000 is still required. MMACT are actively pursuing additional funders and are very confident the remaining funds will be obtained. The Funding Agreement proposes that all funding be secured prior to Council releasing funds. That provides Council confidence that extra funding will not be required from the Council to finalise the project.

Operational

45. To inform the likely annual operational grant that MMACT will require from the Council to operate the pool, investigations have included reviewing the operating cost assumptions and the expected revenue income.
46. Operational costs of a 50m x 25m pool will be significantly higher than the current 33m college pool. As a result, expertise had been sought from Aquatics specialists at Beca and Visitor Solutions, to ensure the cost assumptions are grounded in best practice and technical modelling. The total operating cost is anticipated to be \$596,000 per annum, with an additional annual cost still to be finalised to fund specific renewals over 50 years. Of the operating cost, the largest component currently is in electricity costs – with \$214,000 calculated to run the pool via large heat pumps. MMACT proposes to utilise geothermal bores for heating, which could significantly reduce the operating cost.

47. Assumptions regarding revenue have been calculated utilising feedback from key aquatic users. Actual usage cannot be guaranteed, however the strong community desire for a 50m pool, coupled with targeted engagement can provide Council with a level of confidence that the pool will be well utilised. This will require a good pricing structure, scheduling and access model. Conversations to date have informed various funding models which suggest that the pool could be expected to generate between \$250,000 to \$300,000 in user-group fees, depending on pricing structure, pool usage and effective scheduling. In addition, the school has agreed to fund \$45,000 towards the pool's operation.
48. Conversations with key user-groups will continue, to provide greater confidence around revenue assumptions. However, it's important to note that the financial viability of this project and the benefit of freeing up space at Baywave, are dependent on large user-groups moving a large portion of their training from Baywave to Mount College Pool.
49. Applying conservative measures to inform a prudent Council decision, Council might assume an operating cost of \$600,000, off set by revenue of \$300,000 (including school's contribution). This would leave an annual deficit of \$300,000, slightly lower than the original estimate of \$340,000 in the MMACT's original proposal. However, this does not account for the annual funding of renewals.
50. Whilst funding renewals is essential to ensure future sustainability of the facility, Council may consider that not fully funding depreciation is appropriate as the pool is not a Council asset. An estimate for renewals funding specific component parts necessary to keep the pool operating suggests annual renewals funding of \$163,000, subject to finalisation. The renewals funding requirement may be reduced because this is a community-led project, and as such the Trust may be able to attract external funding for their key renewal projects. However, this is not guaranteed, and MMACT may revert to Council if alternative funding was not forthcoming and appropriate renewals reserves had not been accumulated.
51. The amount of annual operational grant required to fund the annual operating deficit should reduce over time. The use of the pool is likely to increase over time, bringing more revenue. If MMACT install a geothermal bore this could significantly reduce the operating costs. Opportunities for additional revenue from training camps, or summer community open swimming might also reduce the operating deficit. This may enable a greater portion of Council's operating grant to be set aside for renewals
52. If Council sets a maximum operating grant, MMACT would then be responsible for funding any shortfall. However, if the operating deficit is less than calculated, any Council funding not required to fund the annual operating deficit would be directed into a Council held renewals account. If the deficit and renewals funding are less than Council's maximum operating grant, Council would pay less to MMACT that year.
53. Operational support of up to \$340,000 +GST annually is proposed to cover additional costs of providing a 50m community pool.

Conclusion

Financial analysis is partially satisfied. Full project costings have been received including an independent QS. Work has been undertaken to substantiate both the expected revenue and operating costs of the pool. Work still to be confirmed includes securing additional external funding, assessing the operational cost reduction by using geothermal bores, finalising annual renewals costs, completing QS peer-review, embedding robust reporting requirements and quality assurance processes in the funding agreement, and continuing conversations with key users to increase confidence in the revenue assumptions.

FAIR, EQUITABLE AND SAFE COMMUNITY USE OF THE POOL

Community Access

54. Council is considering supporting the project because the proposal aligns with Council's strategic objectives for community wellbeing and active lifestyles. Strong community demand for a 50m pool has been confirmed through Long Term Plan feedback, user-group

engagement, and the October-November 2024 aquatic needs survey (5,292 responses), where an indoor 50m pool ranked as a top priority. Targeted engagement with structured aquatic users reinforced the need for long-course training capacity.

55. The operating model will rely on MMACT and Omanu Swim Club, with Council providing ongoing operational funding support and oversight. Key agreements to secure fair and equitable community access, including non-structured open use, have been discussed and are being included in the Operating and Community Access Agreement. Health and safety compliance (including PoolSafe standards and appropriate lifeguard arrangements) are a prerequisite to Council funding.
56. Ensuring fair and transparent access to lane hireage is the responsibility of Omanu Swim Club as the facility operator. However, Council will oversee this, with KPIs set through the Operating and Community Access Agreement to ensure a range of users are provided appropriate access. Council oversight will also extend to the pricing structure, which will be set at a rate that maximises use of the pool whilst covering the greatest amount of operating costs.
57. Aquatic user-groups have been engaged with, to ensure that the proposal will meet the needs of these groups. 50m lanes will fill a gap in the Tauranga market currently for competitive training and fitness swimmers, whilst the significant increase in overall lane space will be beneficial for many users.
58. The focus of the pool is as a training pool, and as such the majority of community use is anticipated through user-groups. This has several operational benefits that help the financial viability of the pool. This will also have a wider benefit for community users of other Council pools, particularly Baywave, as lane space will be freed up for other users (both structured and lane swimming).
59. General community open swimming (swimmers not associated with a club) is proposed to be restricted to dedicated hours on the weekend, or during summer holidays. However, this will remain a flexible component of the operation, to be adjusted in line with demand and lane availability.

Conclusion:

60. Community access is not yet finalised. Assurance will be provided through the Operating and Community Access Agreement. The Agreement will require MMACT to continue working with Council to evolve the approach to community access and establish a transparent pricing framework that ensure affordable and equitable access for users.

OPTIONS ANALYSIS

Option 1 – Approve funding for the 50m pool

61. Provide a commitment to a capital grant of \$4.945m and an ongoing operational grant of up to \$340,000+GST, and delegate to the Chief Executive to sign the relevant funding agreements, subject to the satisfactory resolution of the following actions:
 - Updated lease signed between Ministry of Education and MMACT that satisfactorily meet's Council's requirements, including at a minimum the new pool footprint and extends the lease tenure to 35 years.
 - Full capital funding secured outside of Council's contribution
 - QS peer review
62. **Advantages** - This option provides the greatest level of certainty to the Trust and allows for the project to commence, once the necessary actions have been completed. The first step in the construction process is ordering the Myrtha pool from overseas, and the earlier in the New Year that can be completed, the more likely the pool can be in and operating for summer 2026/27, minimising disruption for the school and current pool users. Note the Trust would like to order the pool in January 2026.

63. **Disadvantages** - There are still a number of actions outstanding and Council may wish to understand the outcome of those processes prior to finalising commitment to the project. This may be particularly relevant where the outcome will impact the financial sustainability of the project. An additional requirement could be that the Elected Members on the Working Group make a recommendation to the Chief Executive prior to signing the funding agreements.

Option 2 – Reaffirm support but delay decision for a 50m pool until early 2026

64. Request a report be provided to Council in early 2026 outlining the final outcome of those actions still outstanding, signalling an ongoing in-principle intention to provide funding for a capital grant of \$4.945m and an ongoing operational grant of up to \$340,000, depending on the outcome of the work still underway.
65. **Advantages** - This approach continues to signal Council support to the Trust and allows further actions to be undertaken. It provides Council assurance that full information will be brought back to Council prior to a final decision being made, including greater confidence around ongoing financial sustainability.
66. **Disadvantages** - This approach may delay the project, if all outstanding actions have been completed and there is a gap before a scheduled Council meeting. This is more likely over the Christmas break with nearly 2 months between Council meetings. If the project is delayed, there is a risk that the pool may not be ready for Term 4 2026. There is also the potential for cost escalations if the project is delayed. However, the risks associated with a delayed project are more likely to come as a result of outstanding actions (for example full funding secured or finalising agreement with the MoE) rather than Council delaying a decision.

Options 3 – Revert to a 33m pool

67. Revert to supporting the 33m pool proposal, on the basis that the financial sustainability and due diligence undertaken has been unable to provide assurance to Council's satisfaction, as signalled in Council's resolution of 27 May 2025. The 33m pool proposal included an initial 10-year loan-funded operational grant of \$2.6m for construction, and an ongoing operational grant of up to \$20,000 to cover the additional cost of meeting PoolSafe requirements,
68. **Advantages** - This option would limit the Council liability in terms of upfront capital grant and ongoing operational grant. It also significantly reduces Council's involvement in the ongoing operation of the pool as the annual operational grant is linked only to specific PoolSafe costs, not the costs of running the pool. It would enable the Trust to commence the 33m pool expansion with certainty.
69. **Disadvantages** - This option does not achieve a 50m pool for the Tauranga community, removing both 50m training lanes and the significant increased aquatic network capacity. Whilst Council's involvement would be reduced, outstanding actions related to the lease agreement with MoE and confirmation of full funding would still be a requirement of Council funding.

CARPARK

70. The design of the expanded pool means that the facility extends onto an area of school land currently used for staff parking, removing 12 carparks. As a condition of the project being undertaken, the school require that their overall parking capacity is maintained. To fulfil this requirement, Council will extend the existing staff carpark west into Council owned Macville Park. This will create nine new carparks to offset the 12 carparks lost. The cost of this project is \$297,000 +GST and Council staff are proposing to fund this work within existing capital budget, offsetting the cost through reprioritising funds underspent within the Spaces and Places activity. This capital budget variation will be made through Council's 2026/27 Annual Plan.

71. The extension to the school carpark into Macville Park will be owned by Council, with the College funding the ongoing maintenance and renewals. The carpark will be available for use by the public outside of school hours, to use the pool or Macville Park.
72. Up to five additional carparks within the existing Macville carpark will also be marked for school use during school hours, to offset the remaining carpark shortfall. The cost of this marking will be covered as part of Council’s regular maintenance schedule.

FINANCIAL CONSIDERATIONS

High-level Financial Summary

Estimated construction costs and funding:

	\$	Commentary
Construction		
Council Contribution	\$4.945m	Council contribution capped (loan funded operational grant)
External Funding	\$2.155m	Trust applying to TECT regional fund for \$1.2m
Pool Construction	\$7.1m	
Carpark		
Carpark expansion	\$0.3m	Undertaken as a separate project and funded within existing capital budget

Based on current modelling and discussions with users, the following table outlines the potential operating cost and application of annual operating grant:

Ongoing operation		
Estimate Annual Operating Cost	\$596,375	
Annual Renewals Plan	\$163,109	Based on a 50-year renewals plan for core components – Note this figure doesn’t take into account inflation or geothermal
Total annual cost	\$759,484	
Estimate Annual Revenue	\$300,000	Include \$45,000 contribution from the college
Residual Loss (including renewals)	\$459,484	\$340,000 capped annual operational grant (shortfall if funding core renewals)
Residual Loss (excluding \$163,109 renewals)	\$296,375	Loss if not funding renewals (leaving \$44,000 of Council’s \$340,000 grant for renewals funding)

73. The construction cost of \$7.1m will require \$4.945m of Council loan funded opex funding. This is provided for through Council’s current budgets, with \$2.59m contained in this year’s Annual Plan (2025/26) and \$2.355m proposed in Council’s 2026/27 Annual Plan. Actual payment of the loan funded opex grant will be subject to meeting milestones and will not necessarily align with this planned phasing.
74. The base case financial model for the 50m pool (excluding open community swimming) projects total annual revenue of \$300,000 (including the school’s \$45,000 contribution – note these revenue assumptions are still being reviewed) against total operating costs of \$759,484, resulting in a residual operating loss of \$459,484. The model includes an annual

renewals allocation of \$163,109 (to be finalised) within the operating cost, to be held by Council in a renewals reserve.

75. Through the Council's 27 May resolution, Council approved in principle a grant of up to \$340,000 +GST per annum based on assumed net operating shortfall. Under the current base case, it is predicted that the residual loss (excluding renewals) will not exceed the \$340,000, however this does not allow for funding renewals. Council may decide to increase the operational grant cap to match the anticipated renewals requirement, once confirmed, or cap the operational grant and require the Trust to manage operational costs, renewals and revenue in such a way as to cover the shortfall, or seek alternative external funding.
76. The Council operational grant could be used to cover annual operating costs, with any additional funds from the operational grant being put aside for renewals.

Key modelling assumptions:

77. Capital costs are based on costings provided by NZCCL, the construction company tasked with building the pool. The costs include \$100,000 of contingency and that contingency would be removed from Council's funding portion if not required through the project. The project costings have been subject to an independent quantity survey by PHC Ltd and then an additional peer-review is being completed by RLB. The outcome of the independent peer review of the QS is due on 23 December 2025.
78. Revenue reflects expected user bookings and the school contribution. The user bookings are an assumption based on conversations with key user groups. There is no guarantee of bookings, and it may take some time to transition to the full schedule. Open community swimming and training camps are not yet included in revenue. Open community swimming will be implemented using a membership model during term times and open for recreational swimming during summer holidays. Training camps would be required to bring additional revenue compared to regular bookings.
79. Lifeguard costs are not included in the operating costs, as the proposed operating model requires user-groups to provide their own life-guard services, with support for training provided by Bay Venues. Paid lifeguards will only be utilised when open community swimming occurs, and the revenue from open community swimming would off set the cost of lifeguards. The base case excludes open community revenue.
80. Operating cost inputs are based on assumptions developed between the MMACT, Omanu Swim Club and reviewed by Bay Venues and Visitor Solutions, with technical input from Beca.
81. The renewals plan provides for major components such as filtration and heating on 15 year cycles. The annualised renewals requirement of approximately \$163,109 is still to be finalised and would be held by Council in reserve.
82. Geothermal bore heating is proposed by the Trust. If implemented, the renewals and operating cost plan would be updated from the current heat pump costs.

LEGAL IMPLICATIONS / RISKS

83. The risk analysis done on this project across design, construction, funding, and operational phases meant that most risks could be mitigated or were low risk. However, some, residual risks remain that Council should note:
 - (a) Funding certainty – External contributions (e.g. TECT's Regional Facilities Fund) are not yet confirmed. Council's decision will need to be conditional on securing these funds.
 - (b) Cost escalation – Despite independent QS reviews, construction cost overruns remain possible. The funding agreement should cap Council's contribution at \$4.945m.

- (c) Operational sustainability – The Trust and operator have limited financial capacity. Quarterly financial reporting and clear KPIs for community access should be embedded in agreements.
- (d) Financial Sustainability – The Working Group are still finalising the likely cost of renewals and operational costs if a geothermal bore is utilised, and revenue expectations. Unfavourable variances in renewals and revenue will impact the financial viability of the pool.
- (e) Land and access dependencies – The pool is on Ministry of Education land; while assurances have been provided, any future change in school or MoE priorities could impact community access. This risk cannot currently be mitigated, but conversation will continue with MoE.
- (f) Delivery timing – Delays in QS peer review, MoE agreement or external funding could push the Funding Agreement beyond December, affecting procurement timelines.

84. Mitigation actions to date include:

- Agreement with MoE to increase tenure to 35 years.
- Early and frequent meetings between key parties.
- Strict funding agreement clauses (including step-in rights and PoolSafe compliance),
- Independent Quantity Survey reviews.
- Pre-funding early engineering work to minimise construction unknowns.
- Technical reviews of operating and revenue models.
- Review of MMACT, Omanu Swim School, and NZCCL as key partners.
- User-group engagement.
- Negotiated ongoing Council involvement in the pool governance.

These measures aim to reduce residual risk, but Council should note that some dependencies remain outside its direct control.

TE AO MĀORI APPROACH

- 85. As a funder, Council cannot control the delivery of the pool construction. However, the following principles have been considered through the project:
- 86. Tūmanako - The Operating & Community Access Agreement will be worded to ensure equitable community access to the pool for a variety of aquatic users. This may enable the use of the pool to advance traditional water activities, for example waka ama training, whilst also responding to general community aspirations for greater aquatic facilities.
- 87. Manaakitanga – The pool expansion will increase the network capacity for learn to swim training in the city, contributing to increased safety of our people around the extensive bodies of water that surround the City.

CLIMATE IMPACT

- 88. The use of energy efficient filters is included in the design, alongside large energy-efficient heat pumps. However, geothermal bore heating is proposed which could significantly reduce the carbon footprint of the ongoing pool operation. Work is required to fully understand the impact on ongoing maintenance and operating costs of a bore. Solar photovoltaics are also being considered.

CONSULTATION / ENGAGEMENT

- 89. Extensive community engagement on the aquatic needs of the City have been undertaken and further information is provided under the background section of this report. Targeted user-group engagement has also been undertaken, including to inform the revenue assumptions provided through the funding model presented in this report.

SIGNIFICANCE

90. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
91. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
92. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance.

Whilst the decision is considered to be of medium significance, it is consistent with the Council decision of 27 May 2025 and provided for through the 2025/26 Annual Plan.

ENGAGEMENT

93. Taking into consideration the above assessment, that the decision is of medium significance, but consistent with an in-principle Council decision already made, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

94. Pending the outcome of this report, the working group will continue to finalise the outstanding details of the proposal, including the specific wording of the Funding and Operating and Community Access Agreements, continuing conversations with MoE, and key users.
95. Either the Chief Executive will then enter into agreements with MMACT, subject to being within parameters, or staff will bring a further report back to Council in the New Year.

ATTACHMENTS

1. **Attachment 1 - Original Proposal - Mt College 50m Pool - A19493821** [↓](#) 

Proposal - Mount College 50m Pool

From Mount Maunganui Aquatic Centre Trust
To Tauranga City Council
Date 14 May 2025

Project Overview

Project Title:

Extension of the Mount Maunganui College 33m Pool to a 50m Community Training Pool.

Project Description:

This project aims to extend the existing 33 x 13m pool located on Mount Maunganui College premises to a **50m x 25m** community training pool, providing for a broad range of community aquatic use including structured community aquatic training, open community swimming and school swimming.

Funding Requirements:

Initial grant of **\$4.945 million** to contribute towards the cost of extending the size (length and width) of the pool to meet community demand.

Ongoing financial support of up to **\$340,000** per annum to cover the additional operational costs for a 50m pool that meets community need and PoolSafe requirements.

Why partner with us:

This proposal presents an opportunity for Council to trial a different method of service delivery through purchasing aquatic capacity on behalf of the Tauranga community. Having demonstrated a proven model of pool management and governance for 13 years, this proposal presents an opportunity for Council to enable the delivery of a 50m pool to the Tauranga community within 18 months. The cost of delivering the pool will be significantly less for ratepayers than if the Council was to build a stand-alone facility. One key benefit of combining a community pool with a school pool is the complementary scheduling that means the pool will be utilised for a higher percentage of time, reducing the cost per swim, net cost and therefore reduced ratepayer subsidy.

Who will manage the Pool

Managing Entity:

Oversight of the project and ongoing management of the upgraded facility will be provided by Mount Maunganui Aquatic Centre Trust (MMACT) which has extensive experience in managing and successfully operating the existing pool for the last 13 years.

Current Mount Maunganui Aquatic Centre Trust Membership:

- Alistair Sinton – Mount Maunganui College Principal ,
- Erin Porteous – College Deputy Principal,
- Donal Boyle – Omanu Beach Charitable Trust,
- Ian Glover - Omanu Beach Charitable Trust.

The existing pool has been managed under contract by Omanu Swim Ltd for the last 13 year and MMACT has a 10 year contract with Omanu Swim Ltd to manage the pool going forward.

Omanu Swim Ltd is owned by Omanu Beach Charitable Trust. Current Directors:

- Donal Boyle,
- Trish Mau - Administrator.

The pool expansion will be delivered as a Joint Venture between MMACT and New Zealand Commercial Construction Limited (NZCCL), with construction managed by NZCCL. NZCCL has been building commercial buildings in the Bay of Plenty since 2012, including the Bartlett Pool. An example of a successful Joint Venture project for NZCCL was the Port of Tauranga Rescue Centre in 2022 in a Joint Venture with Omanu Beach Charitable Trust. NZCCL, through its owner Bevan Wood, has been closely involved in the development of this proposal alongside MMACT.

The pool will remain under the ownership of Mount Maunganui College, on Ministry of Education land.

Why the pool is needed

Rationale:

There is a high demand within the community for a 50m pool, which will offer numerous benefits, including improved training facilities in preparation for national and international events.

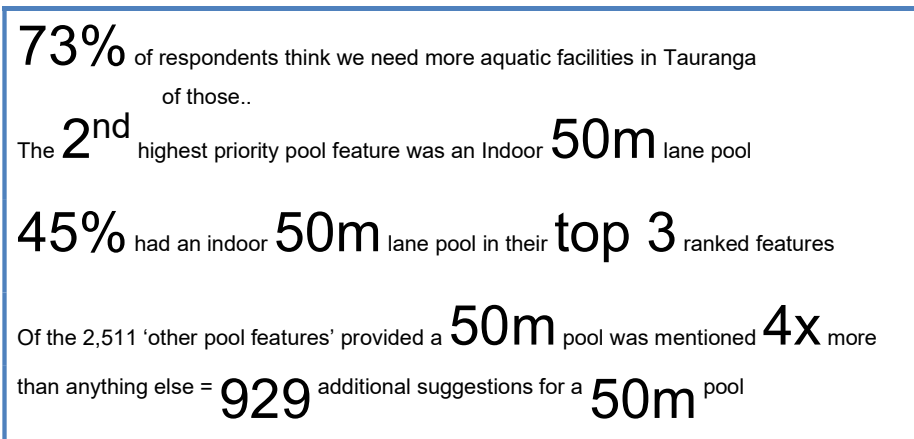
Community Demand:

The Tauranga community has been asking for a 50m pool for over 25 years. Currently swimmers and other aquatic athletes are having to travel to other cities, including Hamilton and Rotorua to train in a 50m pool. For some of Tauranga’s elite athletes, this means travelling to Rotorua and back before school, to do the appropriate training.

In addition, the demand for structured swimming sport and deep water is greater than current citywide supply, with many clubs either not getting enough time for their training needs or having to train at less desirable times which is limiting their squad’s availability and therefore holding back numbers and competition success.

Overall, this is having a negative impact on the numbers of people, especially young people, participating in aquatic sports, including learning to swim.

The Council’s Community Survey in 2024 asked the whole community about their aquatic needs. This survey received 5,292 responses. The key takeouts from the survey relevant to this proposal include:



What the pool will deliver

Objective:

To create a community facility that complements the city's existing and future aquatics network and meets the high community demand for an Olympic size training pool.

Benefits of a 50m Pool:

- **Providing enhanced training facilities for competitive swimmers – namely 50m lane swimming.**
- Providing needed capacity for training for 3 top New Zealand surf lifesaving clubs within 10km of the pool.
- Increasing lane availability for structured aquatic users, adding to overall aquatic network provision for the community.
- Flexible layout utilising a submersible bulkhead provides mixed use - shallow enough to do learn to swim for younger swimmers, with deep water to enable aquatic sports.
- Increasing community use during dedicated open use slots for recreation and leisure swimmers in a larger pool.
- Provide a training facility for national and international athletes, bringing money to the local economy.
- Contributing to local surf-lifesaving competition, growing the sport, which in turns supports beach safety for locals and tourists.

Expected Outcomes:

The extended pool will provide better training facilities, increase capacity for structured swimming, and improve swimmer endurance for national events, negating the need for competitive athletes to travel out-of-town for training. There will also be increased water provision for recreational swimmers during allocated times, benefiting a broad range of the community.

The pool will provide a platform for national and international training camps and increased surf-lifesaving training, both of which can bring financial and social benefits to the city.

With the availability of a 50m x 25m training pool for structured aquatic sports, space will be freed up at Council's other aquatic facilities, primarily the currently oversubscribed Baywave Aquatic Centre, enabling capacity for other aquatic users.

How this proposal has evolved

Current State:

Mount Maunganui College has an existing heated outdoor pool - 33m x 13m (6 lanes). The existing pool was built in 1968, is heated to 29°C all year using two 140kW direct water heat pumps and is used year-round for approximately 13 hours per day in summer (Oct-April) and 6 hours per day in winter (May-Sept). The pool has newly upgraded changing facilities, a shed, limited space for seating and storage and 3 independent pool covers. The current filtration infrastructure is struggling to meet national standards for water quality. The pool is primarily used by the College and Omanu Swim Club; however, it is also used during term time by some other local schools and is available for other structured swimming clubs in the evening and open for recreational and leisure use for 6 weeks a year during summer school holidays.

Initial expansion plan:

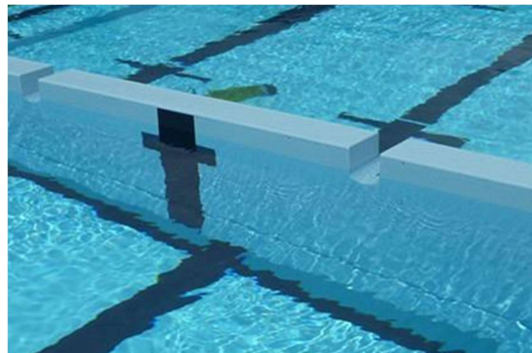
The MMACT submitted a proposal to the Council through the 2024-34 Long Term Plan for financial support for a new heat pump and support with a proposed upgrade of the college pool to 33m x 25m (10 lanes). The original timeline for this project saw Council committing to funding the upgrade in 2030, through an operational grant of \$1.65m.

A desire to upgrade the college pool earlier than 2030 then saw a revised proposal, for construction of the extended 33m pool to commence in April 2026. To achieve this timeframe, the Trust would have less time to fundraise additional funding, and therefore would require a total of \$2.6m from the Council in 2025/26. This proposal is still current, and if the Council does not support the expansion to a 50m pool, MMACT would like to continue with this planned upgrade and request Council contribute to the project by way of an operational grant of \$2.6m split over 2025/26 and 2026/27.

Proposed Extension:

Since hearing the community demand for a 50m pool, particularly through Council's Community Survey, MMACT has developed this proposal to extend the planned pool upgrade to a 50m, 10 lane pool. The new extended pool will facilitate full 50m lane swimming, whilst also providing sufficient pool space for a range of aquatic sports, and the depth required for both learn to swim (in the shallow end) and surf-lifesaving training (in the deep end). A submersible bulkhead will enable this flexibility and multi-use.

Example submersible bulkhead



Proposed 50m Pool Expansion



DETAILS

SITE	565 Maunganui Rd
Lot	Lot 2
DP	DP 31875
Parcel ID	4266656
ZONES	
Climate	1
Exposure Zone	D
Earthquake Zone	1
Wind Zone	Low (Branz)
Rainfall	100-110



REVISION:	Design
SCALE:	1:150
ISSUED:	07/09/2025
PROJECT NO:	104

Pool Re-Development
565 Maunganui Road
Mt Maunganui

SHEET TITLE:
Site Setout Plan

SHEET
A102

PHONE: 021 954 487
FAX: 07 962 3098
EMAIL: info@nzcccl.co.nz
WWW: NZCCCL.CO.NZ

Detail about the proposal

Mount Maunganui College Location:

The project is located on the college premises in the centre of Mount Maunganui, providing easy access for students, swim clubs, surf clubs and the community. The Mount Maunganui Aquatic Centre Trust already operate a 33m pool at Mount College that is available for community use through club bookings and open use during peak summer. Extending an existing pool, with a proven structure for management, enables Council to achieve a 50m pool for the community at a significantly reduced cost compared to Council building a separate facility.

Scope:

The project will include extending the pool to 50m x 25m (10 lanes), upgrading filtration and water quality systems, and ensuring compliance with all relevant regulations and standards. The focus of the pool will be an outdoor training facility. The pool will not be equipped to host competitive events but could host out of town training camps.

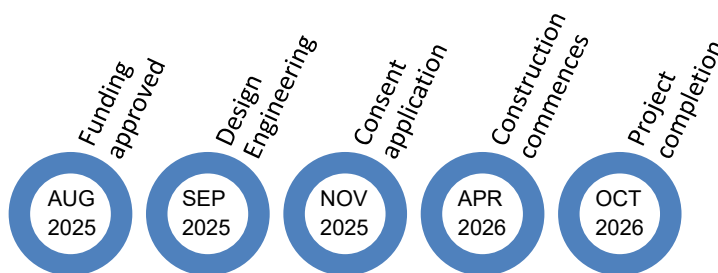
Technical Specifications:

The proposed pool will measure 50m by 25m, with a submersible bulkhead. The deep end of the pool will be 2m deep, while the shallow end will slope from 1.2 to 1.5m deep. The pool will include an access ramp meeting Ministry of Education standards, to enable access to the pool. The pool temperature will be maintained between 27-29°C. A 3m concourse will surround the pool and a canopy over one side of the pool concourse, extending over the pool edge, is included in the design. The existing changing facilities will remain.

The pool footprint will extend over existing carparks, MMACT is working with the Council to ensure the carparks are replaced using space on the adjacent reserve, ensuring no reduction in the total number of carparks available. The carparks are predominantly used by college staff during the day and that would continue, with the college requiring at least as many carparking spaces as currently available.

Timeline:

The project is expected to be completed within 14 months from the start date, including planning, consenting, construction, and final inspections. Project completion is scheduled for October 2026 if a decision is made by Council by August 2025 and funding is made available for construction to commence in 2025/26.



Pool Usage Schedule:

The exact usage schedule will be developed in more detail once the project has commenced and conversations with users can be more definitive. However, the schedule is expected to look something like this:

School swimming <i>(incl. Mount Maunganui College and other local schools)</i>	Community structured swimming <i>(i.e., swim clubs, surf clubs, aquatic sports)</i>	Community open swimming <i>(i.e., community lap swims, leisure & play)</i>
Term 1 and 4 weekdays 8:30am-3:30pm	Summer Weekdays 5:30-8:30am 3:30-9:30pm Winter Weekdays 5:30-8:30am 3:30-8:30pm Summer Weekends 8-10am Winter Saturdays 8-11am	Summer weekends 10am-3:30pm Summer holidays 10am-3:30pm
Provide own water safety requirements	Provide own pool-safe lifeguards	2 x pool-safe lifeguards provided

The scheduling and allocation of structured swim times will be managed by Omanu Swim Ltd on behalf of MMACT and will evolve over time. Management will work with local clubs to ensure that fair allocation of lane space is provided across all clubs, including identifying compatible concurrent training and efficient operation of the pool.

What the pool will cost to build and operate

Capital Costs:

Estimated Cost: \$6.7-7.1m to expand to 50m x 25m pool including moving an existing shed and carparking. Project costs have been prepared by NZCCL as Joint Venture partner in this project. Final fixed price to be provided following Council approval.

Operational Costs:

The following costs have been prepared collaboratively between MMACT, NZCCL, Visitor Solution, Beca, Bay Venues and Council staff:

Operation costs		50m Pool
Assumptions	Hours of Operation	3185
	Heat source	700kW
	Water temperature	29 degrees
	Heat variation	3% Winter
Filtration	Filter Pumps 24/7	\$100,000
	Backwash blower	\$375
Pool Heating	Energy cost	\$214,000
	Heat pump servicing	\$10,000
Other Energy uses	Hot water heating	\$3,000
	Lighting	\$2,400
Chemicals		\$64,000
Water		\$29,000
Staffing	Service person	\$10,920
	College Caretaker	\$10,920
	Lifeguarding	\$30,866
Management	Omanu Swim	\$60,000
Maintenance	Day to day maintenance	\$10,000
	Renewals Plan	\$163,109
Facility Cleaning	Cleaning chemicals	\$2,600
	Consumables	\$4,160
TOTAL	EXPENDITURE	715,350
	Cost per hour	\$247.53
	Cost per lane hour	\$24.75

Renewals Plan:

Asset Component	Replacement Cycle	\$ Cost Today	Year 5	Year 10	Year 15	Year 20	Year 25	Year 30	Year 35	Year 40	Year 45	Year 50
BUILDINGS												
Roof & Cladding	40	63,973								63,973		
Aluminum Joinery	50	11,088										11,088
Electrical / data / security	20	108,610				108,610				108,610		
Roller Door	25	2,090					2,090					2,090
Structural Steel	50	54,500										54,500
Building total			0	0	0	108,610	2,090	0	0	172,583	0	67,678
POOL												
Pool vinyl replacement	15	135,000			135,000			135,000			135,000	
Pool filtration renewals	15	1,288,300			1,288,300			1,288,300			1,288,300	
Pool Heating	15	650,476			650,476			650,476			650,476	
Lane ropes	5	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500	19,500
Pool covers	5	116,870	116,870	116,870	116,870	116,870	116,870	116,870	116,870	116,870	116,870	116,870
Pool external lighting	10	34,650		34,650		34,650		34,650		34,650		34,650
Pool total			136,370	171,020	2,210,145	171,020	136,370	2,244,795	136,370	171,020	2,210,145	171,020
OTHER												
Concrete concourse renew	50	46,193										46,193
Other total			0	0	0	0	0	0	0	0	0	46,193
TOTAL			136,370	171,020	2,210,145	279,630	138,460	2,244,795	136,370	343,603	2,210,145	284,892

Total estimate over 50 years **\$8,155,433**

Annual Renewal Fund Requirement **\$163,109**

Revenue from lane hire/swim fees

											REVENUE	
Group	Schedule	Time Period	Hours	Lanes	Days/ week	Weeks	Annual Hours	Annual Lane Hours	Estimated Swims	Charge Per Swim	Estimate Revenue	
Swim Clubs	Weekdays	5.30am-8.30am	3	9	5	25	3,375	375	3,375	6,750	\$7.00	\$47,250
Schools	Weekdays	8.30am-3.30pm	7	9	5	19	5,985	665	5,985	5,130	\$0.00	\$0
Swim Clubs	Weekdays	3.30pm-6.30pm	3	9	5	25	3,375	375	3,375	6,750	\$7.00	\$47,250
Aquatic Groups	Weekdays	6.30pm - 9.30pm	3	9	5	19	2,565	285	2,565	5,130	\$7.00	\$35,910
Open	Every day	10.00am- 3.30pm	5.5	9	7	6	2,079	231	2,079	2,268	\$7.00	\$15,876
Open Surf	Weekends	3.30pm	5.5	9	2	19	1,881	209	1,881	2,052	\$7.00	\$14,364
Lifesaving	Weekends	2 hour block	2	9	2	25	900	100	900	2,700	\$7.00	\$18,900
Total Summer							2,240	20,160	30,780	\$179,550		
Swim Clubs	Weekdays	5.30am-8.30am	3	9	5	25	3,375	375	3,375	6,750	\$7.00	\$47,250
Swim Clubs	Weekdays	3.30pm-6.30pm	3	9	5	25	3,375	375	3,375	6,750	\$7.00	\$47,250
Aquatic Groups	Weekdays	6.30pm - 8.30pm	2	9	5	25	2,250	250	2,250	6,750	\$7.00	\$47,250
Surf Lifesaving	Weekends	3 hour block	3	9	1	25	675	75	675	1,350	\$7.00	\$9,450
Total Winter							1,075	9,675	21,600	\$151,200		
Total Annual Swims									52,380			
Total Annual Fees											\$330,750	

Net Operating Cost

Operating Cost:	\$715,350
Less Revenue:	\$330,750
Less School Contribution:	\$45,000
Net Operating Cost:	\$339,600

What the Council is being asked to contribute to the pool

Funding Request

If the Council supports the proposal to extend the College pool to a 50m x 25m community training pool, then the Trust will require Council funding to support the additional cost required due to the pool expansion, reflecting the increased community use of the pool. Note, if the Council is not supportive of this proposal, the Trust will revert to the 30m x 25m pool expansion as previously planned.

Initial Capital Funding:

Total expansion cost \$6.7-7.1m (To be confirmed pending Council support confirmation)

Request for an operational grant from Council to cover the capital cost of the extension to a 50m pool **Total – \$4.945m.**

To be funded **\$2.59m in 2025/26 + \$2.355m in 2026/27.**

Ongoing Financial Support:

Request for ongoing support to cover additional operational cost, including renewals, of a 50m pool for community use – **up to \$340,000 per annum.**

Of which **\$163,109 per annum** to be accumulated in a renewals fund and **up to \$176,491 per annum** provided to the Trust to subsidise pool operating costs.

Following agreement in principle to this proposal, MMACT propose working with Council staff to finalise the specific contract agreement and terms.

Operating the pool safely

Risk Management

The pool will be operated in compliance with all PoolSafe requirements which includes meeting the NZ Water Quality Standard. This will include ensuring appropriate pool certified lifeguards are in place during community pool use.

All operating procedures will be in line with PoolSafe requirements and the PoolSafe accreditation will be obtained annually. Inductions of community structured session managers and lifeguards will be undertaken. These actions will be carried out with the support of Bay Venues and the Council, and any cost covered by the operational grant provided by the Council.

User agreements outlining Health and Safety and PoolSafe requirements will be in place with all clubs/groups hiring the lanes for community structured sessions.

All pool covers will be removed at all times that the pool is in operation to ensure clear line of sight for all water space.

Responsibility for the appropriate operation and management of the pool for community use will remain with MMACT.

Conclusion

MMACT is presenting this opportunity for a collaboration between MMACT, Mount Maunganui College, NZCCL and the Council to respond to a strong community demand for a 50m pool. Providing a valuable community asset, in an affordable and pragmatic way, that delivers a great outcome for the community.

Mount Maunganui College and the Ministry of Education have signaled verbal support for this proposal, but formal support will be requested following an indication from the Council of its support to proceed.

MMACT would welcome the opportunity to talk further with the Council about how we can work together to bring this vision to life.

11.5 Memorial Park Aquatic Centre Steering Group and Project Timeline

File Number: A19426187

Author: Cashy Ball, Principal Advisor to the Executive
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Authoriser: Marty Grenfell, Chief Executive

PURPOSE OF THE REPORT

1. The purpose of this report is;
 - (a) for Council to endorse the Memorial Park Aquatic Centre Steering Group and Terms of Reference; and
 - (b) to present a proposed staged process for the project to deliver the Memorial Park Aquatic Centre, including two timeline options for Council consideration.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Memorial Park Aquatic Centre Steering Group and Project Timeline".
- (b) Endorses the attached Terms of Reference for the Memorial Park Aquatic Centre, including the membership and reporting structure outlined in the Terms of Reference;
- (c) Supports in principle the key stages and process proposed through this report for the delivery of the Memorial Park Aquatic Centre project.
- (d) Notes the two timelines presented through this report propose construction periods for the Memorial Park Aquatic Centre between December 2026 to March 2029 or September 2027 to December 2029, and both would require changes to Council's current capital programme through the Annual Plan 2026/27 and Long Term Plan 2027-37.

EXECUTIVE SUMMARY

2. The Memorial Park Aquatic Centre project was planned to begin construction in 2024/25 with a budget of \$123M. However, in late 2024, Council paused the project to reassess scope, cost, and location options following updated costings and stakeholder feedback.
3. During the Annual Plan 2025/26, the capital expenditure for the Memorial Park Aquatic Centre was deferred to 2026/27-2029/30. In the draft 2026/27 Annual Plan, capital expenditure is phased across 2027/28-2030/31.
4. During 2025, three location options were considered, with Option 3—redevelopment at the existing Memorial Pool site—emerging as the preferred choice due to its ability to retain the Queen Elizabeth Youth Centre (QEYC) and Memorial Hall, preserving key community assets.
5. In September 2025, Council agreed to advance the Memorial Park Aquatic Centre project, with a newly established Steering Group, to develop a new project scope and design.

6. This report provides a draft Terms of Reference (ToR) to guide the new Steering Group (attachement 1), including defining the membership of the group to include the Mayor, three Councillors, a Te Manawataki o Te Papa (TMOTP) Board Member, Council's General Manager Operations & Infrastructure and an aquatics user representative. The ToR also outlines the key stages of the project, with the Steering Group completing the scope, budget and preliminary design stage, before handing the project over to TMOTP Board to provide oversight of the detailed design and construction stage.
7. This report defines key project stages and processes Council will follow to confirm a new scope, budget and design. It also outlines two indicative timeline options to enable construction of the Memorial Park Aquatic Centre to commence in 2026/27 or 2027/28, noting that both timelines would require a change to the current budget scheduling through finalisation of the Annual Plan 2026/27 and 2027-37 Long Term Plan, and may impact the timing of other major capital projects.

BACKGROUND

8. Through the 2024/34 LTP, the Memorial Park Aquatic Centre project was scheduled to commence construction in 2024/25, with a total project cost of \$123m. In 2024, Apollo Projects was brought on board to look for ways to reduce the project cost, utilising their extensive industry expertise. Work undertaken by Apollo Projects was presented to Council in November 2024, including updated project costings and two preferred options. A complete aquatic centre as previously designed, for \$100m or the indoor only aspects of the aquatic centre for \$80m.
9. On 29 October 2024, the Council resolved to cease work on the current Memorial Park Aquatic Centre design, pending further stakeholder engagement and assessment of options including project scope, costings, funding and alternative locations within Memorial Park.
10. Three options were identified for Council consideration and presented for feedback to the Council meeting on 27 May 2025:

Option 1 – Full Memorial Park Aquatic Centre development removing the Queen Elizabeth Youth Centre (QEYC).

Option 2 – Staged Memorial Park Aquatic Centre development, commencing with the indoor aquatic facilities and building outdoor facilities at a future date, including removing the Queen Elizabeth Youth Centre (QEYC).

Option 3 – Relocate the Memorial Park Aquatic Centre to the site of the existing Memorial Pool and retain the Queen Elizabeth Youth Centre (QEYC) and Memorial Hall.

The Council report noted that option 3 was subject to geotechnical investigations that were underway at the time of the report.

11. On 16 September 2025, Council received a report providing the findings of the preliminary geotechnical study at the site of the existing Memorial Pool to support the feasibility of Option 3, building the Aquatic Centre at the site of the existing Memorial Pool. At that meeting, the Council made a series of resolutions including:

That the Council:

- c) Agrees to advance the Memorial Park Aquatics Centre project to concept stage with an in-principle decision that the Centre would be constructed over the current Memorial Pool. Noting the intention for construction to start in 2027/28 on a re-designed, value for money indoor and outdoor facility that can provide for lane swimming, aquatic sports, learn-to-swim, hydrotherapy and play.
- d) Endorses the next steps being:
 - i. Establish a Memorial Pool Aquatic Centre Project Steering Group including Elected Members (to be advised), to develop scope from the ground up and develop the engagement process.

- ii. Progression of the design, based on concept principles developed by the Steering Group, through concept stage at a design fee of \$50,000 excl. GST.
- e) Confirms the engagement of Apollo Projects to complete the Concept Design and Concept Estimate Stage of the Project.

PREVIOUS MEMORIAL PARK AQUATIC CENTRE REPORTING

- 12. Questions have been raised by Council at previous Council meetings regarding the spend to date on the Memorial Park Aquatic Centre project. For clarity this section summarises the information that has been presented to Council previously. Further detail is included in attachment 2.
- 13. **Report timeline Summary:**

Report	Total spend reported	Difference from last report	Expenditure
Council Memo 4 Oct 2024	\$3.4m to 31/08/24 (incl \$1.5m opex)	NA	
Council Report 29 Oct 2024	\$4.2m to 30/09/24 (incl \$1.6m opex)	+\$0.8m	Primarily Engineering, Architecture, ECI services and geotech*
Council Report 16 Sept 2025	\$4.8m to 30/06/25 (incl \$1.6m opex)	+\$0.6m	Options analysis and site investigations, including some invoices that continued to be received once work ceased in October 2024.
Council Report 16 Dec 2025	\$4.9m to 30/11/25 (incl \$1.7m opex)	+\$0.1m	Approved Geotech investigations

*Note some of this work had been completed in advance but invoices had not been paid.

- 14. **Alternative site investigations and options analysis:**
 On 12 November 2024, Council approved an operational budget of \$2.2m (in addition to the \$1.6m already incurred) to fund site investigations and alternative options, of which:
 - \$88k was spent to 30 June 2025
 - \$100k was spent from 1 July 2025 to 30 November 2025
- 15. Note, expenditure to date had got the project close to a completed preliminary design stage. The change of location within Memorial Park means that there will be some rework required to the design. In addition, any changes to the scope and design of the project by the Steering Group will lead to additional re-work of existing design. This creates a likelihood that a portion of the existing \$3.1m capital cost of the project will need to be written off. Until the level of re-work required is established, it is difficult to provide an estimate of how much this potential write-off could be.
- 16. The review of scope and design by the Steering Group will be informed by existing technical and design information as the starting point. Applicable work to date can be referenced through the process of developing the new design to maximise the benefit of resource expended. This will include utilising the following project features:
 - Strategic alignment - All Business Case, needs analysis and engagement work to date will help to inform the new scope and design.
 - Geotech and foundations - significant analysis and assessment of ground improvement solutions and foundation design will be adopted for the new site.
 - Pool systems – pool tanks, filtration and heating systems can be adopted to suit the new site and design.

- Structural – knowledge from testing types of structural systems to determine the most cost effective for the project will be taken forward to the next phase.
- Costing – knowledge of the various cost aspects of the design, through multiple pricing iterations, will allow quick validation of costs.
- Building Services – loading demand for heating, cooling, ventilation, lighting, electrical etc will be reused if applicable depending on size and scale of facility.

STATUTORY CONTEXT

17. Council is not statutorily required to provide aquatic facilities, however there are some legislative requirements that Council must consider when making decisions regarding service delivery. The provision of aquatic facilities contributes significantly to community well-being, creating a thriving environment and contributing to community safety, health, social connection and enjoyment.
18. The process for making decisions is further defined in part 6 of the LGA, including the process of community consultation, developing Long Term Plans in consultation with the community and reporting and accountability. The Council’s current Long Term Plan includes the development of the Memorial Park Aquatic Centre, and moving the timing of the project would not trigger further community consultation.

STRATEGIC ALIGNMENT

19. This contributes to the promotion or achievement of the following strategic community outcomes:

	Contributes
We are an inclusive city	✓
We value, protect and enhance the environment	<input type="checkbox"/>
We are a well-planned city that is easy to move around	✓
We are a vibrant city that embraces events	✓
We are a city that supports business and education	✓

20. In August 2023, the Commissioners adopted the ‘Our Public Places Strategy’ with the ambition of:

Together we can have public places to play, relax, be inspired, and connect with people and nature.

21. In August 2023, the Commissioners also adopted a Play, Active Recreation, and Sport Action and Investment Plan, 2023-33 (AIP).
22. This AIP focuses on the Our Public Places Strategic Plan objective of: Increasing participation by providing easily accessible opportunities for organised and informal play, active recreation, and sport for people of all ages, backgrounds, and abilities.
23. The AIP identified Memorial Park Recreation Hub as a priority action:

Action No.	Actions and programmes of work	Proposed timeframes	Indicative cost	Who	Priority
33.	Replacement of Memorial Pool with Memorial Park Recreation Hub (indoor and outdoor pools).	Short Term	\$\$\$\$ LTP 2026- 2028	TCC	Priority action

Key: \$\$\$\$ = more than \$5m

24. Guidance from Council on the current aquatic network planning (based on catchment analysis and condition assessments) has shown support for the Memorial Park Aquatic Centre upgrade with further projects for other local facilities – Greerton, Mount College Pool

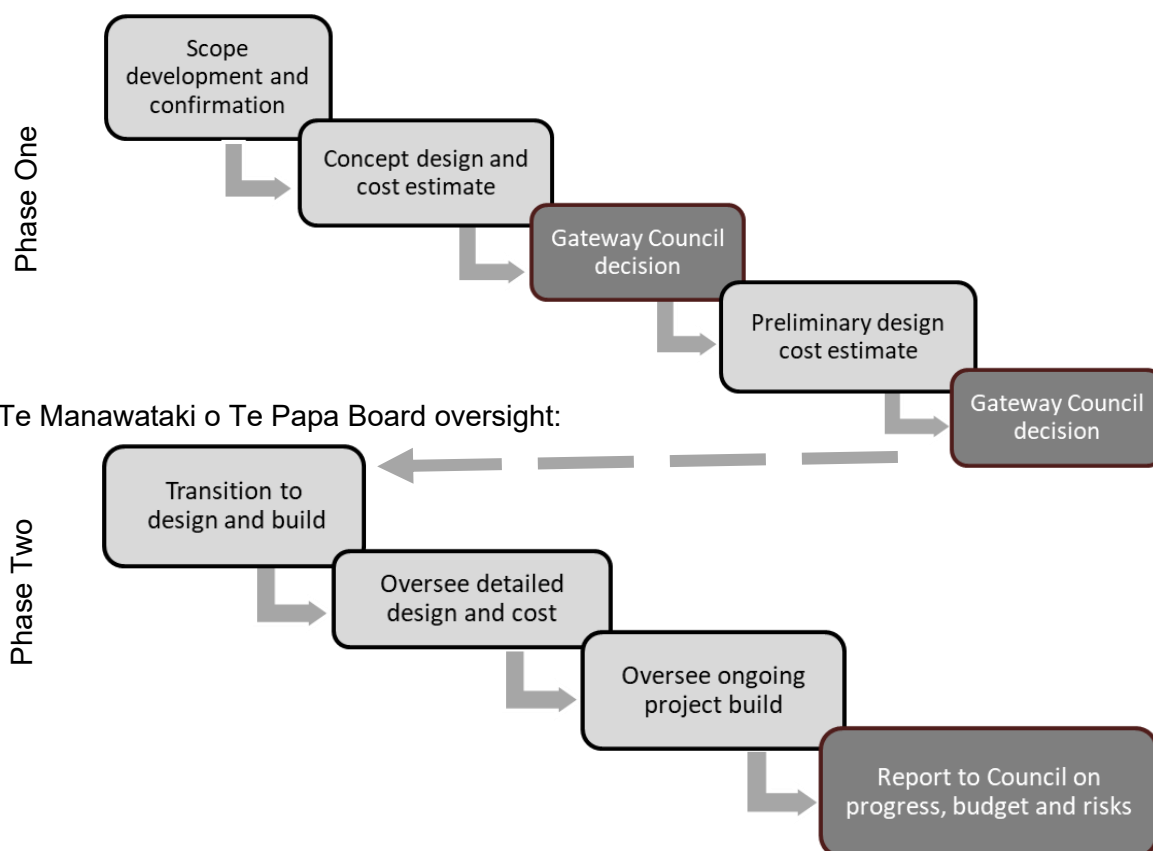
(expanded), Ōtūmoetai (upgraded), and in the future - Wairakei and Tauriko. There is currently \$94m in 2041-44 for a new community aquatic facility.

25. The process of reviewing the project scope and design will ensure that the Aquatic Centre aligns with Council's strategic priority of 'delivering great services for our community'. The facility will also help to deliver on Council's new community outcome 'A vibrant city that embraces events', by enabling experiences that enhance vibrancy, connects communities and delivers social and economic benefits for the community.
26. The PSG will also be able to embed Council's principles into the new scope, design and budget, including promoting a solution that achieves value for money and being bold and innovative.

MEMORIAL PARK AQUATIC CENTRE STEERING GROUP

27. A Terms of Reference has been drafted in response to the resolution from 16 September 2025 Council meeting to establish a Memorial Pool Aquatic Centre Project Steering Group including Elected Members, to develop scope from the ground up and develop the engagement process.
28. The Memorial Park Aquatic Centre is proposed to have two key phases, the first of which will be overseen by the Steering Group, with the support of a Technical Advisory Group, and will develop the project scope through to preliminary design.
29. The proposed Project Steering Group includes:
 - Mayor Drysdale
 - Councillor Taylor
 - Councillor Schuler (Alternate Deputy Mayor Scoular)
 - Councillor Crowther
 - Te Manawataki o Te Papa Limited Board Member – as available
 - GM Infrastructure and Operations
 - Aquatic User representative
30. The project will then transition over to the Te Manawataki o Te Papa Board who will oversee the detailed design and construction of the project, supported by the Technical Advisory Group.

Memorial Park Aquatic Centre Project Steering Group Oversight:



KEY PROJECT STAGES

31. The following key stages outline the process Council will follow to develop the Memorial Park Aquatic centre and have been developed with the support of Apollo Projects.

32. Scope Development and Confirmation – 3 months

The fundamental first step is for Elected Members to agree and prescribe the scope of works to inform the new location concept design, led by the new Project Steering Group. Focus will be on confirming pool facilities and prioritising value for money. This stage will include goals around sustainability, types of energy systems, mix of pools, gym, outdoor pools, hydro slides.

The scope development stage will include a series of workshops for the Project Steering Group and Technical Advisory Group to review and consider existing information, consider the need for additional information and provide clear direction for the pool design and objectives. The outputs from this stage will help to confirm:

- Project vision, scope and success measures
- Priorities and options
- Expectations regarding sustainability, energy etc
- Budget envelope/range

33. Concept Design (agreed cost \$50,000) – 2 months

Outputs from the scope development stage will inform the development of conceptual layout options, working with the Project Steering Group and Technical Advisory Group. This will include conceptual layout drawings with limited technical input from engineering disciplines to

ensure adequate provisions within the design. Apollo Projects will present high-level budget estimates for the options using previous pricing for the original Memorial Park Aquatic Centre design as a reference point. This will enable TCC decision making on the preferred option. Note the \$50,000 quote has been agreed with Apollo Projects and is significantly reduced because of the existing information developed through the project to date.

34. Through development of scope and the concept design, consideration will be given to:
- value for money and best use of ratepayer funding as a high priority,
 - fit for purpose facilities that meet the needs of the wider community, including indoor and outdoor aquatics that can provide for lane swimming, aquatic sports, learn-to-swim, hydrotherapy and play.
 - quality of product in terms of whole of life cost, and
 - long-term maintenance cost including use of alternate energy sources and filtration and HVAC systems.
35. The proposed concept design will then be used to inform a review of the business case, to ensure an accurate understanding of the financial impacts of any concept decisions. The concept design phase will produce a budget estimate of $\pm 10\%$ accuracy.
36. **Council Decision** - Confirm preferred option and scope, including updated business case and costings, to continue developing design. This decision is proposed to align with the adoption of Council's Annual Plan 2026/27.
37. **Preliminary Design (approximate cost \$250,000-300,000) – 5 months**
- Develop preferred design through to preliminary design level to sufficiently understand all the key risks for the project. Prepare and present detailed pricing, construction programme and design through preliminary design. This stage includes structural design, architectural design, further geotechnical assessment, transport planning, plant and filtration system, mechanical and electrical design, and exploring appropriate sources of heating for the new aquatic centre including geothermal bores, photovoltaic solar panels, and heat pumps. Output from this stage will be a Design Feasibility Report to Council that includes a fixed-price design and construction offer. The cost estimate of \$250,000 - \$300,000 for this stage is subject to agreed scope.
38. **Council Decision** - Confirm preliminary design and costing, and approach to progressing to detailed design and construction.
- NOTE:** this is where the project oversight switches from the Project Steering Group to Te Manawataki o Te Papa Board.
39. **Detailed Design /Construction – 24-28 months**
- The programme for this will be dependent on the finalised scope and the further investigations proposed through preliminary design stage but should consider commencing early works including consents for any ground improvement and enabling works on site to overlap with detailed design. The steps of this stage will include:
- Detailed design
 - Staged building consents
 - Resource consenting
 - Ground improvements/piling
 - Main construction

TIMELINE OPTIONS

40. The following timeline has been developed with the support of Apollo Projects to enable construction to start in 2027/28, in accordance with Council's resolution of 16 September 2025 (accelerated option), or a sprint option that would see construction start in 2026/27. For reference, the current LTP budget has construction scheduled for 2027-31.

Stage	Timeframe	Sprint schedule	Accelerated schedule
Scope Development and Confirmation	3 months	Feb – Apr 2026	Feb – Apr 2026
Concept Design	2 months	May-June 2026	May-June 2026
Council Decision		June 2026 (AP 2026/27 adoption)	June 2026 (AP 2026/27 adoption)
Preliminary Design	5 months	July - Nov 2026	Feb – June 2027
Council Decision		Nov 2026	June 2027 (LTP 2027-37 adoption)
Detailed Design /Construction	24-28 months	Dec 2026 – Mar 2029	Sept 2027 – Dec 2029

Option 1 - Sprint Schedule

- 41. This option would see the project being delivered much sooner than currently budgeted, enabling project construction to commence in 2026/27 and will facilitate an Aquatic Centre by the end of summer 2028/29.
- 42. To achieve this timeline, money would be required to be brought forward from 2027/28-2030/31 to 2026/27-2028/29. This would be confirmed through adoption of the 2026/27 Annual Plan in June 2026 and incorporated into the 2027-37 Long Term Plan. Please note that this may affect the scheduling of other capital projects unless there is a willingness to increase the rates requirement to accommodate the interest costs associated with the bring forward of Memorial Park Aquatic Centre capital expenditure.
- 43. This timeline is contingent on consecutive delivery of stages without any delays and would rely on direction, decision-making and any requirements for additional information to be achievable within defined timeframes.
- 44. The stages and timeframes have been advised by Apollo Projects.

Option 2 - Accelerated schedule

- 45. This option will still see the delivery of the Aquatic Centre in advance of the current budget timeframe (2028-31) and it aligns with the timeframe prescribed in Council’s resolution of 16 September 2025 (construction to commence in 2027/28). It would see an Aquatic Centre for summer 2029/30.
- 46. As this timeline brings the project forward from existing budgets, that decision would be made through the 2026/27 Annual Plan in June 2026 and be incorporated in the 2027-37 Long Term Plan in June 2027. Please note, as above, that this may affect the scheduling of other capital projects unless there is a willingness to increase the rates requirement to accommodate the interest costs associated with the bring forward of Memorial Park Aquatic Centre capital expenditure.
- 47. Due to the likelihood of cost fluctuations, the preliminary design (DFR) stage would not be completed until closer to the project construction phase, to ensure accuracy of information. This leaves a gap in the project delivery stages between concept design and preliminary design.

FINANCIAL CONSIDERATIONS

- 48. On 29 October 2024 Council approved an operational budget of \$2.2m (in addition to the \$1.6m already incurred) to fund further investigations of the Memorial Park site and the subsequent exploration of alternative options to the preferred proposal presented at that time. As at 30 November 2025, \$188k of this budget has been utilised since November 2024. It is anticipated that a further \$50k will be utilised in 2025/26 during the development of the

concept design. The balance of the \$2.2m opex budget has been moved to 2027/28 as part of the 2026/27 Annual Plan process and will be brought forward should it be needed, noting this would have a negative impact on the balanced budget.

49. In addition, if Council chooses the sprint option outlined in this report, significant funding would need to be brought forward to 2026/27 as part of the 2026/27 Annual Plan process, or other capital projects reprioritised.
50. As at 30 June 2025, total spend on the Memorial Park Aquatics Centre was reported as \$3.1m capex and \$1.6m opex. With subsequent opex spend in the 2025/26 year totalling \$100,000 as at 30 November 2025, total opex spend on the project has now risen to \$1.7m.

LEGAL IMPLICATIONS / RISKS

51. The Memorial Park Aquatic Centre project has a risk register to identify and manage risks. The projects risks will be updated once the design is progressed and continue to be managed by the project team and overseen by the Project Steering Group.
52. In May 2024, the Commission endorsed:
 - (a) a novated design and build contractual model for delivery of the Memorial Park Aquatic Centre Project whereby the selected ECI contractor will undertake early contractor involvement services during preliminary design, with consultants being novated to, and that contractor taking responsibly for design and construction, from commencement of the developed design stage of the project.
 - (b) Continued negotiation with the selected ECI contractor of a preconstruction services agreement (PCSA) and NZS 3916 contract to give effect to a novated design and build approach.
 - (c) Delegation to the Chief Executive to approve the final procurement strategy and enter contracts on behalf of Council for the delivery of the Memorial Park Aquatic Centre, subject to recommendation from Te Manawataki o Te Papa Limited.
53. At the time the Memorial Park Aquatic Centre project was paused, Council was in the process of negotiating the PCSA to engage Apollo Projects (the appointed ECI contractor for the Memorial Park Aquatic Centre project) to provide early contractor involvement (ECI) inputs (e.g. advice on buildability and design interfaces), coordination of the design, early procurement, early and site preparation works, geothermal works and demolition of QEYC. The PCSA included a structured process to enable open and transparent final pricing prior to finalising a NZS 3916 Design Build Contract. Whilst not concluded, most of the terms and conditions had been agreed between the parties.
54. On 16 September 2025, Council resolved to engage Apollo Projects to complete the Concept Design and Concept Estimate Stage of the Project. Subject to successful conclusion of that process, and Council approval, the project will move to preliminary design. Following a further process of Council approval, Council could seek to conclude negotiations of the PCSA and NZS3916 and enter into design and build contracts with the relevant consultants.

TE AO MĀORI APPROACH

55. It is proposed that the final Memorial Park Aquatic Centre design will incorporate a cultural narrative framework, to be developed jointly with mana whenua, with ongoing engagement as the design response is refined. To date, hui undertaken with mana whenua during the concept design phase of the project has led to Tauranga Moana design principles, Memorial Park cultural design drivers and design outcomes. Mana whenua are seen as partners in the design process and work developed to date has been to establish cultural narratives, understanding and objectives to set a strong foundation for the project to move ahead upon. A foundation for the design is embedding the history and cultural narrative of the place, seamlessly connecting the people to the place.

CLIMATE IMPACT

56. As the Project Steering Group work through the scope of the new design for the Memorial Park Aquatic Centre, climate considerations will be incorporated into the scope development and considered as part of the preliminary design process. The existing design had incorporated climate impacts as part of the design.
57. The current design incorporated modern sustainability principals, balancing these features to ensure they do not add significant cost for little value. Key features included stainless steel pools, which are considered to have lower embodied carbon than concrete and 25% of the ongoing maintenance costs, highly insulated cladding and energy efficient lighting and mechanical systems. For options that include a geothermal bore, further emission and cost reductions could be achieved.
58. For the Memorial Park Aquatic Centre facility, measures had been considered to reduce the embodied carbon including, partnering with subcontractors and suppliers who share a carbon reduction mindset, concrete additives, prioritising Bay of Plenty and then New Zealand supplied materials, diverting waste and re-using materials on-site.
59. Embodied carbon associated with the development of any new aquatic facility will be higher than utilising existing facilities. Retaining QEYC is a lower carbon solution than building additional court facilities.
60. Work has been undertaken at Memorial Park to understand and quantify the ground conditions and the work that might be required in the future to address a changing climate, and in particular the impact of the water table and ground conditions on the facilities.

CONSULTATION / ENGAGEMENT

61. There has been extensive consultation over many years and Council planning processes regarding the aquatic needs of the Tauranga Community and an Aquatic Centre at Memorial Park.
62. Specific targeted stakeholder engagement regarding the aquatic requirements of user groups has included aquatic user group stakeholder meetings and Bay Venues led aquatic user forums.
63. The Community Survey in 2024 identified that of the 5292 responses, 71% of survey respondents supported Council spending \$80-105 million on the Memorial Park Aquatic Centre.
64. A key role of the Project Steering Group will be to consider the existing feedback from the community to inform the scope of the new design. Through that process the steering group will also determine whether further community engagement is required, and if so, the form that engagement would take.

SIGNIFICANCE

65. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
66. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision.
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
67. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

68. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to Council making a decision regarding the appointment of a Project Steering Group and the stages of the Memorial Park Aquatic Centre project.

NEXT STEPS

69. Following this Council meeting, the Project Steering Group will form and commence developing the scope for the new Memorial Park Aquatic Centre design.
70. In accordance with the Terms of Reference, the Project Steering Group will bring a concept design and cost estimate to Council for approval.
71. Through the development of the 2026/27 Annual Plan, Council will make a decision about the timeline for the Memorial Park Aquatic Centre, including any consequential impacts on other capital projects.

ATTACHMENTS

1. **Attachment 1 - MPAC Project Steering Group ToR - A19490474** [↓](#) 
2. **Attachment 2 - Previous Memorial Park Aquatic Centre Reporting - A19520542** [↓](#) 

TERMS OF REFERENCE – PROJECT STEERING GROUP – Memorial Park Aquatic Centre**Terms of Reference**

Project Steering Group – Memorial Park Aquatic Centre

Membership**Core Members:**

- Mayor Mahé Drysdale
- Councillor Rod Taylor
- Councillor Kevin Schuler (Alternative Deputy Mayor Jen Scoular)
- Councillor Glen Crowther
- Te Manawataki o Te Papa Limited Board Member – as available
- GM Infrastructure and Operations – Reneke van Soest
- Aquatic User representative

Technical Advisory Group:

- Design Manager Apollo Projects (report monthly to the Project Steering Group)
- Lead Architect (report to Project Steering Group as required)
- Lead Technical Consultants
- Cost Consultant
- Head of Spaces and Places
- Facilities/Aquatics Specialists Bay Venues Limited

Purpose of the PSG

The Project Steering Group (PSG) is responsible for overseeing the scope development, planning and design of the Memorial Park Aquatic Centre from Concept to Preliminary Design - Design Feasibility Report (DFR) Stage. The PSG will ensure alignment with TCC strategic outcomes, programme-level requirements, and funding obligations. The PSG provides timely governance, direction, and decision-making to maintain project momentum and budget discipline.

Objectives

1. To provide leadership, and decision-making for the scope development, planning and design process (concept through to Preliminary Design) for Memorial Park Aquatic Centre.
2. To oversee progress, risks, costs, planning and strategic alignment on the Memorial Park Aquatic Centre.
3. Provide a decision path for the management, identification and allocation of risk to ensure timely decisions.
4. Monitor and direct the Technical Advisors performance to maintain progress.
5. To receive recommendations from the Technical Advisory Group and approve scope changes/variations/recommendations before reporting preliminary designs and cost estimates to Council for approval.
6. To provide regular progress reporting to the Council at key milestones.

TERMS OF REFERENCE – PROJECT STEERING GROUP – Memorial Park Aquatic Centre

7. To approve all Communications and Engagement Plans.
8. To approve the Procurement Strategy/Plans.
9. Resolve key issues that impact programme or budget delivery.

Reporting

Monthly PSG meetings will review progress against programme, scope, risk, and budget. Key decisions points will be summarised by the Technical Advisory Group for escalation to PSG. Project Progress Reports will be submitted to Council Meetings as required.

Meeting Frequency

PSG meetings will be held monthly or as agreed to align with project phases. During early scope development, meetings may be required fortnightly. Additional meetings may be convened to address urgent matters or align with reporting deadlines.

Administration

An agenda will be circulated three working days before each PSG meeting. Minutes, action points, and decision logs will be maintained by the delegated Secretariat. Technical Advisors will prepare reports or presentations as required to support decision-making. Action items will be tracked and reviewed at each meeting. Project documentation and minutes will be stored in Objective or other agreed project repository.

Coordination with Governance

The PSG will coordinate input to the Council, ensuring consistent messaging, performance reporting, and issue escalation. PSG outputs will form the basis of Council reporting, including Quarterly Progress Reports. A clear line of sight will be maintained from deliverables to Governance expectations and accountability.

Governance of Project Phases

The Project Steering Group will be responsible for:

- Development and finalising the project scope, approving the developed concept plan and cost estimates.
- Determine the appropriate level of community engagement required.
- Oversee the Preliminary Design Stage and design cost estimates to Design Feasibility Report.
- Provide direction on form of contract (Design and Build) and make recommendation to Council prior to handing project to TMOTP Limited Board for delivery.

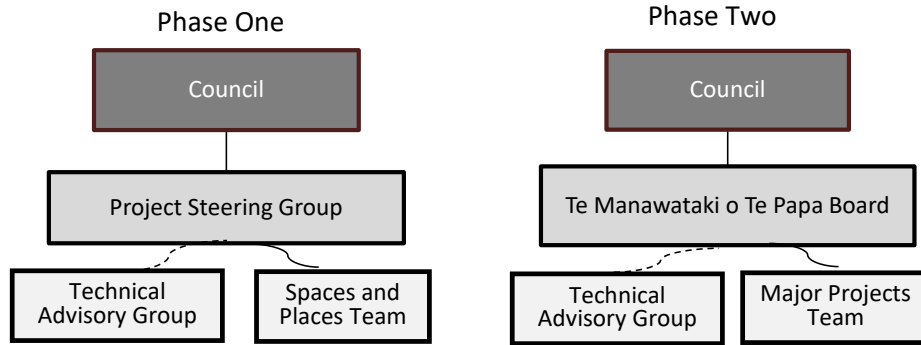
The Te Manawataki o Te Papa Limited Board will be responsible for:

- Subject to Council approval, finalising the form of the contract.
- Progressing the design and cost estimate process through to Detailed Design.
- Reporting monthly to the Elected Members on progress, budget and risks.

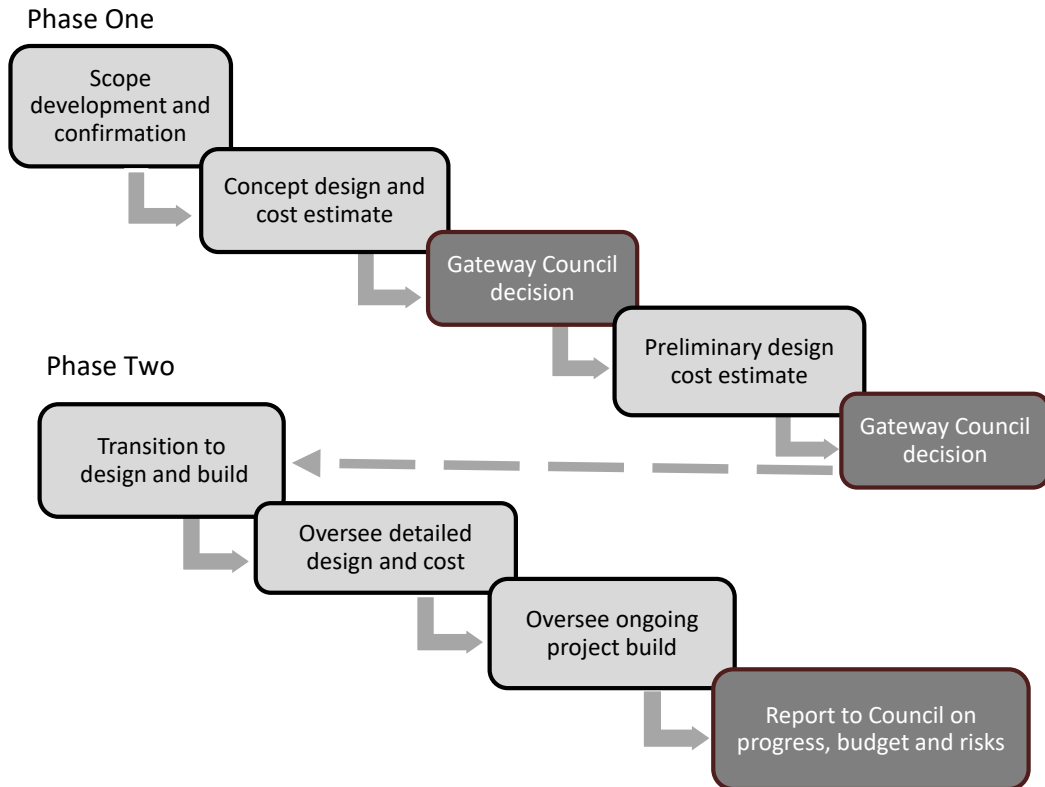
TERMS OF REFERENCE – PROJECT STEERING GROUP – Memorial Park Aquatic Centre

Stages of Memorial Park Aquatic Centre Project

Governance



Milestones



ATTACHMENT 2 - PREVIOUS MEMORIAL PARK AQUATIC CENTRE REPORTING

This document supports the table included in the Council Agenda Report of 16 December 2025 and outlines in more detail the expenditure to date and previous reporting to Council on the Memorial Park Aquatic Centre.

1. On 4 October 2024, a memo went to Elected Members ahead of a 9 October workshop, showing a total project spend of \$3.4m to 31 August 2024, including \$1.5m of operational expenditure of a capital nature at that point in time. Subsequently reported costs were related to engineering and design work that had already been carried out but invoices had not been paid in the reporting period.
2. On 29 October 2024, a report to Council provided the previously reported costs updated to include costs to 30 September 2024. The report referred to \$2.65m as the capital spend in paragraph 7. In the history section under paragraph 56, the report referenced \$1.6m of concept design operational costs already incurred in addition to the capital expenditure.
3. On 22 July 2025, the City Delivery Committee total project list detailed out historic spend of \$3.2m to the end of FY24 (which included \$1.5m of operational spend), plus \$1.5m budget in FY25. Each subsequent quarterly monitoring report has shown the spend in FY25 specific to the Memorial Park Aquatic Centre project under High Strategic Impact (HSI) project reporting.
4. On 16 September 2025, a report to Council referred to the total spend on the Memorial Park Aquatic Centre as at 30 June 2025, was \$4.7m (including \$1.6m opex and \$3.1m capex).
5. Opex spend in the 2025/26 year, subsequent to 30 June 2025, totals \$100,000 as at 30 November 2025. This is primarily for the approved geotechnical work and means that total opex spend on the project has now risen to \$1.7m.

11.6 Organisational Reset - Update of Delegations

File Number: A18808658

Author: Tyler Buckley, Commercial Solicitor

Authoriser: Alastair McNeil, Acting COFO - Commercial & General Counsel

PURPOSE OF THE REPORT

1. To update Council's staff delegation's manual (**Delegations Manual**) to take account of staff position changes arising from the 2025 organisational "Reset".

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Organisational Reset - Update of Delegations".
- (b) Approves the updates to the Delegations Manual as shown in tracked changes in Attachment 1. The recommended additions are underlined, and the recommended deletions are shown as a ~~strike~~
- (c) Confirms resolution (b) is effective as of 18 August 2025, the date the Reset was implemented.
- (d) Note that in the first quarter of 2026, Council staff within TCC's finance team will provide Elected Members with an overview of existing staff financial delegations to enable the Elected Members to decide whether they require an additional Council report on the scope and nature of staff financial delegations.

EXECUTIVE SUMMARY

2. Amendments to the Delegations Manual are required to take account of staff position changes arising from Council's 2025 "Reset". Delegations are vital to ensure Council business is carried out as effectively and efficiently as possible.
3. The scope of this report is strictly limited to updating delegations arising from the Reset, so updates to position titles and reporting lines. There have been no updates to the substance of any delegation.
4. The majority of staff delegations are made, and can be amended, by the Chief Executive by way of sub-delegation. However, there are some staff delegations that can only be made and amended by Council resolution. This report seeks Council's approval of those specific delegations that cannot be made by the Chief Executive.
5. The commercial legal team has managed a comprehensive update of the Delegations Manual arising from the Reset. This has included consultation with the staff senior leadership group, and other relevant people managers to ensure appropriate changes are captured.
6. Although there were minor updates to the financial delegations within the Delegations Manual to strictly reflect the Reset (such as updates to titles – by way of example, any reference to the Chief Financial Officer is now recorded as a reference to the Chief Operating and Financial Officer), the substance of the financial delegations was outside the scope of the update and this report.
7. In early 2026, staff will provide Elected Members with an overview about the substance of existing staff financial delegations (including different levels of such delegations).

If, after receiving that overview, the Elected Members want further information, or want to introduce changes to staff financial delegations, then staff will prepare and present a further report on that basis.

8. This report seeks council approval for the proposed amendments to Delegations Manual.

BACKGROUND

Purpose of Delegations:

9. The purpose of staff delegations is to provide appropriate authority to enable staff to perform their job, and thereby to enable the organisation to function effectively and efficiently. Staff delegations are generally made to position titles.

Legal review:

10. The commercial legal team has initiated a comprehensive update of the Delegations Manual following the 2025 council reset to ensure that delegations are in line with current staff positions.
11. Making sure staff delegations reflect current position titles, job descriptions and reporting lines is important because:
 - (a) It ensures staff have the delegated authority they need to perform their role effectively and efficiently. It saves matters from being referred unnecessarily to senior managers where those matters can be dealt with by their staff.
 - (b) It lessens the risk of staff acting without delegated authority (if that were to occur, the relevant decision could be challenged in court and invalidated, or it may harm council's ability to prosecute a matter).

2025 Organisational Reset:

12. In 2025, there has been a restructure of the council, which has been referred to as a "Reset". The reset has required changes to the Delegations Manual.
13. All of the updates that can be authorised by way of Chief Executive sub delegation have already occurred. However, updates to certain delegations relating to:
 - (a) Resource Management Act 1991;
 - (b) Housing Accords and Special Housing Areas Act 2013;
 - (c) Local Government (Rating) Act 2002;
 - (d) Staff appointments to governance groups under the Local Government Act 2002; and,
 - (e) Staff Financial delegations,cannot be subdelegated by the Chief Executive and instead require approval direct from the council.

Updates to Delegations Manual that can only be approved by Council

14. The updates to the Delegations Manual that can only be approved by council (as noted in paragraph 12 above) have been reviewed to account for the reset.
15. These changes are of a minor operational nature, in that they update position titles and reporting lines. The recommended updates do not change the types of delegated authority council has already previously delegated to staff and are limited to changes required as a result of the reset, as set out above.
16. The proposed amendments are tracked (with additions shown as underlined and deletions shown as a ~~strike~~) in **Attachment 1** to this report.

STATUTORY CONTEXT

17. Clauses 32AA, 32, 32A and 32B of Schedule 7 of the Local Government Act 2002 give council general powers to delegate its powers, duties and responsibilities.

18. A previous council’s General Delegation to the Chief Executive (made by resolution M14/15.13 dated 17 March 2014) empowers him to make the majority of the delegations to staff by way of sub-delegation. The Chief Executive can make amendments to any Chief Executive made sub-delegations.
19. However, the Resource Management Act 1991 (section 34A), Local Government (Rating) Act 2002 (section 132), Housing Accords and Special Housing Areas Act 2013 (section 76(2)(d), Local Government Act 2002 (Schedule 7, clause 32) prohibit a previous council or this council from delegating certain powers under these Acts. These delegations are therefore made by council, rather than the Chief Executive, and require a council resolution to amend.

OPTIONS ANALYSIS

Option 1: Pass the Recommended Resolutions

20. Pass the resolutions to make the recommended amendments.

Advantages	Disadvantages
<ul style="list-style-type: none"> • Delegations to disestablished and changed positions will sit with the appropriate new, changed or existing positions. • Holders of the new and changed positions will have the delegated authority necessary for them to efficiently and effectively perform their job. • Minimal change to the types of power, roles, responsibilities previously delegated to staff. • Delegations will sit with the appropriate staff, in line with job descriptions and responsibilities. • Allows issues to continue to be escalated up relevant reporting lines as necessary and appropriate. 	<ul style="list-style-type: none"> • None

Option 2: Status Quo

21. Do not pass the resolutions to make the recommended amendments.

Advantages	Disadvantages
<ul style="list-style-type: none"> • None 	<ul style="list-style-type: none"> • Some staff will not have the delegated authority they need to efficiently and effectively perform their job, in particular new position holders and staff whose position titles or job descriptions have changed. • In the case of repositioned roles, issues may not be able to be escalated up relevant reporting lines as necessary and appropriate because the managers in the reporting line above that position may not hold the necessary delegation. • If a delegation is only held by a disestablished position, or if there are no delegations under new or amended legislation, that matter will be considered not to have been delegated and may need to be referred to council for resolution. This may cause delays, and result in council having to consider operational matters more appropriately dealt with at a staff level.

FINANCIAL CONSIDERATIONS

22. None. There are no financial considerations that arise from this update of the Delegations Manual. And the topic of “financial delegations” is outside the scope of this update of the Delegations Manual.
23. In early 2026, staff will provide Elected Members with an overview about the substance of existing staff financial delegations (including different levels of such delegations). If, after receiving that overview, the Elected Members want further information, or want to introduce changes to staff financial delegations, then staff will prepare and present a further report on that basis.

LEGAL IMPLICATIONS / RISKS

24. It is vital for council staff to have the appropriate delegated authority to carry out their role.
25. Examples of risks of acting without delegated authority are; a decision may be challenged in court (including judicial review proceedings) and invalidated, or it may harm council’s ability to efficiently prosecute or resolve a matter.

CONSULTATION / ENGAGEMENT

26. As the decision is of a minor operational nature and low significance, no external consultation or engagement has been undertaken or is required. However, after drafting proposed changes to the Delegations Manual, the commercial legal team then undertook an internal consultation process with the staff senior leadership group. This included providing the senior leadership group with:
 - (a) an overview of the changes to the Delegations Manual;
 - (b) a copy of the proposed updated Delegations Manual (tracking changes), and,
 - (c) an opportunity (for over one week) to provide feedback or changes.
27. The commercial legal team then addressed all feedback that was provided and finalised the updates.

SIGNIFICANCE

28. The Local Government Act 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against council’s Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.
29. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
 - (a) the current and future social, economic, environmental, or cultural well-being of the district or region;
 - (b) any persons who are likely to be particularly affected by, or interested in, the decision; and,
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
30. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

31. Taking into consideration the above assessment, that the decision is of low significance, officers are of the opinion that no further engagement is required prior to council making a decision.

NEXT STEPS

32. Council's Delegations Manual will be updated to incorporate any approved amendments.

ATTACHMENTS

1. **Delegations to be approved by Council - 16 December 2025 - A19522734**  

E. STAFF FINANCIAL DELEGATIONS (MADE BY COUNCIL RESOLUTION)

Delegation made by resolution M14/15.13 Council 17 March 2014 (amended by M19/6.2 Council 18 February 2019, M19/30.5 Council 21 May 2019, M19/60.13 Council 10 September 2019, and Council 29 October 2024)

1. PURPOSE

- 1.1 In any large organisation, responsible and risk-based delegation is an essential element of sound management. Delegation of financial payment authorities constitutes a key internal control mechanism that plays an essential role in the expenditure process and delivery of Council's projects, activities and services.

The purpose of these delegations is to provide appropriate financial authority to enable the organisation to operate effectively and efficiently and to ensure that a strong budgetary control environment exists.

2. PRINCIPLES

- 2.1 Delegations are generally applied using the following principles:
- (a) Delegations of financial authority are intended to ensure that the organisation operates effectively by empowering its employees with appropriate authority so they can carry out their responsibilities.
 - (b) Delegations are set at a level that ensures the organisation operates within the financial parameter set as part of its Annual Plan and Ten Year Plan.
 - (c) Delegations are appropriate to the functions of the position (staff need this delegation to do their job).

3. DELEGATION

- 3.1 Subject to the Conditions listed in section 4, the position holders are delegated the financial authority as specified in section 6 (Financial Authority). All monetary amounts specified exclude GST.

4. CONDITIONS

- 4.1 Any person to whom financial authority has been delegated or sub-delegated may exercise any ancillary powers necessary to give effect to that delegation.

For example: If the value of a contract is within the limit of the delegate's financial authority, the delegate may negotiate the terms and conditions, and sign the contract on Council's behalf. However, deeds must be signed by two elected members and the common seal does not need to be affixed. Deeds and any documents that are required to be executed under Council's common seal must be sent through the Execution of Documents process that is overseen by Legal Services.

- 4.2 Any person to whom financial authority has been delegated or sub-delegated may vary or terminate a *Financial Transaction* for a value that is within the limits of his/her delegated financial authority.

- 4.3 If an item of expenditure exceeds a person's financial authority, that person may not split the expenditure into smaller items that are each within the limits of their financial authority in order to "work around" the limitations of their authority.
- 4.4 These financial delegations are subject to, limited by and/or supplemented by any plans, policies and procedures adopted by Council. Delegates must have regard to, and exercise their financial authority in accordance with Council's plans, policies and procedures.

For the avoidance of doubt, these financial delegations do not limit, amend or otherwise affect the delegations made in Council's Procurement Policy. Delegates must refer to that Policy when exercising their financial delegations in a procurement context.

- 4.5 Each of the delegates specified below may sub-delegate his/her financial authority (with the exception of delegations relating to *Unbudgeted Items*) provided that the sub-delegation is within the limits of the delegate's financial authority.

All sub-delegations of financial authority must be in accordance with the form prescribed by the Finance department and be notified to the Finance department (who hold and maintain a record of all financial delegations and sub-delegations).

- 4.6 The Chief Executive and each *General Manager* have the authority to revoke any sub-delegation of financial authority made to any person regardless of who made the original sub-delegation. The ~~Manager: Head of Communications and & Engagement and Team Leader: Communications~~ has the authority to revoke any sub-delegation of financial authority made to any person within the Communications team regardless of who made the original sub-delegation.
- 4.7 In respect of a financial transaction involving the purchase or disposal of a Council asset, the exercise of a delegate's financial authority is conditional on the purchase or disposal of the asset being in accordance with Council's *Ten Year Plan*, the applicable *Annual Plan* or a Council resolution.
- 4.8 These Financial Delegations must be interpreted in accordance with the Definitions in section 5.

5. DEFINITIONS

In these Financial Delegations, the following terms have the following meanings:

"Annual Plan" means:

the annual plan adopted by Council in accordance with the Local Government Act 2002 for the applicable financial year. In respect of the first year to which a *Ten Year Plan* relates, means the financial statements and funding impact statement included in that *Ten Year Plan* in relation to that year.

"Budgeted Expenditure" means:

expenditure that has been budgeted for in the applicable *Annual Plan* and the funds to cover the expenditure are still available within the amount budgeted in the applicable *Annual Plan* for the *Item* to which the expenditure relates. Excludes capital projects (i.e. CAPEX items) or operations/services (i.e. OPEX items) that Council by resolution decides to cancel, discontinue or otherwise not advance, despite that expenditure having been approved in the *Annual Plan*.

"Cost Category" means:

a grouping of costs as per the Annual Plan and Ten Year Plan. For example: employee costs or other expenses.

"Financial Transaction" includes (but is not limited to):

- the decision to award or enter into a goods, works or services contract;
- authorising a payment to be made under a goods, works or services contract (such as payment of an invoice or a progress payment), including approving a Purchase Order;

- obtaining or giving grants, guarantees and indemnities;
- purchasing or disposing of Council assets provided that the purchase or disposal of the asset is in accordance with Council's *Ten Year Plan*, the applicable *Annual Plan* or a Council resolution.

"General Manager" means:

a position holder with primary responsibility for managing a Group who reports directly to the Chief Executive (i.e. second-tier management level).

"Item" means:

- in respect of capital expenditure, is an individual project or related group of projects;
- in respect of operational expenditure, is a purchase of expenditure relating to a Cost Category procured under a single purchase order or contract;
- in respect of debt write-off, is the particular debt or account owing by an individual person/entity.

"Ten Year Plan" means:

the long-term plan adopted by Council in accordance with the Local Government Act 2002 for the applicable period.

"Unbudgeted Item" means:

an *Item* that has not been budgeted for in the applicable *Annual Plan*, *Ten Year Plan*, or a Council resolution. This includes:

- overspends: i.e. the amount of expenditure on an *Item* that exceeds the amount budgeted for that *Item* in the applicable *Annual Plan*. For example: cost overruns on the amount budgeted for a contract or project in the applicable *Annual Plan*; and
- capital expenditure that has been brought forward from future years in the applicable *Ten Year Plan*.

6. **FINANCIAL AUTHORITY**

6.1 **Budgeted Expenditure**

6.1.1 The Chief Executive has the authority to commit Council to any *Financial Transaction* that is *Budgeted Expenditure*. This includes all authority required to implement all decisions of Council and its subordinate decision-making bodies to achieve the operating, planning, and capital expenditure objectives and projects outlined in the *Annual Plan*. It includes the ability to commit to multi-year contracts where there is sufficient funding budgeted in each year of the *Ten Year Plan* for this contract.

6.1.2 Every *General Manager* has the authority to commit Council to a *Financial Transaction* that is *Budgeted Expenditure* within their Group's activity areas. It includes the ability to commit to multi-year contracts where there is sufficient funding budgeted in each year of the *Ten Year Plan* for this contract.

6.1.3 The ~~Manager~~Head of: Communications and & Engagement ~~and Team Leader: Communications~~ has the authority to commit Council to a *Financial Transaction* that is *Budgeted Expenditure* within his/her activity areas.

6.2 **Unbudgeted Items**

6.2.1 The Chief Executive has the authority to commit Council to an *Unbudgeted Item*, provided that Council's total expenditure on the *Unbudgeted Item* will not exceed \$500,000 and confirmation is obtained from the ~~General Manager: Corporate Services~~Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance that the funds for the *Item* are available within the total approved Annual

Plan. Commitment on significant *Unbudgeted Items* above \$50,000 will be reported to Council as part of regular performance monitoring reports.

- 6.2.2 Each *General Manager* has the authority to commit Council to an *Unbudgeted Item*, provided that Council's total expenditure on the *Unbudgeted Item* will not exceed \$100,000 and confirmation is obtained from the ~~General Manager: Corporate Services~~ *Chief Operating & Financial Officer* or ~~Manager: Head of~~ Finance that the funds for the *Item* are available within the total approved *Annual Plan*. Commitment on significant *Unbudgeted Items* above \$50,000 will be reported to Council as part of regular performance monitoring reports.
- 6.2.3 The Chief Executive and *General Managers* may not sub-delegate their authority to commit Council to an *Unbudgeted Item*.
- 6.2.4 If Council or one of its appropriately authorised subordinate decision-making bodies resolves to commit Council to an *Unbudgeted Item*, any person with financial authority for a *Budgeted Item* for the equivalent amount may implement that decision.
- 6.2.5 The Chief Executive, *General Managers* and third tier managers/team leaders have authority to spend the operational budgets within the Cost Categories specified in the Annual Plan for their activity. Where expenditure will result in an overspend in a particular Cost Category confirmation is required from the ~~General Manager: Corporate Services~~ *Chief Operating & Financial Officer* or ~~Manager: Head of~~ Finance that costs will remain within the total approved Annual Plan. If the overspend results in an organisational overspend in a Cost Category this will be reported to the next available Audit, Finance, Risk and Monitoring Committee (or such other equivalent Council committee tasked with the role of ensuring Council is managing its finances in an appropriate manner).

6.3 Debt Write-off

- 6.3.1 The Chief Executive is delegated authority to write-off any debt or account owing to Council (including fines, infringement fees, user fees and charges but excluding rates) not exceeding \$20,000 per *Item*.
- 6.3.2 Each *General Manager* is delegated authority to write-off any debt or account owing to Council (including fines, infringement fees, user fees and charges but excluding rates) that would be payable into his/her Group's budget and that does not exceed \$10,000 per *Item*.

Explanatory Note: In respect of rates remissions and water remissions, refer to the delegations under the Local Government (Rating) Act 2002, Council's Rates Remissions Policy and Development Contributions Policy.

6.4 Settlement of Legal Claims Made Against Council

Prior to any settlement negotiations being entered into, the delegate must consult with the General Counsel, Associate Counsel, Legal Counsel, ~~Manager: Commercial Advisory~~, Team Leader: Commercial Legal, Commercial Solicitor or Solicitor: RMA & Regulatory Services.

6.4.1 Insured Claims – No Excess

The Chief Executive and each *General Manager* is delegated authority to settle any claims made against Council (whether or not legal proceedings have been commenced) where Council's portion of the settlement amount is fully covered by one of Council's insurance policies, provided that:

- prior written confirmation from Council's insurer is obtained stating that the proposed settlement amount is covered by Council's insurance policy; and
- no excess is payable by Council in respect of that claim.

6.4.2 Insured Claims – Excess Applicable

The Chief Executive and each *General Manager* is delegated authority to settle any claims made against Council (whether or not legal proceedings have been commenced) where Council's portion of the settlement amount is covered by one of Council's insurance policies but an excess is payable, provided that (prior to the settlement being agreed):

- written confirmation from Council's insurer is obtained stating that the proposed settlement amount less the amount of the excess payable is covered by Council's insurance policy; and
- confirmation from the ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance is obtained that the funds are available to cover Council's excess.

6.4.3 Uninsured Claims Involving a Direct Cost to Council (Expenditure) or the Settlement amount is less than the Excess of Council's Applicable Insurance Policy

(a) The Chief Executive is delegated authority to settle claims made against Council (whether or not legal proceedings have been commenced) where Council's portion of the settlement amount is either:

- not covered by one of Council's insurance policies; or
- is less than the excess of Council's applicable insurance policy,

provided that:

- Council's portion of the agreed settlement amount does not exceed \$250,000;
- and prior confirmation is obtained from the ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance that the funds to cover Council's entire portion of the settlement amount are available.

(b) Each *General Manager* is delegated authority to settle claims made against Council (whether or not legal proceedings have been commenced) where Council's portion of the settlement amount is either:

- not covered by one of Council's insurance policies; or
- is less than the excess of Council's applicable insurance policy,

provided that:

- Council's portion of the agreed settlement amount does not exceed \$50,000;
- and prior confirmation is obtained from the General Manager: Corporate Services or Manager: Finance that the funds to cover Council's entire portion of the settlement amount are available.

(c) If no provision has been made for Council's portion of the proposed settlement amount in the *Annual Plan* or the funds allocated in the *Annual Plan* for general legal claims are insufficient or have been exhausted, the portion of Council's proposed settlement amount must be reported to Council or the appropriately authorised subordinate decision-making body of Council for a decision.

6.4.4 Uninsured Claims Involving an Indirect Cost to Council (Loss of Revenue)

If legal proceedings are threatened against Council (whether or not legal proceedings have been commenced) claiming that a type of fine, fee, charge or monetary contribution (including development contributions and rates) levied by Council against the claimant has been incorrectly levied, the Chief Executive is delegated authority to settle the claim, provided that the settlement amount does not exceed \$1,000,000.

This delegation includes the authority to depart from an applicable Council policy or procedure if it is reasonable, necessary and prudent in the particular circumstances of the claim to do so.

6.4.5 Leaky Building Claims

(a) Insured Claims:

If Council's liability in respect of the claim is covered by one of Council's insurance policies (whether or not an excess is payable):

Each of the Chief Executive, General Managers, General Counsel, Associate Counsel, Legal Counsel, ~~Manager: Commercial Advisory Team Leader: Property Legal~~, Team Leader: Commercial Legal, Commercial Solicitor and Solicitor: RMA & Regulatory Services are authorised to settle the claim, provided that:

- prior written confirmation is obtained from Council's insurer stating that the proposed settlement amount (less any excess payable) by Council is covered by Council's insurance policy; and
- confirmation from the ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance is obtained that the funds are available to cover any excess payable.

(b) Uninsured Claims or the Settlement Amount is less than the excess of Council's applicable insurance policy:

If Council's liability in respect of the claim is either not covered by one of Council's insurance policies or is less than the excess of Council's applicable insurance policy:

- (i) Each of the General Counsel, Associate Counsel, Legal Counsel, ~~Manager: Commercial Advisory Team Leader: Property Legal~~, Team Leader: Commercial Legal, Commercial Solicitor or Solicitor: RMA & Regulatory Services may settle the claim, provided that:
 - Council's portion of the agreed settlement amount does not exceed \$250,000; and
 - prior confirmation is obtained from the ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance that the funds to cover Council's entire portion of the settlement amount are available; and
 - the Chief Executive's approval has been provided.
- (ii) Each *General Manager* may settle the claim, provided that:
 - Council's portion of the agreed settlement amount does not exceed \$500,000; and
 - prior confirmation is obtained from the ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance that the funds to cover Council's entire portion of the settlement amount are available; and
 - the Chief Executive's approval has been provided.
- (iii) The Chief Executive may settle the claim where the settlement amount exceeds \$500,000, provided that:
 - prior confirmation is obtained from the ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer or ~~Manager: Head of~~ Finance that the funds to cover Council's entire portion of the settlement amount are available.

This delegation also applies when the amount is less than \$500,000.

6.5 Financial Operations

The Chief Executive and ~~General Manager: Corporate Services~~ Chief Operating & Financial Officer are each delegated the authority to operate (including opening and closing accounts) all of Council's bank accounts, investment accounts, loan accounts, special funds and other financial administrative matters, including signing authority where appropriate

G. STATUTORY DELEGATIONS (MADE BY COUNCIL RESOLUTION)

CIVIL DEFENCE EMERGENCY MANAGEMENT ACT 2002

Delegation made by resolution CO7/22/1 of Council on 2 May 2022

That the Council:

- (a) Receives the report “Delegations relating to Civil Defence Emergency Matters”.
- (b) Pursuant to its powers under clause 32(1) of Schedule 7 of the Local Government Act 2002, delegates to Commission Chair Anne Tolley, and in her absence Commissioner Bill Wasley, the powers conferred under section 25(5) of the Civil Defence Emergency Management Act 2002 (CDEMA) to declare a state of local emergency, or give notice of a local transition period, that covers the district of Tauranga City Council.
- (c) With reference to section 13(4) of the CDEMA, appoints Commission Chair Anne Tolley as the Tauranga City Council representative, and Commissioner Bill Wasley as her alternate, to the Bay of Plenty Civil Defence Emergency Management Group.

COVID-19 RECOVERY (FAST-TRACKING CONSENTING) ACT 2020

Delegation made by resolution CO24/20/1 Council 8 September 2020

SECTION	BRIEF DESCRIPTION OF DELEGATION COVID-19 RECOVERY (FAST-TRACK CONSENTING) ACT 2020 (COVID-19 ACT)	CHIEF EXECUTIVE
Schedule 5 (3)(2)(a)	Power to nominate 1 member of the relevant local authority or a person nominated by those local authorities	✓

HOUSING ACCORDS AND SPECIAL HOUSING AREAS ACT 2013 DELEGATIONS

Delegation made by resolution M14/83.13 Council 17 November 2014 (amended by M19/6.2 Council 18 February 2019, M19/30.5 Council 21 May 2019, and M19/60.13 Council 10 September 2019)

Subject to the Conditions specified below:

1. Delegations relating to when there is an equivalent RMA section:

- When a section in the Housing Accords and Special Housing Areas Act 2013 (HASHAA) refers to an equivalent section under the Resource Management Act 1991 (RMA) as applying for the purposes of HASHAA (with any modifications specified in HASHAA); and
- A position holder holds delegated authority from Council under that equivalent RMA section (by virtue of the Resource Management Act 1991 Delegations made by a Council resolution whether before or after these HASHAA delegations are made); then
- That position holder is hereby delegated the same authority (with any necessary modifications) in respect of that HASHAA section as she or he holds under the equivalent RMA section.
- *For example: section 32 HASHAA specifies that section 91 RMA applies (with all necessary modifications) in relation to an application for a resource consent under HASHAA. A number of*

position holders currently hold authority under section 91 of the RMA. By virtue of the above delegation, those position holders are delegated authority under section 32 of HASHAA.

2. Delegations relating to when there is no equivalent RMA section:

HASHAA sections that do not refer to an equivalent provision under the RMA are delegated to the position holders as specified in the table below.

HASHAA Section	Brief Description of Delegation	Delegates
29	Power to determine notification requirements and make notifications in accordance with this section	<ul style="list-style-type: none"> • General Manager: Regulatory & Community Services • Manager: Environmental Planning Head of Environmental Planning • Team Leader: Environmental Planning • Senior Environmental Planner
34, 36 and 37	<p>Power to consider and determine applications for resource consent in accordance with these sections.</p> <p>This includes the power to direct an affected infrastructure provider to provide information relevant to the application (section 34(4)) and the power to impose a consent condition of the type in section 37(2).</p>	<ul style="list-style-type: none"> • General Manager: Regulatory and Compliance General Manager: Regulatory & Community Services • Manager: Environmental Planning Head of Environmental Planning • Team Leader: Environmental Planning • Senior Environmental Planner

Conditions:

1. Each of the delegations specified includes all ancillary functions, powers and duties that are necessary for the Delegate(s) to exercise or perform or give effect to the delegation.
2. Each delegation must be read and interpreted in conjunction with the legislative provision to which it relates.
3. In accordance with section 76(2)(d) HASHAA, the Council has not delegated to any of its employees, hearings commissioners appointed by the Council or other persons:
 - Any of Council’s functions and powers under subpart 3 of Part 2 (except as provided in section 90(3)) of HASHAA; nor
 - its power to delegate its functions, powers and duties under HASHAA.

Furthermore, in respect of delegations to persons other than Council employees or hearings commissioners appointed by the Council, the Council has not delegated to those persons:

- its power to make a decision on a resource consent application under HASHAA; nor
 - its power to make a recommendation on a requirement for a designation under HASHAA.
4. The Delegates are not permitted to sub-delegate any of the functions, powers and duties delegated to them by the Council under HASHAA.

5. Authority of a Council employee acting in a Delegate’s position:

Where a Council employee is appointed to act in the position of a Delegate, that Council employee shall be deemed to have the delegated authority of the Delegate for the duration that s/he is appointed to act in that position.

Advice Note: This is consistent with section 14 of the Interpretation Act 1999 (Exercise of Powers by Deputies) which specifies that a person lawfully acting in an office may exercise any of the powers conferred on the holder of that office.

6. Authority of a non-Council employee acting in a Delegate’s position:

Where an individual who is not a Council employee (such as a consultant who is seconded to the Council) is appointed to act in the position of a Delegate, that individual shall be deemed to have the delegated authority of the Delegate for the duration that s/he is appointed to act in that position with the following exceptions. The individual shall not have the delegated authority to:

- Exercise any of Council’s functions and powers under subpart 3 of Part 2 (except as provided in section 90(3)) of HASHAA; nor
- delegate any of the Council’s functions, powers or duties under HASHAA;
- make a notification determination and substantive decision on a resource consent application under HASHAA;
- make a notification determination and recommendation on a requirement for a designation under HASHAA.

However, the individual shall have the authority to do anything before a final decision on such a matter (if those powers have been delegated to the position holder in whose position the individual is acting).

Advice Note: This is consistent with section 76(2)(d) HASHAA which has been interpreted as having the effect of prohibiting the Council from delegating these matters to a person who is not an employee of the Council or a hearings commissioner appointed by the Council.

Cross Reference: Refer also to the delegations relating to Council’s Housing Accords and Special Housing Areas Act 2013 Policy in Section K.

LOCAL GOVERNMENT ACT 2002 – GOVERNANCE STRUCTURE – STAFF APPOINTMENTS

Delegation made by resolution CO4/21/10 Council 29 March 2021

That the Council:

- (e) Appoints the following persons as the Tauranga City Council representatives/members to these governance groups, funding panels and external organisations instead of the Tauranga City Council elected members who were discharged from these groups/organisations on 22 February 2021. The staff appointees to the Event Funding Panel and Community Development Match Fund Panel are delegated the authority specified. The staff appointments to the Tauranga Western Bay Safer Communities, Event Funding Panel, Community Development Match Fund, and the Tauranga Creative Communities Scheme Funding Panel are interim appointments, pending further consideration by the commissioners.

Group/organisation	Membership on behalf of Tauranga City Council
Omanawa Project Governance Group	Director-Head of Spaces and Places Manager: Strategic Māori Engagement

Tauranga Western Bay Safer Communities	General Manager: Community Services General Manager: Regulatory & Community Services (assumes Chairperson role) Alternate: Team Leader: Community Development
Event Funding Panel	General Manager: Community Services General Manager: Regulatory & Community Services (assumes Chairperson role) Manager: Venues and Events Council subject matter expert(s) dependent on genre/type/nature of event. (The two Council representatives/members appointed above are delegated authority to appoint, by consensus, an appropriate expert or experts to the Panel on a per event basis).
Community Development Match Fund Panel	Manager: Community Partnerships Team Leader: Community Development The three existing external appointees (one each from TECT, Bay Trust and Acorn Foundation) are reconfirmed. The Manager: Community Partnerships is delegated authority to approve small grants of up to \$1,000 with the number of grants approved not to exceed the total amount budgeted annually for small grants.
Tauranga Creative Communities Scheme Funding Panel	Manager: Arts and Culture

- (f) In respect of each of the Tauranga City Council staff appointees specified in resolution (e), if their position title changes or their position is disestablished, a staff member who performs or exercises the same or substantially similar role or function to that position will, upon confirmation by the Chief Executive, be deemed to be the Council's appointee to the group/panel/organisation without further resolution of the Council being required.

LOCAL GOVERNMENT (RATING) ACT 2002 DELEGATIONS

Delegation made by resolution M14/15.13 Council 17 March 2014 (amended by resolution M19/6.2 Council 18 February 2019, M19/30.5 Council 21 May 2019, M19/60.13 Council 10 September 2019, and Council 29 October 2024)

Pursuant to section 132 of the Local Government (Rating) Act 2002 (*the Act*) and clause 32 of Schedule 7 of the Local Government Act 2002, the Tauranga City Council delegates those of its functions, powers and duties under the Local Government (Rating) Act 2002 to the position holders (*Delegates*) specified in the table and subject to the Conditions below.

CONDITIONS

7. Each of the delegations specified includes all ancillary functions, powers and duties that are necessary for the Delegate(s) to exercise or perform or give effect to the delegation.
8. A function, power or duty delegated to an officer holding a named position is also delegated to any officer who performs or exercises the same or a substantially similar role or function, whatever the name of his or her position.
9. Where the brief description of a delegation is ambiguous or appears to conflict with the wording of the Act, the wording of the Act will prevail.

10. Where a delegation refers to repealed legislation, the reference is to be read as a reference to the legislation that, with or without modification, replaces or corresponds to the repealed legislation.
11. The Delegates must comply with any conditions (such as financial limits and reporting or other procedural requirements) relevant to the exercise of the delegated authority, and should also comply where required with all applicable Council policies.
12. The conferring of delegated authority means that the Delegate may exercise the function, power or duty, but not that he or she should or must do so (either at all, or in a particular case). Whether or not it is appropriate for a Delegate to exercise a delegated authority which they have will depend on their job description and instructions in particular circumstances.
13. These delegations continue in force until revoked, altered or varied by resolution of Council.
14. The Delegates are not permitted to sub-delegate these delegations.

KEY TO ABBREVIATIONS

ABBREVIATION	POSITION
CE	Chief Executive
COFO	Chief Financial Officer Chief Operating & Financial Officer
HM:Fin	Manager: Finance Head of Finance
M:TrSRPR	Manager: Transactional Services Manager: Rating Policy & Revenue
SLandRIC	Senior Land and Rating Information Co-ordinator
TL:CB CDC	Team Leader: Corporate Banking, Collections and Debt Collections
TL:RevSCBCR	Team Leader: Revenue Services Team Leader: Corporate Banking, Collections & Revenue
TSC	Transactional Services Coordinator
BPL	Business Process Lead
RCMLandS	Revenue Collections & Maori Land Specialist
TL:WatRMO	Team Leader: Water Revenue & Metering Operations
WatRSFS	Water Revenue Services Field Specialist

DELEGATIONS

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	Any of the functions, powers and duties conferred on the Council by the Local Government (Rating) Act 2002 (including any amendments to the Act) and any regulations, rules and Tauranga City Council policies and plans made under the Act, that are not otherwise specifically delegated by Council <u>with the exception of:</u> <ul style="list-style-type: none"> the power to delegate; the power to make a rate; any functions, powers and duties under Subpart 2 of Part 1 (sections 7 to 26) of the Act; any functions, powers and duties under Subpart 1 of Part 5 (sections 118 to 130) of the Act; and any functions, powers and duties the Council is prohibited by rule of law from delegating to a Council officer. 	✓	✓	✓	✓						
20A	Power to determine whether units are derived from, or are likely to have	✓	✓	✓	✓	✓		✓			

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:TfSRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	been derived from, the same original block of Māori freehold land.										
27	Functions, powers and duties relating to keeping and maintaining a rating information database	✓	✓	✓	✓	✓	✓	✓	✓	✓	
28 and 28A	Functions, powers and duties relating to making the rating information database available for inspection	✓	✓	✓	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> • <u>General Manager:</u> <u>Community Services</u><u>General Manager:</u> <u>Regulatory & Community Services</u> • <u>Manager:</u> <u>Customer Services</u><u>Manager:</u> <u>Libraries & Community Hubs</u> • Team Leader: Service Centre • Advisor: Service Centre • Technical Advisor: Service Centre • Relief Advisor: Service Centre

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:TfSRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
28C	Power to remove or restore an owner's name and/or postal address upon that owner's written request	✓	✓	✓	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> • <u>General Manager: Community Services</u><u>General Manager: Regulatory & Community Services</u> • <u>Manager: Customer Services</u><u>Manager: Libraries & Community Hubs</u> • Team Leader: Service Centre • Advisor: Service Centre • Technical Advisor: Service Centre • Relief Advisor: Service Centre
29	Power to determine objections to information contained in the rating information database	✓	✓	✓	✓	✓	✓	✓	✓		
33	Power to update the rating information database upon receipt of notification of transfer or assignment of lease or licence	✓	✓	✓	✓	✓	✓	✓	✓	✓	
35	Power to determine if the name of a ratepayer entered in the rating information database may be removed	✓	✓	✓	✓	✓	✓	✓	✓	✓	
36	Power to update the rating information	✓	✓	✓	✓	✓	✓	✓	✓	✓	

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:TfSRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	database upon receipt of notification of change of name										
37	Functions, powers and duties relating to keeping and maintaining rates records for each rating unit or separate rating area in the district	✓	✓	✓	✓	✓	✓	✓	✓	✓	
38	Power to determine if a requester is entitled to inspect the rates information database	✓	✓	✓	✓	✓	✓	✓	✓	✓	<ul style="list-style-type: none"> • General Manager: Community ServicesGeneral Manager: Regulatory & Community Services • Manager: Customer ServicesManager: Libraries & Community Hubs • Team Leader: Service Centre • Advisor: Service Centre • Technical Advisor: Service Centre • Relief Advisor: Service Centre
39	Power to determine objections to rates records	✓	✓	✓	✓	✓	✓	✓	✓		
40	Power to authorise correction of an error in the rating information database or rates records	✓	✓	✓	✓	✓	✓	✓	✓		

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	even though no objection has been received										
41	Power to authorise the issue an amended rates assessment if an error is corrected and to make a refund (if applicable)	✓	✓	✓	✓	✓	✓	✓	✓		
42	Power to determine if the Council is entitled to recover additional rates	✓	✓	✓	✓	✓	✓	✓	✓		
41A	Power to authorise the issue of an amended rates assessment to give effect to a decision on an objection to a valuation under the Ratings Valuations Act 1991 and to make a refund (if applicable)	✓	✓	✓	✓	✓	✓	✓	✓		
44	Functions, powers and duties relating to delivery of rates assessments	✓	✓	✓	✓	✓	✓	✓			
46	Functions, powers and duties relating to delivery of rates invoices	✓	✓	✓	✓	✓	✓	✓			
47	Functions, powers and duties relating to delivery of amended rates assessments	✓	✓	✓	✓	✓	✓	✓			
48	Functions, powers and duties relating to delivery of rates assessments and rates invoices (including the power to determine if they will be delivered together)	✓	✓	✓	✓	✓	✓	✓			
50	Power to determine to deliver a rates invoice for not more than 25% of the	✓	✓	✓	✓						

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	rates that are payable in the previous year if not able to deliver a rates assessment at least 14 days before the circumstances specified in subsection 50(1)										
51	Functions, powers and duties relating to delivery of rates assessments and rates invoices (including the power to determine if they will be combined)	✓	✓	✓	✓	✓		✓			
52	Power to determine method of payment of rates	✓	✓	✓							
53	Power to appoint a rates collector. Power to accept appointment of the Council as a rates collector for another local authority.	✓	✓	✓	✓			✓	✓		
54	Power to determine not to collect rates payable on a rating unit or separate rating area that are uneconomic to collect	✓	✓	✓	✓			✓	✓		
57 and 58	Power to add penalties for rates not paid by the due date in accordance with the Council resolution authorising penalties to be added	✓	✓	✓	✓	✓		✓	✓		
61(1)	Power to recover rates from the owner of a rating unit if the ratepayer defaults	✓	✓	✓	✓	✓		✓	✓		

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
61(2)	Power to recover or retain the amount of unpaid rates from the ratepayer (where Council is the owner but another entity is the ratepayer)	✓	✓	✓							<ul style="list-style-type: none"> • <u>General Manager: Operations & Infrastructure</u> • <u>Head of Spaces & Places</u> • <u>Manager: Strategic Planning and Partnerships</u>
62	Power to: <ul style="list-style-type: none"> • notify persons with an interest in the property that the owner has defaulted in paying rates; • accept payment from those persons; and recover the unpaid rates from the first mortgagee. 	✓	✓	✓	✓			✓	✓		
63	Power to commence legal proceedings to recover unpaid rates	✓	✓	✓	✓			✓			
67	Power to apply to the Registrar of the High Court to have a judgment enforced (for sale or lease of a rating unit)	✓	✓	✓	✓			✓			
77	Power to apply to the District Court for an order declaring land as abandoned and authorising Council to sell or lease the land (includes the power to give notice under subsection 77(2))	✓	✓	✓	✓			✓			
79 to 83	All authority necessary under sections 79 to 83 to	✓	✓	✓							

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	implement the court's authorisation (given pursuant to section 78) to the Council to sell or lease the land (provided that any documents that Council is required to execute under seal are executed by persons with the necessary delegated authority to witness the affixation of Council's seal)										
85 and 86	Power to remit rates in accordance with Council's rates remission policy and sections 85 and 86 and duty to record remitted rates	✓	✓	✓	✓	✓		✓	✓		
87	Power to postpone the requirement to pay all or part of the rates in certain circumstances in accordance with Council's rates postponement policy and section 87	✓	✓	✓	✓						
88	Power to authorise that a postponement fee be added to postponed rates in accordance with the Council's rates postponement policy and section 88	✓	✓	✓	✓						
89(2)	Functions, powers and duties relating authorising the recording of postponement fees	✓	✓	✓	✓	✓	✓				
90(1)	Power to register a notice of charge on a rating unit	✓	✓	✓	✓	✓	✓	✓			

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
	if the requirement to pay rates for the rating unit under section 87(1) has been postponed										
90(4)	Power to register a notice of release of charge if all postponed rates for a rating unit are paid	✓	✓	✓	✓	✓	✓	✓			
98A	Power to divide a separate rating area from a rating unit on Māori freehold land on the request of a person	✓	✓	✓	✓			✓			
98D	Power to do anything required to adjust who is liable for rates (or apportionments of rates), and anything required to adjust any related matters, under this Act for that financial year to reflect the division or removal of the division of rating area	✓	✓	✓	✓			✓			
98E	Power to determine that a separate rating area divided from a rating unit is no longer a separate rating area in accordance with section 98E	✓	✓	✓	✓			✓			
99	Power to apply to the Maori Land Court for an order charging unpaid rates against Maori freehold land	✓	✓	✓	✓						
108	Power to apply to the Maori Land Court to enforce a charging order made by the Court	✓	✓	✓	✓						

SECTION	BRIEF DESCRIPTION OF DELEGATION LOCAL GOVERNMENT (RATING) ACT 2002	CE	COFO	HM:Fin	M:T+SRPR	SLandRIC; TL:RevSCBCR; TL:CBDC; BPL	TSC	RCMLandS; TL:CBDC	TL:WatRMO	TSC; WatRSFS	Other Delegates
112	Power to discharge a charging order in writing on behalf of the Council (in full or in proportion to the amount of rates paid)	✓	✓	✓	✓						
114	Power to remit all or part of the rates (including penalties for unpaid rates) on Maori freehold land in accordance with Council's remission and postponement of rates on Maori freehold land policy and section 114	✓	✓	✓	✓			✓	✓		
114A	Power to remit all or part of the rates on Māori freehold land in accordance with section 114A.	✓	✓	✓	✓			✓			
115	Power to postpone the requirement to pay all or part of the rates on Maori freehold land (including penalties for unpaid rates) in accordance with Council's remission and postponement of rates on Maori freehold land policy and section 115	✓	✓	✓	✓						
135(2)	Power to sign the documents specified in section 135 as correct copies for the purpose of legal proceedings	✓	✓	✓	✓			✓	✓		

RESOURCE MANAGEMENT ACT 1991 DELEGATIONS

Made by resolution M13/72.7 Council 26 November 2013 incorporating amendments made by:

- M14/83.13 Council 17 November 2014;
- M18/22.4 Council 20 March 2018;
- M19/6.2 Council 18 February 2019;
- M19/30.5 Council 21 May 2019;
- M19/60.13 Council 10 September 2019;
- CO24/20/1 Council 8 September 2020;
- CO25/20/14 Council 6 October 2020;
- CO28/20/6 Council 17 November 2020; and
- Council 29 October 2024.

1. Pursuant to section 34A of the Resource Management Act 1991 (“**RMA**”) and clause 32 of Schedule 7 of the Local Government Act 2002, the Tauranga City Council delegates those of its functions, powers and duties under the RMA to the position holders (“**Delegates**”) specified in the tables below.
2. Each of the delegations specified includes all ancillary functions, powers and duties that are necessary for the Delegate(s) to exercise or perform or give effect to the delegation.
3. Each delegation must be read and interpreted in conjunction with the legislative provision to which it relates.
4. In accordance with section 34A of the RMA, the Council has not delegated to any of its employees, hearings commissioners appointed by the Council or other persons:
 - its power to approve a proposed policy statement or plan under clause 17 of Schedule 1; nor
 - its power to delegate its functions, powers and duties under the RMA.

Furthermore, in respect of delegations to persons other than Council employees or hearings commissioners appointed by the Council, the Council has not delegated to those persons:

- its power to make a decision on a resource consent application; nor
- its power to make a recommendation on a requirement for a designation.

5. The Delegates are not permitted to sub-delegate any of the functions, powers and duties delegated to them by the Council under the RMA.

6. Authority of a Council employee acting in a Delegate’s position:

Where a Council employee is appointed to act in the position of a Delegate, that Council employee shall be deemed to have the delegated authority of the Delegate for the duration that s/he is appointed to act in that position.

Advice Note: This is consistent with section 14 of the Interpretation Act 1999 (Exercise of Powers by Deputies) which specifies that a person lawfully acting in an office may exercise any of the powers conferred on the holder of that office.

7. Authority of a non-Council employee acting in a Delegate’s position:

Where an individual who is not a Council employee (such as a consultant who is seconded to the Council) is appointed to act in the position of a Delegate, that individual shall be deemed to have the delegated authority of the Delegate for the duration that s/he is appointed to act in that position with the following exceptions. The individual shall not have the delegated authority to:

- approve a proposed policy statement or plan under clause 17 of Schedule 1;
- delegate any of the Council’s functions, powers or duties under the RMA;
- make a notification determination and substantive decision on a resource consent application;
- make a notification determination and recommendation on a requirement for a designation.

However, the individual shall have the authority to do anything before a final decision on such a matter (if those powers have been delegated to the position holder in whose position the individual is acting).

Advice Note: This is consistent with section 34A(2) of the RMA which prohibits the Council from delegating these matters to a person who is not an employee of the Council or a hearings commissioner appointed by the Council.

KEY TO ABBREVIATIONS

ABBREVIATION	POSITION
EXECUTIVE TEAM	
CE	Chief Executive
CFO	Chief Financial Officer Chief Operating & Financial Officer
GM: CS	General Manager: Community Services General Manager: Regulatory & Community Services
GM: RC	General Manager: Regulatory and Compliance General Manager: Regulatory & Community Services
GM: SG	General Manager: Strategy, Growth and Governance Partnerships & Growth
GM: OI	General Manager: Operations & Infrastructure
ENVIRONMENTAL PLANNING	
HM: EP	Manager: Environmental Planning Head of Environmental Planning
TL: SARC	Team Leader: Specialist Advice – Resource Consents
SDE	Senior Development Engineer
DE	Development Engineer
TL:EP	Team Leader: Environmental Planning
DevP	Development Planner
PrinP	Principal Planner
SEP	Senior Environmental Planner
IEP	Intermediate Environmental Planner
EP	<ul style="list-style-type: none"> Environmental Planner Graduate Planner
DP	Duty Planner
ENVIRONMENTAL REGULATION, COMPLIANCE AND MONITORING	
HM: EPro	<ul style="list-style-type: none"> Manager: Environmental Planning Head of Environmental Planning (in respect of monitoring-related delegations) Manager: Building Services Head of Building Services (in respect of compliance-related delegations) Manager: Environmental Regulation Manager: Compliance Services (in respect of Environmental Health and Alcohol Licensing delegations)
TL:EM	<ul style="list-style-type: none"> Team Leader: Monitoring (in respect of monitoring-related delegations) Team Leader: Compliance (in respect of compliance-related delegations)
EMO	Environmental Monitoring Officer
M: RSM: CS	Manager: Environmental Regulation Manager: Compliance Services
TL: RM	Team Leader: Regulation Monitoring
TL: AL	Team Leader: Alcohol Licensing
CLI	Chief Licensing Inspector
ALI	Alcohol Licensing Inspector
TL: EH	Team Leader: Environmental Health
EHO	Environmental Health Officer
CITY & INFRASTRUCTURE PLANNING	
MH: -CPG	Manager: City Planning & Growth Head of City Growth Planning & Planning Growth
TL: CP	Team Leader: City Planning
PP	Principal Planner

TL: STIPST	Team Leader: Structure Planning & Strategic Transport & Infrastructure
PL: UP	Project Leader: Urban Planning
M: StratCPH: SGR	Manager: Head of Strategy, Governance & Climate Resilience & Corporate Planning
TL: GF	Team Leader: Growth Funding
SDCA	Senior Development Contributions Advisor
DCA	Development Contributions Advisor
SPACES AND PLACES	
HM: SParks	Manager/Head of: Spaces and & Places
M: SPAEO	Manager: Spaces and & Places Operations Assets & Environment
TL: POSAOM	Team Leader: Operations and Maintenance Parks & Open Spaces Assets
TL: NEA	Team Leader: Natural Environment & Assets
ASSET SERVICES	
M: AS	Manager: Asset Services
TL: LDE	Team Leader: Land Development Engineering
SLDE	Senior Land Development Engineer
TL: DM	Team Leader: Development Monitoring
DMA	Development Monitoring Advisor
TL: LDI	Team Leader: Land Development Information
LDIA	Land Development Information Advisor
CHIEF FINANCIAL OFFICE	
M: Fin	Manager: Finance Head of Finance
M: SFG	Manager: Strategic Finance & Growth
GC	General Counsel
AC	Associate Counsel
LC	Legal Counsel
S: RMA	Solicitor: RMA & Regulatory Services
DEVELOPMENT ENGINEERING	
HRSCS	Head of Regulatory Support & Compliance Services
M: DE	Manager: Development Engineering
TL: SARC	Team Leader: Specialist Advice - Resource Consents
TL: BE	Team Leader: Building Engineers
SDE	Senior Development Engineer
DE	Development Engineer
TL: LDE	Team Leader: Land Development Engineering
SLDE	Senior Land Development Engineer
TL: DM	Team Leader: Development Monitoring
DMA	Development Monitoring Advisor
TL: LDI	Team Leader: Land Development Information
LDIA	Land Development Information Advisor

SECTION	BRIEF DESCRIPTION OF DELEGATION RESOURCE MANAGEMENT ACT 1991	CE	GM: CS + GM: RC	GM: SG	HM:EP	TL:EP + DevP + PrinP	SEP	IEP	EP	DP	M: EProH: EPro + TL:EM	EMO	HM: CPG	TL: STIRST	TL: CP	OTHER DELEGATES
10	Power to determine that existing use rights apply. Power to extend existing use rights.	✓	✓	✓	✓	✓	✓						✓			
34A	All responsibilities, powers, or duties under the Resource Management Act 1991, except the power to approve a proposed plan under clause 17 of Schedule 1 or the power of delegation. This delegation, pursuant to section 34A, is subject to any inconsistent specific delegation. This delegation may only be exercised if the CE considers that the matter is not of such significance that it warrants being considered by the Council.	✓														
36(3) & 36(3A)	Power to charge the Council's actual and reasonable costs in accordance with the charges fixed by the Council. Power to require payment of an additional charge (if Council's fixed charges are inadequate to enable Council to recover its actual and reasonable costs in relation to the matter).	✓	✓	✓	✓								✓			
36(5)	Power to remit the whole or any part of a charge that would otherwise be payable.	✓	✓	✓	✓								✓			
36(7)	Authority not to perform an action until a charge is paid.	✓	✓	✓	✓	✓	✓						✓			
36AA	Power to discount an administrative charge in accordance with the regulations or a policy adopted by the Council.	✓	✓	✓	✓	✓	✓						✓			
37 and 37A	Power to make decisions relating to extending time limits and waiving compliance with the requirements specified in sections 37 and 37A. Includes the power to determine which persons are directly affected and to notify them.	✓	✓	✓	✓	✓	✓						✓			
38	<i>Advice Note: the Council's General Delegation to the Chief Executive (resolution M09/50.14 Council 23.6.2009) grants the Chief Executive the power to appoint, authorise and warrant enforcement officers under section 38 to carry out all or any of the functions and powers of an enforcement officer under the RMA.</i> <i>A person's warrant will state which of the functions and powers of an enforcement officer under the RMA that s/he is authorised to exercise or perform. The powers of an enforcement officer under the RMA that the CE may authorise a person to exercise or perform include:</i> <ul style="list-style-type: none"> • Power to require certain information (section 22) • Power to issue and serve abatement notices (section 322) • Power to enter a place (with a constable if a dwellinghouse) (section 323) • Power to issue excessive noise directions (section 327) • Power to enter in respect of excessive noise (section 328) • Power to enter for inspection (section 332) • Power to enter for survey (section 333) • Power to execute a warrant under section 334 when accompanied by a constable (section 335(1)(b) and (d)) • Power to issue and serve infringement notices and infringement reminder notices (section 343C). 	✓														
44A	Power to amend a plan or proposed plan in accordance with section 44A.	✓		✓									✓			
55	The power to amend a document (including a plan, proposed plan or variation) in accordance with section 55(2)	✓														
58I	Power to amend a plan or proposed plan in accordance with section 58I	✓														

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86B	Authority to recommend to Council or its appropriately authorised subordinate decision-making body that it resolve that a rule should have legal effect only once the proposed plan becomes operative in accordance with clause 20 of Schedule 1.	✓		✓									✓		✓	
86D(2)	Power to apply to the Environment Court for a rule to have legal effect from a date other than the date on which the decision on submissions relating to the rule is made and publicly notified.	✓														
87AAB	Ability to determine whether an application for resource consent meets the requirements to be processed as a boundary activity	✓	✓ (not GM:CS)		✓	✓	✓	✓								
87AAC	Ability to determine whether an application for resource consent meets the requirements to be processed as a fast-track application	✓	✓ (not GM:CS)		✓	✓	✓	✓								
87BA	Power to determine if a boundary activity meets the requirements to be a permitted activity	✓	✓ (not GM:CS)		✓	✓	✓	✓								
87BB	Power to exercise discretion to determine if an activity otherwise requiring resource consent can be a permitted activity	✓	✓ (not GM:CS)		✓	✓	✓	✓								
87E	Power to determine a request by the applicant for the application to go directly to the Environment Court.	✓	✓	✓	✓								✓			
88	Power to make an application on Council's behalf for a resource consent in respect of notable/heritage trees.	✓														GM: <u>QICS</u> HM: <u>SParks</u> M: <u>SPAEQ</u> TL: <u>POSAM</u> TL: <u>NEA</u>
88	Power to authorise a person to make an application on Council's behalf for a resource consent provided that the application falls within the scope of the Delegate's position description and role.	✓	✓	✓												GM: <u>QI</u> CFO
88(3)	Power to determine on initial receipt of an application, the adequacy of the application and whether or not it should be accepted for further processing as a complete and valid application or to return it, with written reasons, to the applicant.	✓	✓	✓	✓	✓	✓	✓	✓	✓			✓			
91	Power to determine not to proceed with the notification or hearing of an application for a resource consent pending additional applications and to notify the applicant of the determination.	✓	✓	✓	✓	✓	✓						✓			
92	Power to request further information from the applicant. Power to determine to commission a report.	✓	✓	✓	✓	✓	✓	✓	✓				✓			
92A(2)	Power to set a reasonable time limit within which an applicant must provide the information and advise the applicant in writing of that date.	✓	✓	✓	✓	✓	✓	✓	✓				✓			
95, 95A, 95B, 95C, 95D, 95E, 95F	Power to determine whether an application is public or limited notified.	✓	✓	✓	✓	✓	✓						✓			
96, 169, 190	Power to approve the making of a submission on Council's behalf about an application for a resource consent, designation or heritage order being processed by another consent authority or by Council as the consent authority provided that the subject matter of the submission falls within the scope of the Delegate's position description and role. Power to authorise a person to represent the Council in its capacity as a submitter at any meeting, mediation or hearing to which Council is entitled to attend as a submitter.	✓	✓	✓												GM: <u>QI</u> CFO
99(5) & (6)	All functions, powers and duties to act as a chairperson of pre-hearing meetings.	✓	✓	✓	✓	✓	✓						✓			
99(8)	Power to decline to process an application or consider a submission.	✓	✓	✓	✓	✓							✓			
99A	Power to refer to mediation.	✓	✓	✓	✓								✓			

SECTION	BRIEF DESCRIPTION OF DELEGATION RESOURCE MANAGEMENT ACT 1991	CE	GM: CS + GM: RC	GM: SG	HM:EP	TL:EP + DevP + PrinP	SEP	IEP	EP	DP	M: EProH: EPro + TL:EM	EMO	HM: CPG	TL: STIPST	TL: CP	OTHER DELEGATES
100	Power to determine that a formal hearing is not necessary if: <ul style="list-style-type: none"> no submissions have been received; or none of the submitters wish to be heard. 	✓	✓	✓	✓								✓			
102(1)	Power to determine and agree that a joint hearing is unnecessary.	✓	✓	✓	✓	✓	✓						✓			
103(1)	Power to determine that it is unnecessary to hear and decide applications together.	✓	✓	✓	✓	✓	✓						✓			
104, 104A, 104B, 104C, 104D, 106, 108, 108A	Power to determine non-notified applications for resource consent and impose conditions. Power to determine limited and public notified applications for resource consent and impose conditions in respect of which no hearing is to be held. Limitations on this delegation: This delegation does not apply to applications that involve the following: <ul style="list-style-type: none"> A conflict of interest for Council as determined by the General Manager: Regulatory and Compliance General Manager: Regulatory & Community Services; or Applications that may have a significant adverse effect on a recognised customary activity. 	✓	✓	✓	✓	✓	✓						✓			
108A	Power to determine whether a bond document adequately satisfies the condition(s) of the consent to which the bond relates and to execute the bond on Council's behalf.	✓	✓	✓	✓	✓	✓						✓			GM: I M: AS TL: LDE SLDE GM: RC HRSCS M: DE TL: SARC TL: LDE SLDE TL: BE SDE DE TL: DM DMA TL: LDI LDIA
109(2)	Power to determine an application and issue a notice confirming that a bond or covenant is varied, cancelled or expired.	✓	✓	✓	✓	✓	✓						✓			GM: I M: AS TL: LDE SLDE GM: RC HRSCS M: DE TL: SARC TL: LDE SLDE TL: BE SDE DE TL: DM DMA TL: LDI

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																LDIA
109(3)	Power to enter land to inspect and ascertain whether bonded work has been completed to the satisfaction of Council as the consent authority.	✓	✓	✓	✓								✓			GM: I M: AS TL: LDE SLDE GM: RC HRSCS M: DE TL: SARC TL: LDE SLDE TL: BE SDE DE TL: DM DMA TL: LDI LDIA M: EProH: EPro M: RSM: CS
109(4) to (6)	Power to extend timeframe within which bonded work is required to be completed. Power to determine bonded work has not been completed to Council's satisfaction within the required timeframe and to authorise the entering onto land by Council to complete the work and power to recover Council's costs.	✓	✓	✓	✓								✓			GM: I M: AS TL: LDE SLDE GM: RC HRSCS M: DE TL: SARC TL: LDE SLDE TL: BE SDE DE TL: DM DMA TL: LDI LDIA M: EProH: EPro M: RSM: CS
110	Power to determine to refund money paid as a financial contribution (either wholly or partially) where the activity does not proceed and return the whole or part of land set aside.	✓	✓	✓	✓								✓			CFO SSP (GRM) H: SGCRMStratCP TL: GF SDCA DCA M: Fin M: SFG
124(2)(e)	Power to exercise discretion to allow a consent holder to continue to operate.	✓	✓	✓	✓	✓	✓						✓			
125	Power to extend the period after which a resource consent lapses.	✓	✓	✓	✓	✓	✓						✓			
126	Power to cancel un-exercised consents.	✓	✓	✓	✓	✓	✓						✓			

SECTION	BRIEF DESCRIPTION OF DELEGATION RESOURCE MANAGEMENT ACT 1991	CE	GM: CS + GM: RC	GM: SG	HM:EP	TL:EP + DevP + PrinP	SEP	IEP	EP	DP	M: EProH: EPro + TL:EM	EMO	HM: CPG	TL: STIPST	TL: CP	OTHER DELEGATES
	Power to revoke a notice of cancellation and determine a period after which a new notice of cancellation may be issued.															
127	Power to change or cancel a condition of consent (excluding a change or cancellation of a condition on the duration of the consent). Includes the power to determine who is adversely affected.	✓	✓	✓	✓	✓	✓						✓			
128, 129, 130, 131 and 132	Power to approve applications for review of consent conditions.	✓	✓	✓	✓	✓	✓						✓			
133A	Power to correct minor mistakes or defects in a consent.	✓	✓	✓	✓	✓	✓						✓			
138(2)	Power to refuse to accept the surrender of part of a resource consent after receipt of written notice of surrender of the consent from the consent holder.	✓	✓	✓	✓	✓	✓						✓			
138(4)	Power to accept the surrender of part or the whole of a resource consent upon receipt of written notice of surrender from the consent holder and give notice of the acceptance of the surrender.	✓	✓	✓	✓	✓	✓						✓			
139	Power to determine an application for and to issue a certificate of compliance.	✓	✓	✓	✓	✓	✓						✓			
139(4)	Power to require the provision of further information.	✓	✓	✓	✓	✓	✓	✓	✓				✓			
139A(1) & (2)	Power to determine an application for and to issue an existing use certificate.	✓	✓	✓	✓	✓	✓						✓			
139A(3)	Power to require the provision of further information.	✓	✓	✓	✓	✓	✓	✓	✓				✓			
139A(8)	Power to revoke an existing use certificate where information provided contains material inaccuracies.	✓	✓	✓	✓	✓	✓						✓			
142	Power to request on Council's behalf that the Minister call in a matter by making a direction under subsection 142(2). Power to express Council's views to the Minister about whether the Minister should refer a matter to the Environment Court or a board of inquiry.	✓														
149B	Power to comply with the Council's obligations when Minister's direction is received.	✓	✓	✓	✓								✓			
149K(2)	Power to make suggestions on Council's behalf to the Minister in respect of members to be appointed to a board of inquiry.	✓														
149M	Power to prepare proposed plan change in accordance with the direction received from the Environmental Protection Authority or the board of inquiry.	✓		✓									✓			
149V	Power to appeal to the High Court.	✓														
149W(2)(a)	Power to amend the proposed plan change or variation in accordance with an order or direction received from the board of inquiry or the Environment Court.	✓		✓									✓		✓	
168, 168A and 181	Power to issue a notice of requirement.	✓	✓	✓												GM: <u>QI</u> CFO
168A	Power to determine to: (a) confirm a requirement; (b) modify a requirement; (c) impose conditions; (d) withdraw a requirement.	✓	✓	✓	✓	✓	✓						✓			
170	Power to include a requirement in a proposed plan.	✓		✓									✓		✓	
171	Power to consider a requirement and submissions received and to make a recommendation to the requiring authority.	✓	✓	✓	✓	✓	✓						✓			
172	Power, as requiring authority, to determine and to advise the territorial authority whether the requiring authority accepts or rejects the recommendation in whole or in part.	✓	✓	✓												GM: <u>QI</u> CFO

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	Power to modify the requirement if the modification is recommended by the territorial authority or is not inconsistent with the requirement as notified.															
174	Power to appeal to the Environment Court against a decision of the requiring authority.	✓														
168A(5) and 174	Power to appeal to the Environment Court against a decision of the territorial authority.	✓	✓	✓												GM: <u>OI</u> CFO
175	Power to provide for a designation in the District Plan or proposed District Plan.	✓		✓									✓		✓	
176(1)(b) and 177(1)(a)	Power to give written consent of Council as requiring authority.	✓	✓	✓												GM: <u>OI</u> CFO
176A(1)	Power to submit outline plan on behalf of Council as requiring authority.	✓	✓	✓												GM: <u>OI</u> CFO
176A(2)(c)	Power to waive the requirement for an outline plan.	✓	✓	✓	✓								✓			
176A(4)	Power to request the requiring authority make changes to the outline plan.	✓	✓	✓	✓	✓	✓						✓			
176A(5)	Where requested changes to the outline plan made in accordance with section 176A(4) are not made by the requiring authority, the power to appeal to the Environment Court.	✓														
177	Power to give or withhold consent as the authority responsible for a designation or heritage order. Power to apply to the authority responsible for an earlier designation or heritage order for its written consent (when the Council is the requiring authority responsible for a later designation).	✓														
179	Power to appeal to the Environment Court against a refusal of consent by the requiring authority or against conditions imposed on a consent provided by the requiring authority.	✓														
181(3)	Power to make an alteration of a designation in the District Plan or a requirement in the proposed District Plan.	✓		✓	✓								✓		✓	
182(2)	Power to amend the District Plan after receiving a notice of removal of a designation or part of a designation.	✓	✓	✓	✓								✓		✓	
182(5)	Power to decline to remove part of a designation.	✓	✓	✓	✓	✓	✓						✓			
184(1)(b) & 184(2)(b)	Power to fix a longer period for the expiry of the designation.	✓	✓	✓	✓	✓	✓						✓			
191(2) & (3)	Power to make recommendations (including to recommend conditions) on notices of requirement for heritage orders made under section 189.	✓	✓	✓	✓	✓	✓						✓		✓	
192	Power to exercise, in respect of a requirement for a heritage order made under section 189 or section 189A, any applicable powers (with all necessary modifications) that have been delegated to the Delegate under the provisions specified in section 192.	✓	✓	✓	✓								✓			
193	Power to give consent as a heritage protection authority.	✓														
193A	Power to give or withhold consent as the authority responsible for a heritage order or designation. Power to apply to the authority responsible for an earlier heritage order or designation for its written consent (when Council is the heritage protection authority responsible for a later heritage order).	✓														
195	Power to appeal to the Environment Court against a decision of a heritage protection authority.	✓														
195A(1)	Power to give notice as the heritage protection authority of requirement to alter the heritage order.	✓														

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195A(3)	Power to alter a heritage order in the district plan or a requirement in the proposed plan.	✓														
196	Power to give notice as the heritage protection authority to remove a heritage order.	✓														
198C	Power to determine a request by the applicant for the requirement to go directly to the Environment Court.	✓	✓	✓	✓											
221(2)	Power to sign consent notices.	✓	✓	✓	✓	✓	✓						✓			
221(3) and (3A)	Power to vary or cancel consent notices.	✓	✓	✓	✓	✓	✓						✓			
222	Power to accept a bond for completion of consent conditions and all powers given to a territorial authority in relation to completion certificates. Power to determine whether a bond document adequately satisfies the condition(s) of the consent to which the bond relates and to execute the bond on Council's behalf.	✓	✓	✓	✓	✓	✓						✓			GM: I M: AS TL: LDE SLDE GM: RC HRSCS M: DE TL: SARC TL: LDE SLDE TL: BE SDE DE TL: DM DMA TL: LDI LDIA
223(1A) and (2)	Power to approve or decline survey plans.	✓	✓	✓	✓	✓	✓						✓			
223(3), (4) and (5)	Power to certify approval in accordance with section 223(1A).	✓	✓	✓	✓	✓	✓						✓			
224(c), 224(f)	Power to approve the issue of and sign certificates.	✓	✓	✓	✓	✓	✓						✓			
226(1)(e)	Power to determine to and to issue/sign a certificate.	✓	✓	✓	✓	✓	✓						✓			
234(3)	Power to initiate a proposal to vary or cancel an instrument creating an esplanade strip.	✓														CFO GM: OI
234(5) & (6)	Power to consider, grant or decline an application to vary or cancel any instrument creating an esplanade strip.	✓	✓	✓	✓	✓	✓						✓			
234(7)	Power to sign a certificate as authorised officer of Council specifying the variations to the instrument or that the instrument is cancelled.	✓	✓	✓	✓											
235	Power to create an esplanade strip by agreement and to endorse Council's consent on the instrument.	✓	✓	✓	✓								✓			
237	Power to approve or decline survey plans where esplanade reserve or esplanade strips required and to endorse memorandums on survey plans.	✓	✓	✓	✓								✓			
237B(1) to (4)	Power to agree to acquire an easement over land for an access strip and to execute the instrument on Council's behalf.	✓	✓	✓												
237B(8)	Power to agree to vary or cancel an easement for an access strip and to sign any agreement or instrument on Council's behalf.	✓	✓	✓	✓	✓	✓									
237C	Power to close an access strip.	✓	✓	✓												
237D	Power to agree to the transfer of an esplanade reserve to the Crown or regional council.	✓														
237E, 237F, 237G	Power to negotiate and agree to the level of compensation payable and to pay compensation.	✓	✓	✓												

SECTION	BRIEF DESCRIPTION OF DELEGATION RESOURCE MANAGEMENT ACT 1991	CE	GM: CS + GM: RC	GM: SG	HM:EP	TL:EP + DevP + PrinP	SEP	IEP	EP	DP	M: EProH: EPro + TL:EM	EMO	HM: CPG	TL: STIPST	TL: CP	OTHER DELEGATES
237H	Power to agree with the registered proprietor to the appointment of a registered valuer. Power to object to the determination of the registered valuer.	✓	✓	✓												
239(2)	Power to certify on a survey plan specified interests to remain with the land to be vested as reserve.	✓	✓	✓	✓	✓	✓						✓			
240(1)	Power to approve and endorse survey plan where covenant has been entered into.	✓	✓	✓	✓	✓	✓						✓			
240(3)	Power to execute on Council's behalf a covenant entered into in accordance with a consent condition imposed under subsections 220(1)(b) and 220(2)(a).	✓	✓	✓	✓	✓	✓									
240(4)	Power to cancel a covenant in whole or in part relating to the transfer of allotments.	✓	✓	✓	✓	✓	✓						✓			
240(5)	Power to sign a Memorandum of Cancellation endorsed on the survey plan or, where the survey plan is already approved by the Chief Surveyor or deposited, power to sign a certificate as authorised officer to the effect that covenant has been cancelled in whole or in part.	✓	✓	✓	✓	✓	✓						✓			
241(1)	Power to endorse an amalgamation condition on a survey plan.	✓	✓	✓	✓	✓	✓						✓			
241(2)	Power to approve the individual disposal of separate parcels of land included in a certificate of title.	✓	✓	✓	✓	✓	✓									
241(3)	Power to cancel an allotment condition (in whole or in part).	✓	✓	✓	✓	✓	✓						✓			
241(4)	Power to sign a memorandum of cancellation endorsed on a survey plan or a certificate to the effect that the condition has been cancelled in whole or in part.	✓	✓	✓	✓	✓	✓									
243(a)	Power to give consent to the surrender, transfer or variation of an easement.	✓	✓	✓	✓	✓	✓						✓			
243(e)	Power to revoke a condition (requiring an easement) in whole or in part.	✓	✓	✓	✓	✓	✓						✓			
243(f)	Power to sign a memorandum of cancellation endorsed on a survey plan or a certificate to the effect that the condition has been cancelled in whole or in part.	✓	✓	✓	✓	✓	✓						✓			
245	Power to approve or decline a survey plan of a reclamation.	✓	✓	✓	✓	✓	✓						✓			
267(2)	Power to request a judicial conference.	✓	✓	✓	✓	✓	✓						✓			
268	Power to consent to a matter being referred to alternative dispute resolution. Authority to represent Council at alternative dispute resolution.	✓	✓	✓	✓	✓	✓						✓			
274	Power to decide that Council will apply to be a section 274 party and to approve the giving of notice.	✓														
276A	Power to certify as authorised officer a copy of, or extract from, a policy statement or plan to be a true copy of the original.	✓		✓									✓			GC AC LC S: RMA
299	Power to appeal to the High Court on a point of law.	✓														
300	Power to execute notice of appeal.	✓														
301	Power to give notice of intention to appear.	✓	✓	✓												
306	Power to apply to the High Court for an extension of time.	✓	✓	✓												
308G	Power to bring proceedings in the Environment Court for a declaration.	✓														
308I	Power to bring proceedings for damages in the High Court.	✓														
311	Power to seek a declaration (in consultation with one of Council's in-house lawyers).	✓	✓	✓	✓						✓	✓	✓			

SECTION	BRIEF DESCRIPTION OF DELEGATION RESOURCE MANAGEMENT ACT 1991	CE	GM: CS + GM: RC	GM: SG	HM:EP	TL:EP + DevP + PrinP	SEP	IEP	EP	DP	M: EProH: EPro + TL:EM	EMO	HM: CPG	TL: STIPST	TL: CP	OTHER DELEGATES
312	Power to sign and serve notice of an application for a declaration (in consultation with one of Council's in-house lawyers).	✓	✓	✓	✓						✓	✓	✓			
316	Power to apply for an enforcement order.	✓	✓	✓	✓						✓	✓	✓			M: EProH: EPro TL:EH
317	Power to sign and serve notice of application for enforcement order.	✓	✓	✓	✓						✓	✓	✓			M: EProH: EPro TL:EH
320	Power to apply for and serve an interim enforcement order.	✓	✓	✓	✓						✓	✓	✓			M: EProH: EPro TL:EH
321	Power to apply to the Environment Court for a change or cancellation of an enforcement order.	✓	✓	✓	✓						✓		✓			M: EProH: EPro
325	Power to appeal to the Environment Court against an abatement notice and power to apply to an Environment Court Judge for a stay of an abatement notice pending appeal.	✓	✓	✓	✓								✓			
325A	Power to change or cancel an abatement notice.	✓	✓	✓	✓						✓	✓	✓			M: EProH: EPro TL:EH
330	Powers to determine to and authorise the taking of preventative and/or remedial action in an emergency.	✓	✓	✓	✓											
330A	Power to apply for resource consent for works or activities undertaken under section 330.	✓	✓	✓												
330B	Power to apply for resource consent for works or activities undertaken during a declared state of emergency.	✓	✓	✓												
334	Power to apply in writing made on oath for the issue of a warrant authorising entry and search of a place or vehicle.	✓	✓	✓	✓						✓	✓	✓			M: EProH: EPro TL:EH
331	Power to seek reimbursement or compensation for emergency works.	✓	✓	✓	✓											
336	Power to determine an application for return of seized property (including to determine Council's costs to be recovered from the applicant). Power to determine to dispose of seized property (including the method of disposal), give notification and apply the proceeds as required by subsection 336(6).	✓	✓	✓	✓								✓			M: EProH: EPro
338	Authority to lay an information for offences under section 338	✓	✓		✓						✓	✓				M: EProH: EPro TL: M TL: EH TL: AL
355	Power to apply for a right, title or interest in reclaimed land to be vested in Council.	✓	✓	✓												
355A	Power to apply for consent to an unlawful reclamation	✓	✓	✓												
355AB	Power to apply for renewal of a right, title or interest granted under section 355AA(3)(b).	✓	✓	✓												
356	Power to agree to a matter being determined by arbitration and to apply to the Environment Court authorising a matter to be heard by arbitration. Authority to represent Council at an arbitration. Authority to instruct legal counsel to represent Council.	✓	✓	✓	✓								✓	✓	✓	
357C(1)	Power to allow a person a longer time to make an objection.	✓	✓	✓	✓	✓							✓			
357C(3), 357C(4) and 357D(1)	Power to determine an objection made under section 357, 357A or 357B.	✓	✓	✓	✓	✓							✓			

SCHEDULE 1: PREPARATION, CHANGE, AND REVIEW OF POLICY STATEMENTS AND PLANS

CLAUSE OF SCHEDULE 1	BRIEF DESCRIPTION OF DELEGATION RESOURCE MANAGEMENT ACT 1991 – SCHEDULE 1	CE	GM: SG	Each General Manager	M: CPG	TL: CP	PP	TL: SP ST	PPL: UP	GM:CS + GM: RC	HM:EP
Clause 1(2)	Power to grant extension of time in terms of section 37.	✓	✓		✓	✓		✓		✓	✓
Clause 3(2)	Power to determine who is to be consulted.	✓	✓		✓	✓		✓		✓	✓
Clause 5	Powers of Council to publicly notify a proposed plan.	✓	✓		✓					✓	✓
Clause 6	Power to approve the making of a submission on behalf of Council provided that the subject matter of the submission falls within the scope of the Delegate's position description and role.	✓	✓	✓						✓	
Clause 7	Power to publicly notify summary of decisions and submissions.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 8	Power to approve the making of further submissions on behalf of Council provided that the subject matter of the submission falls within the scope of the Delegate's position description and role.	✓	✓	✓						✓	
Clause 8A	Power to serve a copy of further submissions.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 8AA	Powers of Council in respect of dispute resolution on any matter relating to a proposed plan.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 8C	Power to determine a hearing is not needed.	✓	✓		✓	✓		✓		✓	✓
Clause 8D(2)	Power to give notice of a plan change withdrawal.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 9	Power to notify Council's recommendation in respect of a provision included in a proposed District Plan for any designation, heritage order or requirement.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 10 and 11	Power to notify decisions regarding submissions.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 13(3)	Power to alter a proposed District Plan to show modification or deletion of a requirement.	✓	✓		✓	✓		✓		✓	✓
Clause 13(4)	Power to serve notice of a decision of a requiring authority or heritage protection authority.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 14	Power to appeal to the Environment Court.	✓	✓				✓				
Clause 16(1)	Power to amend a proposed plan required by section 55(2) or the Environment Court.	✓	✓		✓	✓	✓			✓	✓
Clause 16(2)	Power to amend a proposed plan to alter any information where such an alteration is of minor effect or is to correct minor errors.	✓	✓		✓	✓				✓	✓
Clause 16A	Power to initiate a variation to a proposed plan or to a proposed plan change.	✓	✓		✓			✓		✓	✓
Clause 20	Power to notify an operative date.	✓	✓		✓	✓		✓		✓	✓
Clause 20A	Power to amend an operative plan to correct any minor errors.	✓	✓		✓	✓				✓	✓
Clause 21 and 22	Power to request a change to another local authority District Plan, regional plan or policy statement.	✓									
Clause 23	Power to require additional information and commission reports and notify requester.	✓	✓		✓	✓		✓		✓	✓
Clause 23(6)	Power to reject a request or decide not to approve a plan change if there is insufficient information to consider or approve a request.	✓	✓							✓	
Clause 24	Power to modify a request for a plan change.	✓	✓		✓					✓	✓
Clause 25(2)(a)(i)	Power to notify a plan change request.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 25(3)	Power to exercise any of the Delegate's authority under Part 6 of the RMA to deal with a request for a plan change as if it was an application for resource consent.	✓	✓		✓					✓	✓
Clause 25(5)	Power to notify a person who requested a plan change of a decision under clause 25.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 27	Power to appeal to the Environment Court against the decision of another local authority for a plan change.	✓	✓							✓	
Clause 28(1)	Power to withdraw a request to another local authority for a plan change.	✓	✓							✓	
Clause 28(2)	Power to seek withdrawal of request by notice.	✓	✓		✓					✓	✓
Clause 28(6)	Power to give notice of withdrawal of a request.	✓	✓		✓					✓	✓
Clause 29(2)	Power to send copies of submissions on the plan or plan change.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 29(5)	Power to serve copies of Council's decision on a request.	✓	✓		✓	✓	✓	✓	✓	✓	✓
Clause 29(9)	Power to initiate a variation on the plan or plan change.	✓	✓		✓					✓	✓

DELEGATION TO SELECT AND APPOINT INDEPENDENT HEARINGS COMMISSIONER(S) FOR RESOURCE CONSENTS

Made by resolutions (d) and (g) CO9/21/4 Council 31 May 2021 copied below.

“That the Council:

- (a) Revokes the current Independent Hearings Commissioners Policy effective from 31 May 2021, with the exception of clause 5.6 (Costs Associated with Independent Hearings Commissioners) which will continue until the date the Council adopts the Schedule of User Fees and Charges for 2021/22;
 - (b) Revokes the current Delegations to Independent Hearings Commissioners;
 - (c) Makes the delegations specified in Attachment 1 (titled *Delegations to Independent Hearings Commissioners*) to all persons who are accredited to conduct hearings in terms of sections 39A and 39B of the Resource Management Act 1991 (other than local body elected members), as named on the Ministry for the Environment’s list of ‘Making Good Decisions’ Certificate holders - non-local body elected members or any equivalent list, as amended from time to time (“Independent Hearings Commissioner”);
 - (d) Delegates to the Chief Executive, ~~General Manager: Regulatory and Compliance~~ ~~General Manager: Regulatory & Community Services~~ and ~~Manager: Environmental Planning~~ Head of Environmental Planning (“Delegate/s”)* for resource consents:
 - (i) the authority to select and appoint one or more Independent Hearings Commissioner(s) to act in respect of any particular matter; and
 - (ii) where there is more than one Independent Hearings Commissioner selected and appointed for the particular matter, the authority to appoint the chair and any deputy chair.
- * For the purposes of this delegation, the Delegate includes any staff member who performs or exercises the same or substantially similar role or function to the Delegate’s position named above, whatever the actual name of their position.
- (e) For Schedule 1 processes Council continues to determine on a case-by-case basis the selection and appointment of persons for hearings on City Plan changes and variations under Schedule 1 of the Resource Management Act 1991;
 - (f) Requests that an administrative procedure to guide the selection and appointment of Independent Hearings Commissioners be developed and adopted by the Executive Leadership Team.
 - (g) Notes that resolutions (b) to (e) are effective as of 1 June 2021.”

Advice Note: The delegations to staff in resolution (d) are made under section 34A of the Resource Management Act 1991 and, as such, the Delegates are not legally permitted to sub-delegate this authority.

Refer Section M of the Manual for the Delegations to Independent Hearings Commissioners made by resolution (c).

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public

RECOMMENDATIONS

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

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

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
13.7 - Asset Recycling Update	s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7