



AGENDA

Ordinary Council meeting Tuesday, 1 September 2026

I hereby give notice that an Ordinary meeting of Council will be held on:

Date: Tuesday, 1 September 2026

Time: 9:30 am

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

**Marty Grenfell
Chief Executive**

Terms of reference – Council

Membership

Chair	Mayor Mahé Drysdale
Deputy Chair	Deputy Mayor Jen Scoular
Members	Cr Hautapu Baker Cr Glen Crowther Cr Rick Curach Cr Steve Morris Cr Marten Rozeboom Cr Kevin Schuler Cr Rod Taylor Cr Hēmi Rolleston
Quorum	<u>Half</u> of the members present, where the number of members (including vacancies) is <u>even</u> ; and a <u>majority</u> of the members present, where the number of members (including vacancies) is <u>odd</u> .
Meeting frequency	Three weekly or as required

Role

- To ensure the effective and efficient governance of the City.
- To enable leadership of the City including advocacy and facilitation on behalf of the community.
- To review and monitor the performance of the Chief Executive.

Scope

- Oversee the work of all committees and subcommittees.
- Exercise all non-delegable and non-delegated functions and powers of the Council.
- The powers Council is legally prohibited from delegating include:
 - Power to make a rate.
 - Power to make a bylaw.
 - Power to borrow money, or purchase or dispose of assets, other than in accordance with the long-term plan.
 - Power to adopt a long-term plan, annual plan, or annual report
 - Power to appoint a chief executive.
 - Power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the long-term plan or developed for the purpose of the local governance statement.
 - All final decisions required to be made by resolution of the territorial authority/Council pursuant to relevant legislation (for example: the approval of the City Plan or City Plan changes as per section 34A Resource Management Act 1991).
- Council has chosen not to delegate the following:
 - Power to compulsorily acquire land under the Public Works Act 1981.
- Make those decisions which are required by legislation to be made by resolution of the local authority.

- Authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council.
- Make appointments of members to the council-controlled organisation Boards of Directors/Trustees and representatives of Council to external organisations.
- Undertake statutory duties in regard to Council-controlled organisations, including reviewing statements of intent, with the exception of the Local Government Funding Agency where such roles are delegated to the City Delivery Committee. (Note that monitoring of all Council-controlled organisations' performance is undertaken by the City Delivery Committee. This also includes Priority One reporting.)
- Consider all matters related to Local Water Done Well.
- Consider any matters referred from any of the Standing or Special Committees, Joint Committees, Chief Executive or General Managers.
- Review and monitor the Chief Executive's performance.
- Develop Long Term Plans and Annual Plans including hearings, deliberations and adoption.

Procedural matters

- Delegation of Council powers to Council's committees and other subordinate decision-making bodies.
- Adoption of Standing Orders.
- Receipt of Joint Committee minutes.
- Approval of Special Orders.
- Employment of Chief Executive.
- Other Delegations of Council's powers, duties and responsibilities.

Regulatory matters

Administration, monitoring and enforcement of all regulatory matters that have not otherwise been delegated or that are referred to Council for determination (by a committee, subordinate decision-making body, Chief Executive or relevant General Manager).

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- 1 OPENING KARAKIA**
- 2 APOLOGIES**
- 3 PUBLIC FORUM**
- 4 ACCEPTANCE OF LATE ITEMS**
- 5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN**
- 6 CHANGE TO THE ORDER OF BUSINESS**

7 CONFIRMATION OF MINUTES

7.1 Minutes of the Council meeting held on 1 July 2026

File Number: A20816860

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

RECOMMENDATIONS

That the Minutes of the Council meeting held on 1 July 2026 be confirmed as a true and correct record.

ATTACHMENTS

1. Minutes of the Council meeting held on 1 July 2026



DRAFT MINUTES

**Ordinary Council meeting
Wednesday, 1 July 2026**

Order of Business

1	Opening karakia	3
2	Apologies	3
3	Public forum	3
4	Acceptance of late items	3
5	Confidential business to be transferred into the open	4
6	Change to the order of business	4
7	Confirmation of minutes	4
8	Declaration of conflicts of interest	4
9	Deputations, presentations, petitions	4
10	Recommendations from other committees	4
11	Business	4
11.1	Hearings Report - Stormwater Bylaw Review 2026	4
11.2	Hearings Report – Trade Waste Bylaw Review 2026	5
12	Discussion of late items	8
13	Public excluded session	8
	Nil	
14	Closing karakia	8

**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL CHAMBERS, L1, 90 DEVONPORT ROAD,
TAURANGA
ON WEDNESDAY, 1 JULY 2026 AT 4:00 PM - TRADE WASTE AND STORMWATER BYLAWS
HEARING**

MEMBERS PRESENT: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular (online), Cr Glen Crowther, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor, Cr Hēmi Rolleston

IN ATTENDANCE: Reneke van Soest (General Manager: Operations & Infrastructure), Jen Ross (Policy Analyst), Radleigh Cairns (Manager: Drainage Services), Wally Potts (Head of City Waters), Sarah Holmes (Team Leader: Governance & CCO Support Services), Caroline Irvin (Governance Advisor).

EXTERNAL: Submitters as listed in the minutes

Timestamps are included at the start of each submitter's item and signal where the agenda item can be found in the recording of the meeting held on 1 July 2026 at [Council's YouTube Channel](#).

1 OPENING KARAKIA

A karakia was given at the meeting beforehand.

2 APOLOGIES

APOLOGY

RESOLUTION CO/26/0/1

Moved: Cr Steve Morris

Seconded: Cr Marten Rozeboom

That the apology for absence received from Cr Hautapu Baker and Cr Rick Curach be accepted.

CARRIED

3 PUBLIC FORUM

Nil

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

Nil

7 CONFIRMATION OF MINUTES

Nil

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Hearings Report - Stormwater Bylaw Review 2026

Staff Jennifer Ross
Mike Seabourne

Submitters

Timestamp: 3 minutes and 50 seconds

1. Mr Joey McKenzie - Port of Tauranga

- Mr McKenzie noted he was the Environmental Manager for Port of Tauranga (the Port). He noted he supported the Stormwater Bylaw review and acknowledged its role in managing stormwater quality, compliance, and protection of Council infrastructure.
- He said the Port's key objective was to improve clarity in the bylaw for all users, including the public, businesses, and Council staff.
- He raised concern about the relationship between the bylaw and the Bay of Plenty Natural Resources Plan, particularly the use of the phrase "relevant sections," which he considered

ambiguous and needing narrower, clearer wording.

- He queried the intent of Section 6, titled "Minimum Water Quality Standards," noting that the referenced Natural Resources Plan rules regulated more than just water quality.
- He suggested that if Section 6 was only intended to regulate stormwater quality entering the Tauranga City Council (TCC) network, the bylaw should directly state the specific water quality standards or parameters required.
- If Section 6 was intended to regulate wider matters beyond stormwater quality, he suggested the title should be amended and noted there may be legal complexity or potential conflict.
- He explained that historically the Port had worked with TCC to obtain resource consents for discharges into the TCC stormwater network.
- He outlined a potential legal issue around discharges into TCC pipes that ultimately discharged to coastal water, suggesting these may require resource consent because there may be no permitted activity pathway.
- He supported wording changes that would recognise substances may only be harmful where they are present "in quantities that are likely to" endanger health and safety, harm the wastewater system, or harm the environment.

In response to questions

- The intent of the suggested wording change was to recognise that some contaminants may be acceptable in very small quantities. Some substances may not endanger health and safety, may not harm the wastewater system, or harm the environment if present only at low concentrations.
- The concern was that the draft wording may be too absolute and not allow for substances that were harmless at minimal levels. Adding wording such as "in quantities that are likely to" to made the bylaw clearer and more proportionate.

RESOLUTION CO/26/0/2

Moved: Cr Rod Taylor

Seconded: Cr Glen Crowther

That the Council:

- (a) Receives the report "Hearings Report - Stormwater Bylaw Review 2026".
- (b) Receives the written submissions on the draft Stormwater Bylaw 2026.
- (c) Receives the verbal submissions from those who wish to speak to their submission.

CARRIED

11.2 Hearings Report – Trade Waste Bylaw Review 2026

Staff Jennifer Ross
Mike Seabourne

Submitters

Timestamp: 16 minutes and 22 seconds

1. Jess Van Heuvan - Port of Tauranga

- Jessie Van Hoeven, Senior Environmental Advisor for Port of Tauranga (the Port), spoke in support of the Port's submission on the revised Trade Waste Bylaw.

- She noted the Port operated multiple trade waste discharges and would be directly affected by any bylaw changes.
- The Port acknowledged the need to revise the bylaw to align with the Local Government Water Services Act 2025. It was however, unclear how Council intended to implement the bylaw to meet its stated objectives.
- The Port sought a clear pathway for discharges that may previously have been permitted activities but may now require a permit. Amendments for clarity and consistency, particularly around transitional provisions, were requested.
- For discharges without an existing consent, permission, agreement, or expiry date, the Port sought a two-year transition period to apply for any required permit.
- The Port looked forward to practical discussions with Council on implementation.

In response to questions

- The Port was seeking a two-year transition period to apply for any permit required once the bylaw came into force because two years felt appropriate as a balance between giving enough time to apply and not unnecessarily delaying implementation.
- The Port was unclear on Council's wider implementation plan and supported further practical discussions with Council staff on this.
- On immediate notification requirements, "immediate" may not always be practical during an incident. A four-hour timeframe was intended as a maximum, not the normal expected response time. This timeframe would allow people to deal with the situation while still notifying Council promptly. The Port was open to discussing the practical issues around notification timing with Council staff.

Timestamp: 25 minutes and 30 seconds

2. Doug Hallberg – Winstone Wallboards Limited

- Mr Hallberg was the National Manufacturing Manager for Winstone Wallboards, and spoke about the company's Tauriko plasterboard manufacturing site.
- He supported the overall intent of the Trade Waste Bylaw and its alignment with current legislation. The bylaw should be practical, proportionate, risk-based, and supported by clear technical reasoning.
- The company's site had a small forklift wash bay discharging up to 2m³ per day, usually much less. The discharge was currently permitted, pre-treated through an oil and grit interceptor, and assessed by Council inspectors as low risk.
- He opposed reducing the permitted discharge threshold from 5m³ to 1m³, saying it would require a permit, annual renewals, and extra compliance costs. This change would not alter site practices or provide meaningful environmental benefit. Council was asked to reconsider the 1m³ threshold and set it at no less than 2m³, or potentially higher.
- Mr Hallberg said low-volume, well-treated discharges should not require a permit where they are appropriately managed.

Timestamp: 30 minutes and 10 seconds

3. Andrew Targett – Hospitality Business Owner

- Mr Targett was a hospitality business owner, raising concerns about additional compliance requirements for restaurants. Hospitality trade waste was generally low risk because it mainly involved organic food waste and grease management.
- He noted restaurants already install grease traps through building consent processes and maintain them regularly. There was concern that requiring permits could create uncertainty and risk for businesses if approval was delayed or declined.
- He questioned the need for annual grease trap servicing where maintenance records show less frequent servicing may be sufficient and asked whether yearly grease trap servicing could instead be two- or three-yearly where records show good maintenance.

- The proposed bylaw was difficult for an average business owner to understand and added another compliance burden. Council was asked to take a more practical, risk-based approach that supported businesses while still managing wastewater risks.

In response to questions

- Compliance could be checked more efficiently through existing food control plan inspections.
- Small hospitality businesses already documented maintenance, pest control, equipment servicing, and similar records in their food control systems. Adding trade waste requirements felt like another layer of administration for small operators.
- Previous external grease trap servicing was easy to manage when done routinely by a contractor.

Timestamp: 41 minutes and 30 seconds

4. Kevin Tearney (online) – SLR Consulting for Fuel Companies

- Mr Tearney spoke on behalf of fuel companies BP, Z Energy and Mobil. His submission focused mainly on PFAS (per- and polyfluoroalkyl substances) in trade waste from temporary dewatering works at fuel sites.
- He said low levels of PFAS may be found from historic firefighting foam use, although those foams were now banned in New Zealand.
- He asked for PFAS concentration limits to be added to Schedule 1 of the bylaw so temporary discharges could be managed as allowed or controlled discharges. Other councils, including Watercare and Christchurch City Council, already used methods for managing PFAS in trade waste.
- He sought retention of the 5m³ per day discharge limit for service stations with car washes, preferably as an allowed discharge and asked for service stations with car washes and water recyclers to be specifically provided for as allowed discharges.
- He suggested changing the daily maximum discharge limit to an average or maximum total over a set period for greater flexibility and sought no fixed trade waste permit duration, or alternatively a five-year permit period, to reduce administration for permit holders and Council.

In response to questions

- The issues raised were not unique to the companies he spoke on behalf of, and would likely be consistent across other fuel companies.
- When asked whether changes in practice could reduce discharge volumes, he said he did not know and would need to come back with an answer. The question was about whether there were options to reduce discharge volumes while achieving environmental benefits.

RESOLUTION CO/26/0/3

Moved: Cr Marten Rozeboom

Seconded: Cr Glen Crowther

That the Council:

- (a) Receives the report "Hearings Report - Trade Waste Bylaw Review 2026".
- (b) Receives the written submissions on the draft Trade Waste Bylaw 2026.
- (c) Receives the verbal submissions from those who wish to speak to their submission.

CARRIED

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

Nil

14 CLOSING KARAKIA

A closing karakia was provided at the previous meeting.

The meeting closed at 4.51pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 1 September 2026.

UNCONFIRMED

7.2 Minutes of the Council meeting held on 21 July 2026

File Number: A20941610

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

RECOMMENDATIONS

That the Minutes of the Council meeting held on 21 July 2026 be confirmed as a true and correct record.

ATTACHMENTS

- 1. Minutes of the Council meeting held on 21 July 2026**



DRAFT MINUTES

**Ordinary Council meeting
Tuesday, 21 July 2026**

Order of Business

1	Opening karakia	3
2	Apologies	3
3	Public forum	3
9.1	Petition: Jan Iles - Request for the demolition of the Memorial Pool to be delayed.	4
4	Acceptance of late items	5
5	Confidential business to be transferred into the open	5
6	Change to the order of business	5
7	Confirmation of minutes	5
7.1	Minutes of the Council meeting held on 2 June 2026	5
7.2	Minutes of the Council meeting held on 23 June 2026	6
8	Declaration of conflicts of interest	6
9	Deputations, presentations, petitions	6
10	Recommendations from other committees	6
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11.6	Council-Controlled Organisations - Final Statements of Intent 2026/2027-2028/2029	11
11.7	Water Organisation Joint Committee - Tangata Whenua Remuneration	11
12	Discussion of late items	12
13	Public excluded session	12
13.1	Public Excluded Minutes of the Council meeting held on 23 June 2026	12
13.2	LWDW - Digital Programme: Phase Two.....	13
13.3	134 Durham Street Laneway Project Options.....	13
13.4	Applications for grants to fund Development Contributions related to city centre developments	13
13.5	Formal Request for Consideration of Grievances and Financial Assistance - The Phoenix.....	13
13	Resolution to Exclude the Public	16
14	Closing karakia	16

**MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL CHAMBERS,
L1, 90 DEVONPORT ROAD, TAURANGA
ON TUESDAY, 21 JULY 2026 AT 9:30 AM**

MEMBERS PRESENT: Mayor Mahé Drysdale (Chair), Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor, Cr Hēmi Rolleston.

IN ATTENDANCE: Marty Grenfell (Chief Executive), Christine Jones (General Manager: Strategy, Partnerships & Growth), Gareth Green (Manager of the Mayoral Office), Craig Rice (Chief Operating & Financial Officer), Reneke van Soest (General Manager: Operations & Infrastructure), Jane Small (Major Projects Director), Graeme Frith (Portfolio Manager: Civic and Support Services), Amanda Davies (Manager: Spaces and Places), Christopher Barton (Portfolio Manager: Infrastructure), Josh Logan (Team Leader: Policy & Corporate Planning), Tracey Hughes (Manager: Organisational Financial Performance and Corporate), Caroline Lim (CCO Specialist), Sharon Herbst (Policy Analyst), Keren Paekau (Acting Head of Strategic Māori Engagement), Monique Etherington (Senior Advisor: Elected Members and Operations), Mike Seabourne (Head of Transport), Sarah Holmes (Team Leader: Governance & CCO Support Services), Anahera Dinsdale (Governance Advisor), Caroline Irvin (Governance Advisor).

Timestamps are included at the start of each item and signal where the agenda item can be found in the recording of the Council meeting held on 21 July 2026 at [Council's YouTube Channel - Part 1](#) and [Council's YouTube channel - Part 2](#).

1 OPENING KARAKIA

Cr Hēmi Rolleston opened the meeting with a karakia.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Nil

The Chair advised that item 9.1 would be taken as the next item of business.

Timestamp: 5 minutes and 20 seconds

9.1 Petition: Jan Iles - Request for the demolition of the Memorial Pool to be delayed.

Ms Jan Iles spoke to her petition:

- This was an issue to do with democracy, transparency, and compliance with the Local Government Act 2002.
- There were concerns about the information provided to the public, including uncertainty around funding from TECT.
- Council had not responded to an invitation to review the condition of the Memorial Pool. It was felt the public had been misinformed.
- The proposed scheme would have had a significant impact on Memorial Park, including loss of green space and sunlight. The previous consultation on a different site could not be relied on.
- The timing and adequacy of consultation was criticised, and decisions appeared to have already been made.
- Ms Iles provided Council with more signatures to the same petition opposing the proposal and seeking proper consultation, with more than 1,900 online signatures and around 600 hand-signed signatures, with total support exceeding 2,500 people.
- Elected Members were asked to support the formation of a working group that would include community representatives.

Mr Barry Scott spoke to the petition:

- Council's consultation on the future of the pools had fallen short. Demolishing the existing pools before the community had clearly expressed its views would create a significant problem for future councils and ratepayers.
- Elected Members' Facebook comments suggested a decision to demolish had already been made, potentially committing ratepayers to nearly \$100 million without proper consultation or consideration of less costly options.
- Council was asked whether it planned to demolish the pools, whether a decision had already been made, and whether refurbishment of the existing pools had been properly considered.

In response to a question

- Mr Scott advised he did not dismiss the value of the Annual Plan or Long-Term Plan consultation, but considered it too superficial for a project of this scale. A \$100 million decision required a more deliberative democratic process, involving community representatives, council representatives and affected parties who could consider evidence, hear different viewpoints, compare options, receive expert advice and deliberate together.

RESOLUTION CO/26/0/1

Moved: Cr Glen Crowther

Seconded: Cr Hautapu Baker

That the Council:

- (a) Receives the Petition: Jan Iles - Request for the demolition of the Memorial Pool to be delayed.

CARRIED

4 ACCEPTANCE OF LATE ITEMS

Nil

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

Nil

ACKNOWLEDGMENTS

Mayor Mahé Drysdale acknowledges the following people who have recently passed away:

Ms Irene Walker and Nanny Mihi Gardner

- Both Ms Walker and Ms Gardener were recognised for their long-standing services to the Tauranga community and Tauranga City Council.

Mr Les Mills

- Mr Mills was recognised for his significant public service and sporting achievements.

These people had provided important leadership within their communities. This was acknowledged with a moment of silence.

7 CONFIRMATION OF MINUTES

Timestamp: 21 minutes and 51 seconds

7.1 Minutes of the Council meeting held on 2 June 2026

RESOLUTION CO/26/0/2

Moved: Cr Rod Taylor

Seconded: Cr Kevin Schuler

That the Minutes of the Council meeting held on 2 June 2026 be confirmed as a true and correct record.

CARRIED

7.2 Minutes of the Council meeting held on 23 June 2026**RESOLUTION CO/26/0/3**

Moved: Cr Hēmi Rolleston

Seconded: Cr Kevin Schuler

That the Minutes of the Council meeting held on 23 June 2026 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Item 9.1 was taken after item 3.

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

Timestamp: 24 minutes and 25 seconds

11.1 Strand Waterfront Projects

Staff Graeme Frith, Portfolio Manager: Civic and Support Services
Amanda Davies, Manager: Spaces and Places
Christopher Barton, Portfolio Manager: Infrastructure
Jane Small, Major Projects Director

Elected members requested more information before being able to make a decision on the recommendations. The report was left to lie on the table until staff provided them with this information.

RESOLUTION CO/26/0/4

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the Council:

- (a) Lets the report lie on the table until additional information from staff is received.

CARRIED

At 11.27am the meeting adjourned.

At 11.42am the meeting resumed in open.

Timestamp: 2 hours and 14 minutes

11.2 LTP 2027 - 2037 Matters: Significant Forecasting Assumptions and a Zero-Based Budgeting Approach

Staff Josh Logan, Team Leader: Policy & Corporate Planning
Craig Rice

RESOLUTION CO/26/0/5

Moved: Cr Glen Crowther

Seconded: Cr Steve Morris

That Council:

- (a) Receives the report "LTP 2027 - 2037 Matters: Significant Forecasting Assumptions and a Zero-Based Budgeting Approach".
- (b) Adopts the Draft Significant Forecasting Assumptions (**Attachment 1**) as the basis of preparing the Long-term Plan 2027-2037.
- (c) Notes that some assumptions are dynamic and will continue to change over the next six months and therefore the assumptions will continue to be refined and updated as more information becomes available.
- (d) Endorses a zero-based budgeting approach to preparing the operational budgets for the LTP.

CARRIED

Timestamp: 2 hours and 24.33 minutes

11.3 Te Manawataki o Te Papa Limited Board - Director Recruitment

Staff Caroline Lim, CCO Specialist

Actions Requested:

That staff:

- Follow up on tangata whenua involvement on the Te Manawataki o Te Papa Limited Board.
- Organise a briefing workshop with the Te Manawataki o Te Papa Limited Board to clarify accountability for each of the major projects that have been assigned to the organisation.
- Subject to diary availability, Mayor Mahé Drysdale was requested to be involved in the recruitment of the new Board Director.

RESOLUTION CO/26/0/6

Moved: Deputy Mayor Jen Scoular

Seconded: Cr Rod Taylor

That the Council:

- (a) Receives the report "Te Manawataki o Te Papa Limited – Director Recruitment".
- (b) Approves staff to initiate the recruitment of a new director to the Board of Te Manawataki o Te Papa Limited, with transport projects and commercial contracts governance experience for an appointment term ending 30 June 2030.
- (c) Notes (in accordance with section 80 of the Local Government Act 2002) that, while the appointment term of three years and eight months for this proposed position is inconsistent with the Council's Appointment of Directors to Council Organisations Policy (which provides that the appointment will normally be for a three year period), the circumstances of the expanded portfolio of this council-controlled organisation where the four major transport projects are to be worked on over the next few years, the proactive succession planning programme of the board and the onboarding programme of new board members over the next two to three years, provide sufficient rationale for this inconsistency. There is no intention to amend the Appointment Policy to accommodate this decision.

CARRIED

Timestamp: 2 hours and 44 minutes

11.4 Review of the Grants for Development Contributions on Papakāinga Housing Policy

Staff Sharon Herbst, Policy Analyst
Christine Jones, General Manager Strategy, Partnerships & Growth

RESOLUTION CO/26/0/7

Moved: Cr Hēmi Rolleston

Seconded: Cr Hautapu Baker

That the Council:

- (a) Receives the report "Review of the Grants for Development Contributions on Papakāinga Housing Policy".
- (b) Approves the transfer of a maximum of \$1 million from the Papakāinga Grant Fund for development contributions to the Papakāinga Housing Fund on an as-needed basis, while maintaining sufficient funding to meet the purpose of the Development Contribution Grant.
- (c) Adopt changes to the grants for development contributions on papakāinga housing policy (attachment 1) to:
 - (i) reduce the proportion of development contribution costs covered at the build stage for individual applications to 75%
 - (ii) apply a transition period to 31 December 2026, maintaining up to 100%

Development Contribution grant support for applications, and then moving to 75% grant support from 1 January 2027

- (iii) require an annual staff-led review, which is reported to Council, of outcomes and processes to support continuous improvement
- (d) Delegates to the General Manager: Strategy, Partnerships & Growth to make any necessary minor drafting or operational changes to implement the approved approach.

CARRIED

Timestamp: 3 hours and 8 minutes

11.5 Remits to Local Government New Zealand 2026

Staff Monique Etherington, Senior Advisor: Elected Members and Operations
Gareth Green, Head of Office – Manager of the Mayoral Office

RESOLUTION CO/26/0/8

Moved: Deputy Mayor Jen Scoular

Seconded: Cr Kevin Schuler

That the Council:

- (a) Receives the report "Remits to Local Government New Zealand 2026".

Voting

- (b) Provides the following direction to Council's representatives at the Local Government New Zealand annual general meeting on whether the remits to that meeting should be supported or not supported.

Remit	Topic	Support/not support
1	Priorities for Dog Control Act reform	Support
2	Improved regulation of vape retailers	Support
3	Financial support for government reform implementation costs	Support
4	Removal of Representation Review requirements during Simplifying Local Government reform	Support
6	Enhanced role for government in supporting subnational diplomacy	Support
7	Bulk funding of transport activities	Support
8	Improving LTP audit requirements	Support
9	A fairer approach to uneconomic transport infrastructure funding	Support

CARRIED

Remits 1,2,3,4,6,7,8, and 9

CARRIED

Remit 5: Devolution of place-naming authority to Territorial Authorities

For: Cr Hautapu Baker

Against: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor and Cr Hēmi Rolleston.

LOST 1/9

RESOLUTION CO/26/0/9

Moved: Deputy Mayor Jen Scoular

Seconded: Cr Kevin Schuler

That the Council:

Priorities

- (c) Provides the following direction to those representatives regarding the relative priority of successful remits:

	Priority (A to I)
Remit 1 (if successful)	A
Remit 2 (if successful)	C
Remit 3 (if successful)	B
Remit 4 (if successful)	F
Remit 6 (if successful)	H
Remit 7 (if successful)	D
Remit 8 (if successful)	E
Remit 9 (if successful)	G

CARRIED

At 12.50pm the meeting adjourned.

At 1.31pm the meeting resumed in open.

Timestamp: 4 hours and 3 minutes

11.6 Council-Controlled Organisations - Final Statements of Intent 2026/2027-2028/2029

Staff Caroline Lim, CCO Specialist

External Sonya Korohina, Toi Tauranga Art Gallery Director
Chad Hooker, Chief Executive - Bay Venues Limited.

- The Committee noted that CCO annual and, in particular half-year reports, could be shorter and more succinct in their presentation and wording.

RESOLUTION CO/26/0/10

Moved: Cr Rod Taylor

Seconded: Cr Steve Morris

That the Council:

- (a) Receives the report "Council-Controlled Organisations - Final Statements of Intent 2026/2027-2028/2029".
- (b) Receives the **Final Statement of Intent FY27-29 (Attachments One to Six)** for Bay Venues Limited, Tauranga Art Gallery Trust, Tourism Bay of Plenty, Te Manawataki o Te Papa Limited, Te Manawataki o Te Papa Charitable Trust and Bay of Plenty Local Authority Shared Services Limited.
- (c) Notes that as joint shareholder of Tourism Bay of Plenty, Western Bay of Plenty District Council has received Tourism Bay of Plenty's updated draft Statement of Intent FY27-29 at their 28 May 2026 council meeting.

CARRIED

Timestamp: 4 hours and 20 minutes

11.7 Water Organisation Joint Committee - Tangata Whenua Remuneration

Staff Christine Jones, General Manager: Strategy, Partnerships & Growth

RESOLUTION CO/26/0/11

Moved: Cr Hautapu Baker

Seconded: Cr Steve Morris

That the Council:

- (a) Receives the report "Water Organisation Joint Committee - Tangata Whenua Remuneration".
- (b) That Council approves a **revised** remuneration rate for the Tangata Whenua representatives on the Water Organisation Joint Committee at \$967 per full day and \$484 per half day of meeting hours, effective from 2 June 2026.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor and Cr Hēmi Rolleston

Against: Cr Hautapu Baker

CARRIED 9/1

12 DISCUSSION OF LATE ITEMS

Nil

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public at 2pm.

RESOLUTION CO/26/0/12

Moved: Cr Marten Rozeboom

Seconded: Deputy Mayor Jen Scoular

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
13.1 - Public Excluded Minutes of the Council meeting held on 23 June 2026	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or	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

	disadvantage, commercial activities s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	
13.2 - LWDW - Digital Programme: Phase Two	s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - 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
13.3 - 134 Durham Street Laneway Project Options	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
13.4 - Applications for grants to fund Development Contributions related to city centre developments	s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - 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
13.5 - Formal Request for Consideration of Grievances and Financial Assistance - The Phoenix	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

At 4.25pm the meeting resumed in open.

EXTENSION OF MEETING TIME

RESOLUTION CO/26/0/13

Moved: Cr Marten Rozeboom

Seconded: Cr Kevin Schuler

That the Council meeting extends over 6 hours at 4.25pm.

CARRIED

CONTINUATION OF ITEM 11.1

Timestamp: 5 seconds (part 2)

Strand Waterfront Projects - Continued

Elected Members considered the additional information provided to them by staff.

The substantive motion was put in parts as follows:

RESOLUTION CO/26/0/14

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the Council:

- (a) Receives the report "Strand Waterfront Projects".
- (b) Notes the previous resolutions of Council in relation to the Tauranga Moana Waterfront Projects as outlined in Table 1 of this report:

Wharewaka:

- (c) Approves the delivery of the Tauranga Wharewaka Pavillion at a total project cost of \$2.4m, including a \$400,000 funding contribution from TECT administered through the Ōtamataha Trust.
- (d) Requests that staff report back with a reconciliation of Wharewaka total project cost between April 2026 and final costing to Council as at June 2026, including TECT funding.

CARRIED**RESOLUTION CO/26/0/15**

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the Council:

Seawall South:

- (e) Approves the delivery of the Seawall South within its current budget allocation of \$4.4m; and
- (f) Approves bringing forward \$1m of the Seawall South replacement budget from the 2028 FY to the 2027 FY.
- (g) Notes that this will be offset by staff reallocating the Annual Plan capital budget.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor and Cr Hēmi Rolleston

Against: Cr Glen Crowther

CARRIED 9/1

RESOLUTION CO/26/0/16

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the Council:

Railway Crossings:

- (h) Approves the delivery of Tauranga Waterfront Railway Crossing Safety Upgrade Programme at a total project cost of \$7.18m, noting that \$2.56m is funded through NZTA co-funding; and
- (i) Approves the direct appointment of KiwiRail to undertake the track and signal works for the four railway crossing safety upgrade projects, noting that works undertaken within the rail corridor are required to be undertaken by KiwiRail and are subject to KiwiRail's operational, safety and technical requirements; and
- (j) Approves a closed competition procurement process for the ancillary and supporting works, noting that as corridor owner, KiwiRail requires these works to be undertaken either directly by KiwiRail or by contractors approved by KiwiRail.
- (k) Notes that construction would need to take place outside of events in Tauranga.

CARRIED

RESOLUTION CO/26/0/17

Moved: Mayor Mahé Drysdale

Seconded: Deputy Mayor Jen Scoular

That the Council:

Central Plaza:

- (l) Approves restarting the Waterfront Central Plaza project, including redefining project scope and objectives to deliver a lower cost solution, and investigating alternative delivery methods together with the Strand South; and
- (m) Delegates authority to the Chief Executive to approve and execute contracts associated with resolutions (c) to (l) as applicable, provided the contract price remains within the budget and subject to endorsement by the Te Manawataki o Te Papa Board.
- (n) Notes the current budget allocation of \$10.15 million for Strand Reserve – Park South and endorses staff facilitating an elected member workshop to consider project outcomes, scope, level of service and budget prior to commencement of detailed design and procurement activities.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Glen Crowther, Cr Rick Curach and Cr Marten Rozeboom

Against: Cr Hautapu Baker, Cr Steve Morris, Cr Kevin Schuler, Cr Rod Taylor and Cr Hēmi Rolleston

EQUAL

The Mayor exercised his casting vote and voted **for** the recommendation. The recommendation was **carried**.

CARRIED

13 Resolution to Exclude the Public

RESOLUTION CO/26/0/18

Moved: Cr Hautapu Baker

Seconded: Cr Marten Rozeboom

That the public be excluded from the following parts of the proceedings of this meeting at 5.59pm.

CARRIED

At 7.20pm the meeting resumed in open.

14 CLOSING KARAKIA

Cr Hēmi Rolleston closed the meeting with a karakia.

The meeting closed at 7.20pm.

The minutes of this meeting were confirmed as a true and correct record at the Extraordinary Council meeting held on 2 September 2026.

7.3 Minutes of the Council meeting held on 6 August 2026

File Number: A20997713

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

RECOMMENDATIONS

That the Minutes of the Council meeting held on 6 August 2026 be confirmed as a true and correct record.

ATTACHMENTS

- 1. Minutes of the Council meeting held on 6 August 2026**



DRAFT MINUTES

**Ordinary Council meeting
Thursday, 6 August 2026**

Order of Business

1	Apologies	3
2	Public forum.....	3
3	Acceptance of a late item	3
4	Acknowledgements	3
5	Confidential business to be transferred into the open.....	4
6	Change to the order of business	4
7	Confirmation of minutes.....	4
8	Declaration of conflicts of interest	4
9	Deputations, presentations, petitions	4
10	Recommendations from other committees.....	4
11	Business.....	4
	Late item	5
11.1	Local government reform - participation in Simplifying Local Government Head Start Pathway.....	5
11.2	Transport Resolutions report No.62.....	7
4	Discussion of late items	7
5	Public excluded session	7
13.1	LWDW - Water Organisation - Chair and Board of Director Appointments and Remuneration	8
11	Business (Continued).....	8
11.1	Local government reform - participation in Simplifying Local Government Head Start Pathway.....	8
6	Closing karakia	10

**MINUTES OF TAURANGA CITY COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE WBOPDC CHAMBERS, 1484 CAMERON ROAD, TAURANGA
ON THURSDAY, 6 AUGUST 2026 AT 9:30 AM**

MEMBERS PRESENT: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor, Cr Hēmi Rolleston

IN ATTENDANCE: Marty Grenfell (Chief Executive), Gareth Green (Manager of the Mayoral Office), Sarah Holmes (Team Leader: Governance & CCO Support Services), Quinn Tawaka (Governance Advisor)

EXTERNAL: Western Bay of Plenty District Council Elected Members and Staff

Timestamps are included at the start of each item and signal where the agenda item can be found in the recording of the Council meeting held on 6 August 2026 [Part 1](#), [Part 2](#), and [Part 3](#) on [Council's YouTube channel](#).

The meeting opened at 9:38am following a karakia from Chris Nepia of Western Bay of Plenty District Council.

1 APOLOGIES

Nil

2 PUBLIC FORUM

Nil

3 ACCEPTANCE OF A LATE ITEM

RESOLUTION CO/26/0/1

Moved: Deputy Mayor Jen Scoular

Seconded: Cr Rod Taylor

That the following item is accepted for consideration at the meeting:

- Local government reform - participation in Simplifying Local Government Head Start Pathway

CARRIED

Timestamp: 5 minutes and 24 seconds (Part 1)

4 ACKNOWLEDGEMENTS

The Mayor called for a moment's silence to acknowledge the passing of Nigel Bickle (Chief Executive of Hastings District Council) and David Trewavas (former Mayor of Taupō) and their contribution to local government.

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

Nil

7 CONFIRMATION OF MINUTES

Nil

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

SPEAKING RIGHTS RESOLUTION

RESOLUTION CO/26/0/2

Moved: Cr Rick Curach

Seconded: Cr Kevin Schuler

That the Council:

- (a) Grants speaking rights to the attending Western Bay of Plenty District Council elected members for Item 11.1, including the ability to ask questions and seek clarification during consideration of that item.

CARRIED

11 BUSINESS

Timestamp: 7 minutes (Part 1)

LATE ITEM

11.1 Local government reform - participation in Simplifying Local Government Head Start Pathway

Staff Gareth Green, Manager of the Mayoral Office, Tauranga City Council

Emily Watton, Programme Manager - Local Government Reform, Western Bay of Plenty District Council

The recommendations were taken in parts.

RESOLUTION CO/26/0/5

Moved: Mayor Mahé Drysdale

Seconded: Cr Steve Morris

That the Council:

- (a) Receives the report "Local government reform - participation in Simplifying Local Government Head Start Pathway".
- (b) Receives the minutes of the joint TCC/WBOPDC workshops held between 24 June – 30 July (provided as Attachment 3 to this report).
- (c) Receives the feedback noted below (and as set out in Attachment 2 to this report) including the community survey report and other feedback received since the council's community engagement period closed, and gives consideration to community views as part of its decision-making.
 - (i) Tauranga City Council's Simplifying local government community survey report 14 July 2026
 - (ii) Letter from Ngati Ranginui
 - (iii) Letter from Te Maru o Kaituna River Authority
 - (iv) Letter from Ngati Pukenga
 - (v) Letter from Priority One
 - (vi) Letter from Urban Task Force
- (d)
 - (ii) That Council notes the Mayor's intention to sign a letter jointly prepared by the Mayors of the Bay of Plenty region, promoting a suite of three sub-regional proposals for the Bay of Plenty region being the East (Kawerau, Whakatane and Opotiki), Central (Rotorua) and the West (Tauranga and Western Bay of Plenty)
 - (iii) That Council notes the apparent majority support for a BOP Regional Unitary Council, but acknowledges the decision to work collaboratively and support the other BOP subregions with their preferred Subregional Unitaries option.
- (e) Supports a consistent wider regional view for three sub-regional unitary councils including Eastern Bay, Rotorua-Central and Western Bay (including TCC) configurations, and supports Head Start proposals and long-term aspiration of other councils on this basis.
- (f) Agrees to work with the other councils, and the current Bay of Plenty Regional Council,

in implementation planning and delivery should the Head Start proposals be approved.

- (g) Agrees to work with other councils to consider wider regional and cross boundary function delivery and shared services where appropriate in future unitary delivery models.
- (h) Acknowledges Government's detailed design phase as the next step if the outline proposal is accepted and notes that this will require collaborative working with potential partner councils and the Ministry for Cities, Environment, Regions and Transport (MCERT).
- (i) Authorises the Chief Executive to make any minor editorial changes to the Head Start outline proposal document or its supporting information prior to lodgement, subject to agreement by the Western Bay of Plenty District Council Chief Executive.
- (j) Authorises the Chief Executive to liaise with MCERT staff to answer questions of clarification about the outline proposal as part of the assessment phase, in collaboration with the Western Bay of Plenty District Council Chief Executive as appropriate.
- (k) Directs the Chief Executive to work alongside the Western Bay of Plenty District Council Chief Executive to draft Terms of Reference for a Joint Committee (as contemplated by the Head Start outline proposal), and to bring a report to the next practicable Council meeting with the intention of establishing the Joint Committee.

CARRIED

(d) Pathway A – subregional unitary authority through Head Start

- (i) That Council directs the Chief Executive to work with the Chief Executives of the territorial authorities of the Bay of Plenty region to lodge a Simplifying Local Government Head Start Pathway outline proposal no later than 9 August 2026, proposing three subregional unitary authorities for the Bay of Plenty, being the Eastern Bay (the existing combined territorial authority areas of Kawerau District Council, Whakatane District Council and Opotiki District Council) the Central Bay (covering the existing territorial authority area of the Rotorua District Council) and the Western Bay (covering the existing combined territorial authority areas of Tauranga City and the Western Bay of Plenty District) with the western bay part of the proposal provided as Attachment 1 to this report.

For: Mayor Mahé Drysdale, Cr Jen Scoular, Cr Hautapu Baker, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor and Cr Hēmi Rolleston

Against: Nil

Abstained: Cr Glen Crowther

CARRIED 9/0

At 11.38am the meeting adjourned.

At 2:38pm the meeting resumed in open.

The Mayor advised item 11.2 would be taken before returning to item 11.1.

Timestamp: 10 seconds (Part 2)

11.2 Transport Resolutions report No.62

Staff Shawn Geard

RESOLUTION CO/26/0/3

Moved: Cr Marten Rozeboom

Seconded: Cr Hautapu Baker

That the Council:

- (a) Receives the report "Transport Resolutions report No.62".
- (b) Resolves to implement the proposed traffic and parking controls for safety, access, operational or amenity purposes, as detailed in Appendix A, including Attachments 7.1, 7.2, 7.7, 7.9, 7.21 and 7.26.
- (c) Approves these changes taking effect on or after 12 August 2026, once the required signs and road markings are installed.

For: Mayor Mahé Drysdale, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler, Cr Rod Taylor and Cr Hēmi Rolleston.

Against: Nil

CARRIED 9/0

Timestamp: 3 minutes and 53 seconds (Part 2)

A discussion was held on item 11.1 prior to item 13.1, and following some discussion the Mayor advised 13.1 would be taken before returning to item 11.1

4 DISCUSSION OF LATE ITEMS

The late item was taken as the first item of business.

5 PUBLIC EXCLUDED SESSION

Resolution to exclude the public at 2:51pm.

RESOLUTION CO/26/0/6

Moved: Cr Rod Taylor

Seconded: Cr Marten Rozeboom

That the public be excluded from the following parts of the proceedings of this meeting, noting that Western Bay of Plenty District Council staff and elected members may remain for this item.

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
13.1 - LWDW - Water Organisation - Chair and Board of Director Appointments and Remuneration	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7

CARRIED

At 3:04pm the meeting resumed in open.

11 BUSINESS (CONTINUED)

Timestamp: 0 minutes (Part 3)

11.1 Local government reform - participation in Simplifying Local Government Head Start Pathway

Staff Gareth Green, Manager of the Mayoral Office, Tauranga City Council

Emily Watton, Programme Manager - Local Government Reform, Western Bay of Plenty District Council

MOTION

Moved: Mayor Mahé Drysdale

Seconded: Cr Steve Morris

- (l) That while noting the position of the Western Bay of Plenty District Council, Tauranga City Council reconfirms its intention to lodge a complying Head Start application to create a sub-regional unitary authority for the Western Bay subregion including the WBOPDC area, as part of a larger Bay of Plenty three sub-region application.
- (m) That such application will remove any mention of transitional governance arrangements, instead leaving this to be determined at the next stage of the process.
- (n) That the Chief Executive be authorised to make any amendments to Attachment 1 to give effect to these resolutions, and to work with the other Councils of the Bay of Plenty to lodge the application no later than 9 August 2026.

AMENDMENT

Moved: Cr Hautapu Baker

Seconded: Cr Kevin Schuler

- (o) That Council strongly opposes the Rotorua Lakes Council resolution signalling a potential boundary adjustment in relation to Maketū and the wider Kaituna catchment,

and affirms that the parts of the Kaituna Catchment currently within the Western Bay of Plenty District shall remain under the jurisdiction and management of the Western Bay of Plenty District Council (or its subregional successor).

For: Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Marten Rozeboom, Cr Kevin Schuler and Cr Rod Taylor

Against: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular and Cr Steve Morris

Abstained: Cr Hēmi Rolleston

CARRIED 6/3

The substantive motion was taken in parts:

RESOLUTION CO/26/0/4

Moved: Mayor Mahé Drysdale

Seconded: Cr Steve Morris

- (n) That the Chief Executive be authorised to make any amendments to Attachment 1 to give effect to these resolutions, and to work with the other Councils of the Bay of Plenty to lodge the application no later than 9 August 2026.
- (o) That Council strongly opposes the Rotorua Lakes Council resolution signalling a potential boundary adjustment in relation to Maketū and the wider Kaituna catchment, and affirms that the parts of the Kaituna Catchment currently within the Western Bay of Plenty District shall remain under the jurisdiction and management of the Western Bay of Plenty District Council (or its subregional successor).

CARRIED

- (l) That while noting the position of the Western Bay of Plenty District Council, Tauranga City Council reconfirms its intention to lodge a complying Head Start application to create a sub-regional unitary authority for the Western Bay subregion including the WBOPDC area, as part of a larger Bay of Plenty three sub-region application.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Rod Taylor and Cr Hēmi Rolleston

Against: Cr Glen Crowther and Cr Kevin Schuler

CARRIED 8/2

- (m) That such application will remove any mention of transitional governance arrangements, instead leaving this to be determined at the next stage of the process.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Steve Morris, Cr Marten Rozeboom, Cr Rod Taylor and Cr Hēmi Rolleston

Against: Cr Glen Crowther, Cr Rick Curach and Cr Kevin Schuler

CARRIED 7/3

6 CLOSING KARAKIA

Cr Morris closed the meeting with a karakia.

The meeting closed at 3:26pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 1 September 2026.

UNCONFIRMED

8 DECLARATION OF CONFLICTS OF INTEREST

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

9.1 Jocelyn Mikaere - Director Ahurea - Tangata Whenua Relationship Review - Update

ATTACHMENTS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 External Review Report into the Mount Maunganui Beachside Holiday Park Landslide on 22 January 2026 (Hon Paul Davison KSO KC) — Receipt of Redacted Report

File Number: A21012918

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

BACKGROUND

1. The report accompanying this agenda item, 'External Review Report into the Mount Maunganui Beachside Holiday Park Landslide on 22 January 2026 (Hon Paul Davison KSO KC) — Receipt of Redacted Report', will be circulated separately prior to the meeting.

11.2 External Review Report into the Mount Maunganui Beachside Holiday Park Landslide on 22 January 2026 (Hon Paul Davison KSO KC) — organisational response

File Number: A21012924

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

BACKGROUND

1. The report accompanying this agenda item, 'External Review Report into the Mount Maunganui Beachside Holiday Park Landslide on 22 January 2026 (Hon Paul Davison KSO KC) — organisational response', will be circulated separately prior to the meeting.

11.3 January Weather Event - Recovery Progress Report

File Number: A21012930

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

BACKGROUND

1. The report accompanying this agenda item, 'January Weather Event - Recovery Progress Report', will be circulated separately prior to the meeting.

11.4 Quantitative Landslide Risk Assessment - Beachside Holiday Park, Mount Hot Pools, & Mount Maunganui Lifeguard Service building

File Number: A21012935

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

BACKGROUND

1. The report accompanying this agenda item, 'Quantitative Landslide Risk Assessment - Beachside Holiday Park, Mount Hot Pools, & Mount Maunganui Lifeguard Service building', will be circulated separately prior to the meeting.

11.5 LWDW: Water Organisation - Founding Documents**File Number: A20584027****Author: Charles Lane, Team Leader: Commercial Legal
Tyler Buckley, Commercial Solicitor****Authoriser: Christine Jones, General Manager: Strategy, Partnerships & Growth****PURPOSE OF THE REPORT**

1. To present the final draft Constitution and draft Shareholders' Agreement for Council approval.
-

RECOMMENDATIONS

That the Council:

- (a) Receives the report "LWDW: Water Organisation - Founding Documents".
 - (b) Constitution:
 - (i) Approves the Constitution, in the form attached at Attachment 1.

Or

 - (ii) Approves the Constitution, in the form attached at Attachment 1, with the following amendments:
 - *[insert amendment]*
 - *[insert amendment]*
 - (c) Shareholders' Agreement:
 - (i) Approves the Shareholders' Agreement, in the form attached at Attachment 2.

Or

 - (ii) Approves the Shareholders' Agreement, in the form attached at Attachment 2, with the following amendments:
 - *[insert amendment]*
 - *[insert amendment]*
 - (d) Delegates authority to the General Manager: Strategy, Partnerships and Growth to:
 - (i) approve and make any minor amendments or editorial changes to the Constitution and Shareholders' Agreement, in consultation with Western Bay of Plenty District Council, prior to execution; and
 - (ii) take all steps and execute all documents required to give effect to these resolutions and incorporate the Water Organisation.
 - (e) Delegates authority to the Mayor and Chief Executive to execute the final Shareholders' Agreement on behalf of Council, subject to any agreed amendments and approval of those documents by Western Bay of Plenty District Council.
 - (f) Resolves that the Joint Committee will not be discharged following local government elections and will instead continue as an enduring governance arrangement for so long as the Council, together with the other shareholders of the Water Organisation, considers it appropriate. The membership of the Joint Committee will be reviewed following each local government election, including the Council's appointments to the Committee.
-

EXECUTIVE SUMMARY

2. In September 2025, Tauranga City Council (**Council**) and Western Bay of Plenty District Council (**WBOPDC**) entered into a Commitment Agreement to explore the establishment of a joint Water Organisation (**WO**) under the Local Government (Water Services) Act 2025 (**LG(WS) Act**).
3. Between late 2025 and early 2026, the Council and WBOPDC undertook establishment planning and due diligence, supported by a Joint Working Group (**JWG**) comprising representatives from Council, WBOPDC and Tangata Whenua. The JWG met on 10 separate occasions, considering presentations and issues and options papers across 46 commercial terms to inform a Commercial Terms Sheet (**CTS**).
4. The JWG reached consensus on 45 of the 46 terms. The remaining issue (whether Tangata Whenua would hold Class A voting shares) was resolved by the Council and WBOPDC. On 24 March 2026, Council and WBOPDC each approved the CTS, including that Tangata Whenua would not hold Class A shares.
5. On 2 April 2026, the Council and WBOPDC approved the due diligence and the establishment of the WO, with a go-live date of 1 July 2027.
6. Staff have since used the CTS to prepare the draft Constitution and draft Shareholders' Agreement (**Founding Documents**).
7. On 29 June 2026, the Water Organisation Joint Committee (**Joint Committee**) (comprising three TCC elected members, three WBOPDC elected members and three Tangata Whenua reps) provided feedback on the draft Foundation Documents.
8. On 8 July 2026, updated versions of the Founding Documents were presented to TCC and WBOPDC elected members at a joint briefing. The Founding Documents were again updated to reflect feedback provided at the briefing.
9. Staff now request Council provide approval of the final draft Constitution and Shareholders' Agreement to allow the WO to be incorporated.

FOUNDING DOCUMENTS

10. On 24 March 2026, Council and WBOPDC each passed the following resolution:

Notes that staff will prepare the Water Organisation's Shareholders' Agreement and Company Constitution in a manner that is consistent with the approved Commercial Terms Sheet and any additional commercial terms subsequently agreed by TCC and WBOPDC.
11. In accordance with this resolution, staff have now prepared the Founding Documents. Staff confirm that nothing new has arisen since the resolutions of 24 March 2026 that would materially affect the content or substance of the CTS or the Founding Documents.
12. The Founding Documents have been prepared in accordance with:
 - (a) The CTS;
 - (b) The DIA template documents;
 - (c) Input from external law firm Simpson Grierson.
 - (d) Feedback from the Joint Committee following a Joint Committee meeting on 29 June 2026, where draft versions of the Founding Documents were presented and discussed; and,
 - (e) Feedback from TCC and WBOPDC elected members following a joint briefing on 8 July 2026, where draft versions of the Founding Documents were presented and discussed.
13. Two topics arose at the 8 July workshop that are worth noting;

- (a) First, questions were raised about including definitions of Māori words and phrases. On review, the phrases “Kaitiakitanga”, “Mātauranga Māori” and “Treaty of Waitangi / Te Tiriti o Waitangi” are included within the Board Skills Matrix (Schedule 10 of the Shareholders’ Agreement). And the Board Skills Matrix was previously approved by TCC and WBOPDC.¹ Staff therefore consider it appropriate to include definitions of these phrases in the Founding Documents. Other phrases such as “Tangata Whenua” and “Treaty Settlement Obligations” also appear throughout the Founding Documents, so again staff consider it appropriate to define these.
 - (b) Secondly, questions were raised about Schedule 6 of the Shareholders’ Agreement (Transfer Principles). In particular Principle 2, which discusses the discretion of each Council with respect to assets that will be transferred to the WO.
14. The first of the above issues has been resolved as set out within the Founding Documents. The second issue remains live at the time of writing and is discussed further below.
15. A copy of the final draft Constitution is attached as **Attachment 1**, and a copy of the final draft Shareholders’ Agreement is attached as **Attachment 2**. The minor amendments arising from feedback from the Joint Committee on 29 June 2026 and/or feedback from the joint TCC and WBOPDC briefing on 8 July 2026 are shown as tracked changes.
16. To enable Council to cross reference the CTS against the Founding Documents, a document titled “Schedule of CTS references within Foundation Documents” is attached as **Attachment 3**. This document identifies where in the Founding Documents each term in the CTS is addressed.
17. **Attachment 4** is a table summarising the feedback (and accompanying responses) raised at the Joint Committee meeting on 29 June 2026 and/or the TCC/WBOPDC briefing on 8 July 2026.

KEY FEATURES OF THE CONSTITUTION

18. Key features of the Constitution, include:
- (a) **Establishes the WO as a Water Organisation:** Constitutes the WO as a “Water Organisation” under s 44 of the LG(WS) Act, and requires it to comply with the statutory obligations, including core planning and reporting documents (Water Services Strategy, annual budget, half-yearly and annual reports etc).
 - (b) **Limits activities to water services:** Restricts the WO to providing (or preparing to provide) water services and services directly related to water activities, with an express objective of cost efficiency and meeting the objectives under s 17 of the LG(WS) Act.
 - (c) **Ensures public ownership of assets:** Includes an express anti-privatisation clause requiring all water infrastructure to remain publicly owned, and prohibiting shareholders from approving any action inconsistent with that requirement, reinforcing the strict public ownership framework under the LG(WS) Act.
 - (d) **Provides governance framework and board structure:** Provides for a fully independent, skills-based board (maximum five directors), with shareholder appointment rights and defined tenure and rotation. There is a clear separation between Board management powers and shareholder control, with the Board responsible for managing the WO’s business and affairs subject to the Constitution, applicable legislation and the Shareholders’ Agreement. The Board must not enter into any “Reserved Matter” without prior shareholder approval, with those matters set out in the Shareholders’ Agreement.
 - (e) **Establishes ringfencing requirements:** Requires the WO to implement full financial ringfencing by service area (including separate identification of costs, revenues, assets

¹ A question was raised at the workshop regarding the definition of the Treaty of Waitangi / Te Tiriti o Waitangi, which is defined as “has the meaning given to it in the Treaty of Waitangi Act 1975.” Staff consider it appropriate to refer to a definition contained within legislative.

and liabilities), with pricing reflecting local cost bases. The Constitution also provides for a review of ringfencing, including consideration of a report after three years and a requirement for a report within six years of incorporation if not undertaken earlier.

KEY FEATURES OF THE SHAREHOLDERS' AGREEMENT

19. The key features of the Shareholders' Agreement, include:
- (a) **Governs relationship between shareholders:** Establishes a framework for how Council and WBOPDC exercise their rights as shareholders, including obligations to act collaboratively, in good faith, and on a “no surprises” basis in their dealings with each other and the WO.
 - (b) **Establishes Joint Committee:** Provides for the establishment of a Joint Committee (with representatives from Council, WBOPDC and Tangata Whenua) as a recommendatory body to support shareholder decision-making. Under local government legislation (Schedule 7, clause 30(7) of the Local Government Act 2002), committees are generally discharged in conjunction with local elections. A specific resolution is required for a committee to endure beyond local election cycles. In this case, the intention is for the Joint Committee to be an enduring governance arrangement that is maintained for so long as the Council (and other shareholders in the WO) considers appropriate. However, the appointees to the Joint Committee will be reviewed after each local government election.
 - (c) **Defines reserved matters:** Identifies key decisions that require shareholder approval (including matters that require a special resolution or unanimous resolution threshold), ensuring shareholder control over significant matters.
 - (d) **Class A shares:** Provides for the issue and holding of Class A shares, which establish the foundational governance and voting rights of the shareholders, with each shareholder holding equal voting rights. Class A shares are issued on incorporation.
 - (e) **Transfer of assets and Class B shares:** Provides for the transfer of water service related assets, liabilities and agreements to the WO, and the issue of Class B shares reflecting the net asset value of the assets transferred. Class B shares are issued on completion of the Transfer Agreement.
 - (f) **Statement of Expectations framework:** Provides for the preparation and adoption of the Statement of Expectations. A draft SOE is expected to be presented to the shareholders prior to the WO being incorporated.
 - (g) **Includes a process for the future addition or exit of shareholder councils:** Establishes structured processes (including statutory consultation where required) for admitting new councils or managing shareholder exits, with defined principles for share allocation, asset transfers and transition arrangements.
 - (h) **Funding arrangements:** Provides for establishment funding, debt support (including LGFA-related arrangements), and the principles on which shareholders support the WO's financing requirements.
 - (i) **Operational Direction:** The proposed arrangements allow shareholders to retain operational direction over the setting and collection of water charges within their service areas. The detailed charging and collection arrangements will be agreed through each shareholder's Transfer Agreement with the WO, with the long-term intention that responsibility for these functions transfers fully to the WO.
 - (j) **Dispute resolution:** Provides for a staged dispute resolution process (negotiation, mediation, arbitration and expert determination) to manage disagreements efficiently.
20. There is one outstanding item within the Shareholders' Agreement. Schedule 6 contains a number of “Transfer Principles”. These relate to the identification of relevant responsibilities, assets and liabilities (including water debt) to be included within a Transfer Agreement between each shareholder and the WO. The wording of Transfer Principle 2 has yet to be finalised. At time of writing, Principle 2 reads as follows:

2. Assets to be transferred will be at the discretion of each Shareholder respectively. ~~In exercising that discretion, each Shareholder will have regard to the efficient and effective delivery of Water Services by the Company, while retaining the ability to preserve its financial interests and seek a fair and equitable outcome where matters remain unresolved. Assets to be transferred must relate to, or primarily to, the Water Services (including the drinking water network, wastewater network and storm water network). Assets to be transferred may include work in progress as at the Operational Date.~~
21. We also note clause 9.4 of the Shareholders' Agreement addresses the topic of the setting and collection of charges. In earlier drafts of the Shareholders' Agreement, this section included detailed descriptions of how charges would be set and collected for each of the water services. The new clause does not provide any specific details, but instead allows the Shareholders to provide operational direction, and explains that the exact arrangement will be detailed within each Shareholder's Transfer Agreement with the WO. This approach has been taken because:
- (a) All that is required under the LG(WS) Act² is for the Shareholders' Agreement to note that the Shareholders are allowed to give operational direction to the WO on this matter. It is not strictly necessary to include a detailed overview of charging arrangements within the Shareholders' Agreement (particularly when those arrangements will change following a transitional period).
 - (b) Staff are working with the respective councils to clarify what the exact arrangements should be.
 - (c) As explained in our accompanying paper regarding the Statement of Expectations, the exact detail regarding the setting and collection of charges will be finalised following input from the WO's Board of Directors. Such drafting will be included in a final version of the Statement of Expectations for the Council to approve (and also captured within the Transfer Agreement for the Council to approve). Staff are hoping to seek and obtain input from the Board at its inaugural meeting in late September 2026 and that staff will be in a position to bring this issue back to Council in October 2026.

STATUTORY CONTEXT

22. The LG (WS) Act requires Council and WBOPDC to prepare a Constitution and a Shareholders' Agreement for the WO (ss 13(4)(e) and 44(4)). In turn, the WO needs to act in accordance with the Constitution and Shareholders' Agreement.

OPTIONS ANALYSIS

23. As noted above, Council and WBOPDC have already approved the CTS. Staff confirm that the CTS has directly informed the drafting of the Founding Documents, and that nothing new has arisen since that approval which would materially affect the content or substance of either the CTS or the Founding Documents. Staff have also updated the Founding Documents based on feedback received at the Joint Committee Meeting on 29 June 2026 and the joint briefing to TCC and WBOPDC Elected Members on 8 July 2026.
24. Against that background, two options are likely available:
- (a) **Option 1:** Approve the Constitution and Shareholders' Agreement, in the form attached as Attachments 1 and 2.
Or,
 - (b) **Option 2:** Approve the Constitution and Shareholders' Agreement, in the form attached at Attachments 1 and 2, subject to clearly defined amendments.
25. If Council elects Option 2, staff recommend:

² Sections 228(3) and 228(4).

- (a) amendments be confined to new matters not previously considered through the CTS process, Joint Committee on 29 June, or the TCC/WBOPDC briefing on 8 July 2026;
 - (b) Council and WBOPDC work collaboratively and in good faith to resolve any outstanding issues; and,
 - (c) authority be delegated to the General Manager: Strategy, Partnerships and Growth to resolve, make minor editorial changes and to finalise and update the Constitution and Shareholders' Agreement to reflect any agreed amendments prior to execution.
26. In the event that the Founding Documents are not approved by Council, there is a strong likelihood that the WO will not be able to incorporate in mid-September, which would put various timeframes in jeopardy (including the Board's inaugural meeting currently scheduled for the end of September).

FINANCIAL CONSIDERATIONS

27. Approval of the Founding Documents does not in itself create new financial obligations, but puts in place the framework for:
- (a) Establishment funding arrangements;
 - (b) Transfer of assets and liabilities; and,
 - (c) Future operational and capital funding frameworks.
28. These matters will be addressed in detail in further legal arrangements that will be presented to the Joint Committee and Council in due course.

LEGAL IMPLICATIONS / RISKS

29. The Constitution and Shareholders' Agreement are core legal instruments required to establish the WO under the LG(WS) Act. Key risks include:
- (a) Potential disagreement between shareholders on reserved matters.
 - (b) Need to ensure consistency with legislation and transfer arrangements.
 - (c) Ongoing governance complexity of a jointly owned council controlled organisation.
30. These risks are mitigated through:
- (a) Clearly defined dispute resolution processes.
 - (b) Reserved matter thresholds.
 - (c) Statutory framework under the LG (WS) Act.

TE AO MĀORI APPROACH

31. Tangata Whenua were represented on the JWG, providing input into the development of the CTS. This representation continues through the Joint Committee, enabling Tangata Whenua to contribute to recommendations to the Councils, including in relation to the Founding Documents.
32. Accordingly, the governance framework incorporates Tangata Whenua representation, supporting the integration of Te Ao Māori perspectives into oversight and decision-making.

CLIMATE IMPACT

33. Establishing a dedicated WO supports improved planning, investment and resilience of water infrastructure, contributing to climate adaptation outcomes. Having an effective (appropriately resourced) waters infrastructure network will support successful planning, asset management and delivery, contributing to water services which are sustainable and responsive to climate change.

CONSULTATION / ENGAGEMENT

34. To date, both Council and WBOPDC have provided significant input into the formation of the Founding Documents. In particular, the two councils have resolved to approve the CTS, which has directly informed the drafting of the Foundation Documents.

SIGNIFICANCE

35. 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.
36. 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; and,
 - (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
37. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance. The substantive decisions have previously been made by both Councils when they approved the CTS. This report seeks recommendations of the formal documents which give effect to the previous Council decisions.

ENGAGEMENT

38. Taking into account the assessment above that the matter is of medium significance, together with the consideration of the Founding Documents by the Joint Committee and the feedback received through both the Joint Committee process and a joint Council briefing, officers are of the view that no further engagement is required before Council makes its decision.

NEXT STEPS

39. The next steps are to:
- (a) Resolve any issues identified or amendments requested by Council, and update the draft Constitution and Shareholders' Agreement accordingly. For clarity, this is only relevant if issues are identified, or amendments are requested by Council;
 - (b) Finalise and execute Shareholders' Agreement (noting that the Constitution is not a document to be executed).
 - (c) Take all steps required to incorporate the WO (anticipated around mid-September 2026), including completing Companies Office registrations and preparing associated establishment documents.
 - (d) Pending approval of the draft Statement of Expectations by Council, issue the draft Statement of Expectations to the WO for comment and feedback and undertake public engagement.

ATTACHMENTS

1. **Attachment 1 Constitution - A20982736**  
2. **Attachment 2 Shareholders Agreement - A20982750**  
3. **Attachment 3_Schedule of CTS references within Foundation Documents - A20982755**
 

4. Attachment 4_Summary of Feedback on Foundation Documents - A20982759 [↓](#)

Draft: 6 July 2026

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Constitution of [TBC] Limited

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SCHEDULES

SCHEDULE 1 RULES FOR SHAREHOLDER MEETINGS

SCHEDULE 2 RULES FOR BOARD PROCEEDINGS

1. DEFINITIONS AND INTERPRETATION

1.1 In this Constitution, unless the context otherwise requires:

Board means Directors who number not less than the required quorum, acting together as a board of Directors.

Board Skills Matrix has the meaning given to it in the Shareholders' Agreement.

Business Day means a day (other than a Saturday, a Sunday or a public holiday) on which registered banks are open for business in the Tauranga or Western Bay of Plenty districts.

Chair means the chair of the Board appointed in accordance with clause 12.8.

Class A Shares means Shares in the Company with the rights attaching to those Shares as set out in clause ~~4-34.2~~.

Class B Shares means Shares in the Company with the rights attaching to those Shares as set out in clause ~~4-44.3~~.

Companies Act means the Companies Act 1993.

Company means [TBC] Limited.

Constitution means this constitution of the Company (including the Schedules) and all amendments to it from time to time.

Director means a person appointed as a director of the Company in accordance with this Constitution.

Distribution means the payment of a dividend and any other "distribution" as that term is defined in section 2 of the Companies Act.

Financial Year has the meaning given to it in section 4 of the LG (WS) Act.

Independent Director means a Director who is neither a current elected member of any Local Authority that is a Shareholder nor a current employee of any Shareholder or the Company.

Joint Committee has the meaning given to it in the Shareholders' Agreement.

LGA means the Local Government Act 2002.

LG (WS) Act means the Local Government (Water Services) Act 2025.

Local Authority has the meaning given to it in section 5 of the LGA.

Kaitiakitanga means the exercise of guardianship over the natural environment, including water resources and water services, in accordance with tikanga Māori.

Mātauranga Māori means the body of knowledge and understanding that originates from Māori ancestors, including the Māori world view and perspectives, natural resources, cultural heritage, and all other aspects of Māori culture.

Ordinary Resolution has the meaning given to it in the Companies Act.

Reserved Matter has the meaning given to it in the Shareholders' Agreement.

Service Area means:

- (a) in the context of the Company, as set out in the LG (WS) Act; and
- (b) in respect of each Shareholder, the 'district' of that Shareholder as a 'territorial authority' (as those terms are defined in the LGA).

Shareholder means any person for the time being registered in the Company's share register as the holder of one or more Shares.

Shareholders' Agreement means the current shareholders' agreement relating to the Company entered into between the Company and the Shareholders (as amended or replaced from time to time).

Shares means the shares in the Company on issue from time to time, and includes the Class A Shares and the Class B Shares.

Special Resolution means a resolution that is approved by at least 75% of the votes of those Shareholders entitled to vote and voting on the question.

Statement of Expectations has the meaning given to it in section 220 of LG (WS) Act.

Subsidiary has the meaning given to it in the Companies Act.

Tangata Whenua means iwi within the Tauranga City Council and Western Bay of Plenty District Council rohe (boundaries), acting through their recognised iwi authority or governance entity.

Treaty Settlement Obligations means obligations arising under Treaty of Waitangi settlement legislation applicable to the Service Area, including any statutory acknowledgements, relationship agreements, and deed of settlement commitments relevant to the Shareholders' rohe.

Te Tiriti o Waitangai / Treaty of Waitangi has the meaning given to it in the Treaty of Waitangi Act 1975.

Water Organisation has the meaning given to it in section 4 of the LG (WS) Act.

Water Services has the meaning given to it in section 4 of the LG (WS) Act, which will be the water services transferred by the Shareholders to the Company in accordance with the Transfer Agreement between each Shareholder and the Company.

Water Services Annual Budget has the meaning given to it in section 220 of the LG (WS) Act.

Water Services Annual Report has the meaning given to it in section 220 of the LG (WS) Act.

Water Services Half-yearly Report means the document referred to in section 248 of the LG (WS) Act.

Water Services Strategy has the meaning given to it in section 220 of the LG (WS) Act.

1.2 **Interpretation:** In this Constitution, the following rules of interpretation apply, unless the context requires otherwise:

- (a) headings are for convenience only and do not affect interpretation;

- (b) the singular includes the plural and vice versa, and a gender includes other genders;
- (c) another grammatical form of a defined word or expression has a corresponding meaning;
- (d) words in this Constitution have the same meaning as in the Companies Act unless inconsistent with the context;
- (e) a reference to a party, person or entity includes:
 - (i) an individual, firm, company, trust, partnership, joint venture, association, corporation, body corporate, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and
 - (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person, entity;
- (f) a reference to dollars or \$ is to New Zealand currency and excludes every tax and duty;
- (g) a reference to a clause or schedule is to a clause or schedule of this Constitution;
- (h) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, re-enactments or replacements of any of them;
- (i) references to the word 'include' or 'including' are to be construed without limitation;
- (j) references to any form of law are to New Zealand law, including as amended or re-enacted;
- (k) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (l) "written" and "in writing" include any means of reproducing words, figures or symbols in a tangible and visible form;
- (m) any obligation falling due for performance on or by a day other than a Business Day will be performed on or by the Business Day immediately following that day; and
- (n) an obligation not to do something includes an obligation not to allow or cause that thing to be done.

1.3 If there is any conflict:

- (a) between a provision of this Constitution and the provisions of the Shareholders' Agreement, the terms of the Shareholders' Agreement will prevail (other than to the extent prohibited by the Companies Act) and the Shareholders must pass such resolutions as may be necessary to amend the provisions of this Constitution to make it consistent with the Shareholders' Agreement;
- (b) between a provision in this Constitution and a mandatory provision in the Companies Act, the LG (WS) Act or the LGA, then the mandatory provision in the Companies Act, the LG (WS) Act or the LGA will prevail; and

- (c) between:
 - (i) a provision in this Constitution and a provision in the Companies Act which is expressly permitted to be altered by this Constitution; or
 - (ii) a word or expression defined or explained in the Companies Act and a word or expression defined or explained in this Constitution,

then the provision, word or expression in this Constitution will prevail.

2. CAPACITY

- 2.1 **Water Organisation:** As at the date of its incorporation, the Company is a Water Organisation in terms of section 44 of the LG (WS) Act.
- 2.2 **Business:** The Company must not carry on any business other than the provision of, or preparation for the provision of, Water Services and activities that are related to, or necessary for, the provision of, or preparation for the provision of, Water Services, in order to:
 - (a) meet the objectives set out in section 17 of the LG (WS) Act for the Service Area; and
 - (b) maximise the cost efficiency of providing Water Services.
- 2.3 **Purpose:** In carrying out its business, the Company will:
 - (a) deliver safe, reliable and financially sustainable Water Services across the Service Areas; and
 - (b) support the collective resilience and wellbeing of the Bay of Plenty sub-region; and
 - ~~(c) operate in a manner that is responsive to the differing needs and contexts of its communities, and taking into account environmental and cultural stewardship; and;~~
 - ~~(d) act consistently with Treaty Settlement Obligations applicable to the Service Area; and~~
 - ~~(e) recognise and provide for the role of kaitiakitanga in the stewardship of water resources and water infrastructure.~~
- 2.4 **Capacity:** Subject to this Constitution, the Companies Act, the LG (WS) Act, the LGA and any current Statement of Expectations, the Company has full capacity, rights, powers and privileges to carry on or undertake any business or activity, do any act, or enter into any transaction.
- 2.5 **Compliance:** Subject to s229(2) of the LG (WS) Act, the Company must give effect to the Statement of Expectations when conducting its business and setting its Water Services Strategy.
- 2.6 **Public Ownership:** All water services infrastructure and related assets owned by the Company shall remain in public ownership. This does not preclude the Company from accessing or benefiting from private funding or financing arrangements, provided such arrangements do not result in any transfer of ownership of those assets. No Shareholder will take any steps to approve or otherwise give effect to any action which is inconsistent with this clause.
- 2.7 **Ringfencing:** The Company will ensure that it:

- (a) operates its business in a way that enables:
 - (i) the total cost of its provision of Water Services;
 - (ii) the revenue derived; and
 - (iii) assets (including reserves) and liabilities held or incurred,
 to be separably identified in respect of each Shareholder's Service Area; and
- (b) sets its charges for Water Services in respect of each Shareholder's Service Area taking into account the total costs referred to in clause 2.7(a) in that Service Area, acknowledging that this may result in differential charges for Water Services as between the Shareholders' Service Areas.

2.8 Review of Ringfencing arrangements:

- (a) No later than three years after the incorporation of the Company, the Shareholders must consider whether to require the Company to provide a full report to the Shareholders on the issue of revisiting the financial ring-fencing arrangement under clause 2.7.
- (b) The Shareholders may decide not to require the report referred to in clause 2.8(a) at the three-year point, but in that case the requirement to obtain a full report must not be deferred beyond six years after the incorporation of the Company.
- (c) If the Shareholders have not required the Company to provide a full report before the date that is six years after the incorporation of the Company, the Company must, at that time, provide a full report to the Shareholders.

3. WATER ORGANISATION REQUIREMENTS

3.1 The Company must:

- (a) prepare, adopt and publish its Water Services Strategy, Water Services Annual Budget, Water Services Half-yearly Report and Water Services Annual Report; and
- (b) comply with:
 - (i) Parts 1 to 7 of the Local Government Official Information and Meetings Act 1987; and
 - (ii) all other laws applicable to the Company and its Business activities.
 - (c) act consistently with its Treaty Settlement Obligations in conducting its business, including in the preparation of its Water Services Strategy, giving effect to the Statement of Expectations, and engagement with Tangata Whenua.

3.2 Shareholder Input: The Shareholders are entitled to comment on the Company's draft Water Services Strategy and draft Water Services Annual Budget, and the Company must consider those comments. However, the Shareholders will not have the power to require changes to, or to approve, the final Water Services Strategy or final Water Services Annual Budget.

3.3 Auditor: In accordance with the LGA, the auditor for the Company will be the Auditor-General.

4. SHARES

~~4.1~~ ~~on~~

4.24.1 **Classes:**

- (a) The Shares in the Company are divided into classes conferring entitlements that differ from the ordinary shareholder rights conferred by the Companies Act.
- (b) As at the date of adoption of this Constitution, the Company has two classes of Shares, Class A Shares and Class B Shares, in each case having the rights set out in this Constitution.

4.34.2 **Class A Shares:** Each Class A Share shall have the following rights attached to it:

- (a) the right to receive notice of and attend every meeting of Shareholders; and
 - (b) the right to one vote on a poll at a meeting of the Company on any resolutions,
- but does not have any right to any dividends authorised by the Board and the Shareholders or to any share in the distribution of the surplus assets of the Company.

4.44.3 **Class B Shares:** Each Class B Share shall have the following rights attached to it:

- (a) the right to receive notice of and attend every meeting of Shareholders.
- (b) the right to an equal share in dividends authorised by the Board and the Shareholders; and
- (c) subject to clause 8.2, the right to an equal share in the distribution of the surplus assets of the Company,

but does not have any right to vote on a poll at a meeting of the Company on any resolutions.

4.54.4 **Redeemable Shares:** The Company may redeem a redeemable share:

- (a) at the option of the Company; or
 - (b) at the option of the holder of the share; or
 - (c) on a date specified in this Constitution,
- for a consideration that is:
- (d) specified;
 - (e) to be calculated by reference to a formula; or
 - (f) required to be fixed by a suitably qualified person who is not associated with or interested in the Company.

4.64.5 **Issue of Shares:** Subject to this Constitution, the Shareholders' Agreement and the LG (WS) Act, the Board may:

- (a) issue Shares at any time, to any Shareholder or any other person permitted to hold Shares in accordance with the LG (WS) Act and in such numbers as it thinks fit;

- (b) issue Shares in different classes which have different rights;
- (c) issue Shares which are redeemable (as defined in section 68 of the Companies Act); and
- (d) divide existing Shares into different classes which have different rights.

4.74.6 **Authority to Hold Own Shares:** The Company may hold its own shares uncanceled but only in accordance with section 67A, 67B and 67C of the Companies Act.

4.84.7 **Reissue of Shares:** Any shares reissued by the Company must be treated as the issue of new shares.

4.94.8 **Compliance:** The Company must comply with the Companies Act when it purchases or acquires shares issued by it.

5. CALLS ON SHARES

5.1 **Board may make calls:** Subject to the Shareholders' Agreement, the Board may make calls on any Shareholder in respect of any money unpaid on their Shares, and not previously made payable at a fixed time, by prior written notice to the relevant Shareholder specifying the time and date for payment (such time and date to be no earlier than 10 Business Days after the notice is given to the relevant Shareholder). The relevant Shareholder must comply with the terms of any call made by the Board. A call may be payable by instalments. The Board may revoke or postpone a call.

5.2 **Interest and expenses:** A person who fails to pay a call on the due date must pay:

- (a) interest on that money from the day payment was due to the day of actual payment at a rate fixed by the Board; and
- (b) all expenses which the Company has incurred or may incur because of non-payment,

provided that the Board may waive payment of all or part of that interest or those expenses.

6. LIEN OVER SHARES

6.1 **Existence and subject matter of lien:** If a Shareholder fails to pay any call on the due date, the Board may at any time by written notice to the Shareholder require payment of the unpaid amount together with any amount payable under clause 5.2. Such notice must specify a further date (not earlier than 10 Business Days from the date of the notice) by which payment is required to be made, and must state that if such payment is not made on or before the specified date, clause 6.2 will apply.

6.2 **Company has first lien:**

- (a) The Company has a first lien over:
 - (i) each Share and the proceeds of sale of the Share; and
 - (ii) all distributions made in respect of the Share,
 for:
 - (iii) all unpaid calls owing in respect of the Shares and any amount payable under clause 5.2; and

(iv) sale expenses owing to the Company in respect of the Shares.

(b) The registration of any transfer of a Share will not operate as a waiver of any lien the Company may have on that Share, unless notice to the contrary is given by the Company to the transferee.

7. TRANSFER OF SHARES

7.1 **Prior approval required:** No Shareholder may sell, assign, transfer or dispose of, directly or indirectly, the legal or beneficial ownership of any of its Shares except in accordance with the provisions of this clause 7 and unless such sale, assignment, transfer or disposal:

(a) has first been approved in writing by all Shareholders; or

(b) is a permitted transfer in accordance with clause 7.3.

7.2 **No delay:** Subject to clause 7.4, the Board may not exercise any powers conferred by this Constitution to refuse or delay the registration of any sale, assignment, transfer or disposal of Shares completed in accordance with clause 7.1.

7.3 **Permitted transfers:** Subject to the LG (WS) Act, the restrictions in this clause 7 do not apply to the transfer of Shares by a Local Authority to:

(a) another Local Authority within the Service Area; or

(b) any successor Local Authority to that Local Authority.

7.4 **Board may refuse to register:** The Board may refuse or delay the registration of any transfer of a Share to any person if:

(a) the transfer would result in a breach of law, this Constitution or the Shareholders' Agreement;

(b) any money payable on that Share is due for payment and has not been paid;

(c) the Company has an unsatisfied lien on that Share or the proceeds of sale of that Share;

(d) the transferee is a person without legal capacity to contract or the transfer has not been properly executed;

(e) the transfer is not accompanied by proof (reasonably required by the Directors) of the right of the transferor to make the transfer; or

(f) the transfer document is not in the usual or common form or otherwise in the form prescribed by the Board from time to time (if any),

provided that the Board must at all times comply with section 84 of the Companies Act.

8. DISTRIBUTIONS

8.1 **Distributions:** Any Distribution to be made will be subject to the Company being able to:

(a) comply with its then current business plan;

(b) comply with its legal and regulatory obligations, including under the LG (WS) Act;

(c) meet the solvency test under the Companies Act; and

- (d) maintain a prudent level of reserves,

in each case, as determined by the Board and subject to unanimous Shareholder approval (except for any Distribution pursuant to clause 15).

- 8.2 **Approach to Distributions:** Subject to clause 8.1, any Distributions will be made to the Shareholders taking into account where the surplus arose from, consistent with the ringfencing principles in clause 2.7.

9. COMPANY ACQUIRING ITS OWN SHARES

- 9.1 **Company may acquire its own Shares:** The Company may purchase or otherwise acquire its own Shares only if it has first been authorised to do so by Special Resolution in which case the Shares purchased or otherwise acquired will be deemed to be cancelled immediately on acquisition.

10. SHAREHOLDER MEETINGS

- 10.1 **Annual meeting:** The Board must hold an annual Shareholders' meeting in accordance with section 120 of the Companies Act unless in the case of any annual meeting, everything required to be done at that meeting (whether by way of resolution or otherwise) is done by written resolution in accordance with section 122 of the Companies Act.

- 10.2 **Special meetings:** A special Shareholders' meeting:

- (a) may be called at any time by the Board; and
- (b) must be called by the Board on the written request of a Shareholder.

- 10.3 **Proceedings at Shareholders' meetings:** The provisions of Schedule 1 to the Companies Act as modified by this Constitution, including the rules set out in Schedule 1, govern proceedings at Shareholders' meetings.

11. REPORTING REQUIREMENTS

- 11.1 **Reporting:** Subject to clause 11.2:

- (a) the Board must prepare the plans or reports required by the Shareholders (including via the Joint Committee) by notice in writing to the Company (such notice must comply with the requirements in section 249(4) of the LG (WS) Act), in accordance with the requirements specified in that notice;
- (b) within eight months of the start of each Financial Year of the Company, the Board must prepare, adopt and deliver to the Shareholders (in accordance with section 248 of the LG (WS) Act) a Water Services Half-yearly Report, which must include information required to be included by any current Statement of Expectations, and publish that report in accordance with section 223 of LG (WS) Act; and
- (c) within three months of the end of each Financial Year of the Company, the Board must prepare, adopt and deliver to the Shareholders (in accordance with section 243 of the LG (WS) Act), and publish in accordance with section 223 of the LG (WS) Act, its Water Services Annual Report for that Financial Year, which must include the information required to be included by:
 - (i) the Statement of Expectations;
 - (ii) the Companies Act; and

(iii) section 246 of the LG (WS) Act.

11.2 **Information to be withheld:** Nothing in this clause 11 requires the inclusion in any Statement of Expectations, annual report, financial statements or quarterly report required to be produced under this Constitution of any information that may be properly withheld if a request for that information was made under the Local Government Official Information and Meetings Act 1987.

12. DIRECTORS

12.1 **Independent Directors:** All Directors must be Independent Directors.

12.2 **Number of Directors:** The maximum number of Directors is five, provided that this number may be temporarily exceeded for a period not longer than 6 months to allow for the transition between the removal of an existing Director and appointment of a new Director.

12.3 **Appointment and removal by Shareholders:**

(a) Subject to clause 12.1 and the Shareholders' Agreement, the Shareholders must appoint up to the maximum number of Directors set out in clause 12.2, by notice in writing to the Company. The Joint Committee may make a recommendation to the Shareholders regarding the appointment of a Director, and in doing so the Joint Committee may take into account any recommendations of the Chair of the Board. Directors may at any time be removed and replaced in the same way at any time during their term.

(b) The Shareholders and the Company must promptly take such steps as may be necessary to effect the appointment, replacement or removal of any individual (including if a Director fails to vacate office when required to do so) in accordance with this clause 12.3 if applicable, including, in the case of the Shareholders, by exercising their voting rights in the relevant Shareholders' meeting (or by way of written resolution).

12.4 **Appointment and removal where vacancy exists:** Where there is a casual vacancy on the Board, the Board may, by majority vote, recommend an appointment to fill that vacancy to the Shareholders for approval in accordance with the Shareholders' Agreement. A Director appointed under this clause 12.4 may be removed and replaced in the same way.

12.5 **Skills of Directors:**

(a) A person may only be appointed to be a Director if the person has, in the opinion of the Shareholders, the skills, knowledge, or experience to:

- (i) guide the Company, given the nature and scope of its activities; and
- (ii) contribute to the achievement of the objectives of the Company.

(b) Without limiting clause 12.5(a), all Director appointments must be made having regard to:

- (i) the Board Skills Matrix; and
- (ii) each Shareholders' policy for the appointment of directors to council controlled organisations;

with the aim of ensuring that the Board as a whole has the skills required by the Board Skills Matrix.

12.6 **Term of Appointment:** Unless otherwise approved by the Shareholders:

~~(a)~~ ~~Subject to clause 12.6(d), e~~ Each Director will be appointed for a term of up to 3 consecutive years.

~~(a)~~

(b) A Director may be reappointed at the expiry of his or her term of appointment, provided that, subject to this clause 12.6, no Director may be appointed for more than 9 consecutive years except where approved by a Special Resolution.

(c) A person who has previously served as a Director (for any period), but who subsequently to resigning or being removed as a Director has not served as a Director for a continuous period of at least 2 years, may then be appointed as a Director for up to 9 consecutive years.

(d) ~~Each person who is appointed as a Director upon incorporation of the Company~~ Each Director appointed prior to 1 July 2027 will serve an initial term of ~~3 years~~ up to 30 June 2030, and then each of those Directors will be offered - automatic re-appointment for a period of -1, 2 or 3 consecutive years (as recommended by the Board and approved by the Shareholders), in order to enable rotation of the Board and with the intention that at least 2 Directors will have their appointments expire in each of the following 3 years.

12.7 **Vacation of office:** A Director vacates office if that Director:

- (a) resigns by written notice of resignation to the Company. The notice is to be effective when it is received at that address or at a later time specified in the notice;
- (b) reaches the end of their term and is not reappointed;
- (c) is removed from office in accordance with clause 12.3;
- (d) becomes disqualified from being a Director pursuant to section 151 of the Companies Act or clause 12.17; or
- (e) dies.

12.8 **Appointment of Chair:**

- (a) The Shareholders will select and appoint and may at any time replace the Chair of the Board. The Joint Committee may make a recommendation to the Shareholders regarding the appointment of the Chair of the Board.
- (b) The Chair will hold office until:
 - (i) they cease to be a Director of the Company; or
 - (ii) a new Chair is appointed by the ~~Board~~ Shareholders.

12.9 **Powers of the Board:**

- (a) Subject to clause 12.9(b) and any restrictions in the Companies Act, the LG (WS) Act, the Shareholders' Agreement or this Constitution, the business and affairs of the Company must be managed by or under the direction or supervision of the Board.

- (b) The Board has, and may exercise, all the powers necessary for managing, directing and supervising the management of the business and affairs of the Company except to the extent that this Constitution, the Shareholders' Agreement, the Companies Act or the LG (WS) Act expressly requires those powers to be exercised by the Shareholders or any other person.
- 12.10 **Prohibited matters:** Notwithstanding clause 12.9(b), except to the extent permitted by the Shareholders' Agreement, the Board must not, and must not cause the Company to:
- (a) incur indebtedness, outside the ordinary course of the Company's business, to any person other than the New Zealand Local Government Funding Agency Limited or a New Zealand registered banking institution; or
- (b) grant a security interest over any of the assets of the Company except as permitted by the LG (WS) Act.
- 12.11 **Shareholder Reserved Matters:** Notwithstanding clause 12.9(b), but subject to any restrictions in the LG (WS) Act, the Board must not, and must not cause the Company to enter into any transaction or matter that is a Reserved Matter, unless first approved in writing by the Shareholders in accordance with the Shareholders' Agreement.
- 12.12 **Solvency test:** Notwithstanding any approval obtained pursuant to clause 12.10, the Board must not cause the Company to borrow or raise any money, or enter into or incur any guarantee or other liability of any nature, if the effect of doing so would be that the Company will not satisfy the solvency test (as that term is defined in the Companies Act).
- 12.13 **Proceedings of the Board:** The provisions of the Schedule 3 to the Companies Act as modified by this Constitution, including the rules set out in Schedule 2, govern proceedings at meetings of Directors.
- 12.14 **Directors duties:** In addition to the duties set out in the Companies Act, the Directors must assist the Company to:
- (a) meet the requirements set out in the Statement of Expectations or the LG (WS) Act; and
- ~~(a)(b)~~ give effect to the Company's Treaty Settlement Obligations in the exercise of their governance duties; and
- ~~12.14~~12.15 **Directors to act in good faith:** A Director, when exercising powers or performing duties, must act in a manner which that Director believes to be in the best interests of the Company (notwithstanding that it may not be in the best interests of any particular Shareholder).
- ~~12.15~~12.16 **Indemnity and insurance of Directors and employees:** The Company may indemnify and effect insurance in accordance with any part or all of section 162 of the Companies Act provided that:
- (a) the Board must ensure that particulars of any indemnity given to, or insurance taken out for, any director, or employee of the Company are immediately entered in the interests register; and
- (b) the Board may impose any conditions in relation to any indemnity or insurance if the conditions do not contravene the Companies Act.
- For the purposes of this clause 12.16 "director" includes any former director, "employee" includes any former employee, and "Company" includes any Subsidiary of the Company.

~~42.16~~12.17 **Disqualification of Directors:** A person will be disqualified from holding the office of Director if he or she:

- (a) is or becomes disqualified from being a Director under any provision of the Companies Act or the LG (WS) Act; or
- (b) is not or ceases to be an Independent Director.

~~42.17~~12.18 **Remuneration of Directors:**

- (a) The Shareholders will determine the total sum available to the Board each year to make remuneration payments in accordance with clause 12.18(b).
- (b) The Board may not authorise any form of remuneration to be paid to a Director without Board approval and unless such payment is made and authorised in accordance with the provisions of the Companies Act in accordance with clause 12.18(a).
- (c) The Board may authorise the reimbursement by the Company of reasonable travelling, accommodation and other expenses incurred by Directors in attending Board meetings, Joint Committee meetings, Shareholder meetings or in relation to any other affairs of the Company.
- (d) In determining Director remuneration, the Shareholders will take into account any recommendations ~~from~~ of the Joint Committee (which ~~may, recommendations in turn, can~~ take into account relevant council policies and market data).

~~42.18~~12.19 **Other offices with company held by Director:**

- (a) After receiving written approval from the Shareholders (or the Joint Committee on behalf of the Shareholders) Any Director may act by himself or herself or by the Director's firm in a professional capacity for the Company, and the Director or the Director's firm will be entitled to remuneration for professional services as if the Director were not a Director. Nothing in this clause authorises a Director or the Director's firm to act as auditor of the Company.
- (b) A Director may hold any other office or place of profit in the Company (other than the office of auditor) in conjunction with the Director's office of Director for such period and on such terms (as to remuneration and otherwise) as the Board may determine, subject to the necessary reporting disclosures and avoidance of conflicts of interest.

~~42.19~~12.20 **Performance evaluation:** The Board will undertake a self-evaluation of its performance on a biennial basis, in line with accepted good governance principles and practices, and the results will be reported directly to the Joint Committee and to the Chief Executives (or equivalent) of each of the Shareholders. For the avoidance of doubt, the self-evaluation contemplated within this clause is separate from (and in addition to) the responsibilities borne by the Shareholders and the Joint Committee to monitor the Board and the Company's performance under the Shareholders' Agreement and the LG (WS) Act (including an annual review of the Company's performance under section 250 of the LG (WS) Act).

13. INTERESTS OF DIRECTORS

- 13.1 **Disclosure of interests:** A Director must disclose particulars of any interest in a transaction or proposed transaction of the Company in accordance with section 140 of the Companies Act.

- 13.2 **Interested Directors:** As set out in section 139 of the Companies Act, a Director is "interested" in a transaction to which the Company is a party if:
- (a) they are a party to the transaction or may derive a material financial benefit from it;
 - (b) they have a material interest in another party to the transaction;
 - (c) they are a director, officer or trustee of another party to the transaction;
 - (d) they are a director, officer or trustee of a person who may derive a material financial benefit from the transaction;
 - (e) they are a parent, child or spouse, civil union partner, or de facto partner of a person described in clauses 13.2(a) to 13.2(d); or
 - (f) they are otherwise directly or indirectly materially interested in the transaction.
- 13.3 **Interested Directors may not act:** A Director who is interested in a transaction entered into, or to be entered into, by the Company must not do any of the following:
- (a) vote on or sign a document relating to that transaction on behalf of the Company; or
 - (b) do any other thing in their capacity as a Director in relation to that transaction,
- provided that a Director may vote, sign documents and otherwise do any other thing in their capacity as a Director with regard to any matter relating to the following:
- (c) any payment or other benefit of the kind referred to in section 161 of the Companies Act in respect of that Director in accordance with clause 12.18;
 - (d) the entry into an indemnity or insurance arrangement in respect of that Director in their capacity as a director of the Company in accordance with clause 12.16; or
 - (e) transactions in which a Director is interested solely in their capacity as a director of a Subsidiary of the Company.
- 13.4 **Interests register review:** The Board will review the interests register at the beginning of every Board meeting. The Board will provide a copy of the interests register to the Joint Committee, and will advise the Joint Committee of any changes to the register over time.
- 13.5 **No prohibition re quorum:** No prohibition under this clause 13 will prevent the attendance of a Director at a Board meeting from counting for quorum purposes.
- 14. NOTICES**
- 14.1 **Service:** Notices may be served by the Company upon any Director or Shareholder by personal delivery, electronic means or by posting it in a prepaid envelope or package addressed to the recipient at his or her last known address (or, in the case of a company, its registered office). A notice may be given by the Company to joint Shareholders by giving the notice to the joint Shareholder named first in the Share Register in respect of the Share, or to such other person as or the joint Shareholders may in writing direct.
- 14.2 **Time of service:** Notices are deemed served at the following times:
- (a) when given personally, on delivery;

- (b) when sent by post or document exchange, five Business Days after (but exclusive of) posting; and
- (c) when sent by email, at the time of transmission, if (in the event receipt is disputed) the sender produces a printed copy of the email which evidences that the email was sent to the email address of the recipient.

Any notice which has been served on a Saturday, Sunday or public holiday is deemed to be served on the first Business Day after that day.

15. LIQUIDATION

If the Company is liquidated, the liquidator may, with the unanimous approval of the Shareholders and any other approval required by the Companies Act or the LG (WS) Act, but subject to the requirements of the Shareholders' Agreement (as notified by any Shareholder to the liquidator) and, if applicable, the rights or restrictions attached to the different classes of shares issued by the Company:

- 15.1 distribute to the Shareholders in kind the whole or any part of the assets of the Company; and
- 15.2 vest the whole or any part of any such assets in trustees upon such trusts for the benefit of the persons so entitled as the liquidator thinks fit, but so that the Shareholders are not compelled to accept any Shares or other securities on which there is any liability.

16. METHODS OF CONTRACTING

- 16.1 **Deeds:** A deed which is to be entered into by the Company may be signed on behalf of the Company by:

- (a) two or more Directors;
- (b) a Director, and any person authorised by the Board, whose signatures must be witnessed; or
- (c) one or more attorneys appointed by the Company.

- 16.2 **In writing:** Subject to clause 16.1, an obligation or contract which is required by law to be in writing, and any other written obligation or contract which is to be entered into by the Company, may be signed on behalf of the Company by two people acting under the express or implied authority of the Company.

- 16.3 **Other:** Subject to clause 16.1, any other obligation or contract may be entered into on behalf of the Company in writing or orally by two people acting under the express or implied authority of the Company.

SCHEDULE 1**RULES FOR SHAREHOLDER MEETINGS****1. CHAIR**

- 1.1 If the Chair is present at the meeting, he or she must chair the meeting.
- 1.2 If there is no Chair or if the Chair is not present at the meeting within 15 minutes of the start time, the Directors present may elect a chair for that meeting, failing which, the Shareholders (or their representatives) present may elect a chair for that meeting.

2. NOTICE OF MEETINGS

- 2.1 Each Shareholder and every Director of the Company must be sent written notice of the time and place of the meeting at least 10 Business Days before the meeting.
- 2.2 The notice must state:
- (a) the nature of the business to be discussed at the meeting in sufficient detail to enable the Shareholders to form a reasoned judgment in relation to it; and
 - (b) the text of any Reserved Matter resolution or other resolution to be put to the meeting.
- 2.3 An irregularity in a notice of a meeting is waived if:
- (a) the Shareholders attend the meeting without protest as to the irregularity; or
 - (b) if each Shareholder agrees to the waiver.
- 2.4 If a meeting is adjourned for 30 days or more, notice of the adjourned meeting must be given as in the case of an original meeting. It is not otherwise necessary to give any new notice for an adjourned meeting.
- 2.5 The accidental omission to give a notice of a meeting to, or the non-receipt of a notice of a meeting by, any person entitled to receive notice does not invalidate the proceedings at that meeting.

3. METHODS OF HOLDING MEETINGS

- 3.1 A Shareholders' meeting may be held in any of the following ways:

- (a) at the place, date, and time appointed for the meeting;
- (b) by means of audio, or audio and visual, communication; or
- (c) a combination of (a) and (b).

The Shareholders (or their representatives) participating must constitute a quorum and must all be able to simultaneously hear all participants throughout the meeting.

4. QUORUM

- 4.1 No business may be transacted at a Shareholder meeting if a quorum is not present.

- 4.2 A quorum for a Shareholder meeting is present if at least two representatives from each Shareholder (or their proxy) is in attendance, whether in person or via an approved virtual platform.
- 4.3 If a quorum is not present within the 30 minutes after the start time for the meeting:
- (a) if the meeting is called under section 121(b) of the Companies Act, the meeting is dissolved; or
 - (b) for any other meeting, the meeting is adjourned to:
 - (i) the same day in the following week at the same time and place; or
 - (ii) to another date, time and place to be fixed by the Directors.
- 5. ADJOURNMENTS**
- 5.1 The chair:
- (a) may adjourn the meeting from time to time and from place to place, but no business can be transacted at any adjourned meeting other than the business left unfinished at the meeting from which the adjournment took place; and
 - (b) must adjourn the meeting as above if directed to do so by the meeting.
- 6. VOTING**
- 6.1 If a Shareholder meeting is held under rule 3.1(b), unless a poll is demanded, voting at the meeting will be by:
- (a) voting by voice; or
 - (b) voting by show of hands,
- and the chair of the meeting will decide which method is used.
- 6.2 A declaration by the chair of the meeting that a resolution is carried by the necessary majority is conclusive evidence of that fact unless a poll is demanded.
- 6.3 Subject to the Shareholders' Agreement and to any rights or restrictions attached to any Share:
- (a) where voting is by voice or a show of hands, every Shareholder present in person or by representative has one vote; and
 - (b) on a poll every Shareholder present in person or by representative has one vote in respect of every Share held by that Shareholder which entitles a Shareholder to vote; and
 - (c) in the case of an equality of votes, the chair of the meeting does not have a casting vote.
- 7. PROXIES AND POSTAL VOTES**
- 7.1 Each Shareholder has the right to appoint a representative as its proxy to attend and vote at Shareholder meetings on its behalf. Any such representative so appointed is entitled to attend and be heard at Shareholder meetings and to demand or join in demanding a poll, as if that representative was the relevant Shareholder.

7.2 A Shareholder may not cast a postal vote at a Shareholders' meeting unless the Board has previously authorised postal votes for that meeting in which case:

- (a) the notice of that meeting must state whether postal votes are authorised; and
- (b) postal voting must be carried out in accordance with clause 7 of the Schedule 1 to the Companies Act.

8. MINUTES

- 8.1 The Board must ensure that minutes are kept of all proceedings at Shareholder meetings.
- 8.2 Minutes which have been signed correct by the chair of the meeting are prima facie evidence of the proceedings.

9. SHAREHOLDER PROPOSALS

- 9.1 The Shareholders may give written notice to the Board of a matter the Shareholder proposes to raise for discussion or resolution at the next Shareholder meeting. The provisions of clause 9 of Schedule 1 of the Companies Act apply to any notice given under this rule 9.1.
- 9.2 The chair of a Shareholder meeting will allow a reasonable opportunity for the Shareholders to question, discuss or comment on the management of the Company.

10. OTHER PROCEEDINGS

10.1 Except as provided in this Schedule 1, and subject to this Constitution, a Shareholder meeting may regulate its own procedure.

11. SHAREHOLDER MEETINGS TO BE PUBLIC

- 11.1 All Shareholder meetings must be open to the public, except to the extent that the public is excluded in accordance with the Local Government Official Information and Meetings Act 1987. The Company must give public notice of each ordinary Shareholder meeting not less than 5 Business Days before the meeting, and must make available the agenda and associated reports for the meeting, except for any material that may properly be withheld or considered with the public excluded under the Local Government Official Information and Meetings Act 1987~~LGOIMA~~.

SCHEDULE 2**RULES FOR BOARD PROCEEDINGS****1. FREQUENCY OF MEETINGS**

- 1.1 The Board will meet monthly, or as otherwise resolved by the Board.

2. NOTICE OF MEETING

- 2.1 A Director or, if requested by a Director to do so, an employee of the Company, may convene a meeting of the Board by giving notice in accordance with this clause.
- 2.2 At least five Business Days' notice of a meeting of the Board must be given to every Director who is located in New Zealand. The notice must include the date, time and place of the meeting and the matters to be discussed.
- 2.3 An irregularity in the notice of the meeting is waived if all Directors attend the meeting without protest as to the irregularity or if all Directors entitled to receive notice of the meeting agree to the waiver.

3. ~~NO~~ NOTICE TO DIRECTORS OUTSIDE NEW ZEALAND

- 3.1 ~~Notwithstanding a Director may be temporarily absent from New Zealand, they will still be given It is not necessary to give~~ notice of a meeting of the Board ~~to any Director temporarily absent from New Zealand.~~

4. METHOD OF HOLDING MEETINGS

- 4.1 The Board may meet in person or by any technological means that allow participating Directors to be in communication with other participating Directors in a manner that is relatively contemporaneous. Where Directors are not all in attendance in one place but are holding a meeting through such a system of communication:
- (a) the participating Directors will be taken to be assembled together at a meeting and present at that meeting (including for the purposes of quorum requirements);
 - (b) the meeting will be taken to be held at the place agreed to by the participating Directors so long as at least one participating Director is physically present at that place; and
 - (c) all proceedings at meetings conducted in such a manner will be valid and effective as if conducted at a meeting at which all of them were physically present.

5. QUORUM

- 5.1 At any meeting of Directors a quorum will only be present if at least 75% of Directors are present.
- 5.2 If a quorum is not present within 30 minutes of the time appointed for the commencement of the Board meeting, the Board meeting must be adjourned to the same day in the following week at the same time and place, or to such other date, time and place as the Chair may appoint, and if at the adjourned meeting a quorum is not present within one hour after the time appointed for the commencement of the meeting, the Directors present (regardless of the person who appointed them) will constitute a quorum. No business may be transacted at a meeting of Directors if a quorum is not present.

6. VOTING

- 6.1 Every Director has one vote.
- 6.2 The Chair does not have a second or casting vote.
- 6.3 Subject to clause 12.9 and 12.10, a resolution of the Board is passed if it is agreed to by all Directors present without dissent or if a majority of the votes cast on it are in favour of it.
- 6.4 A Director who abstains from voting is not presumed to have voted in favour of, or dissented to, the relevant resolution of the Board.

7. RESOLUTIONS

- 7.1 A resolution in writing, signed or assented to by all Directors then entitled to receive notice of a Board meeting, is as valid and effective as if it had been passed at a meeting of the Board duly convened and held.
- 7.2 A resolution may consist of several documents (including facsimile or other similar means of communication) in like form each signed or assented to by one or more Directors.
- 7.3 A copy of all resolutions must be entered in the minute book of Board proceedings.

8. MINUTES

- 8.1 The Board must ensure minutes are kept of all proceedings at meetings of the Board.

9. OTHER PROCEEDINGS

- 9.1 Except as provided in this Schedule 2 and this Constitution, the Board may regulate its own procedure.

Draft: 19 August 2026

Shareholders' Agreement relating to [TBC] Limited

PARTIES

Tauranga City Council

Western Bay of Plenty District Council

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AGREEMENT dated [date] 2026

PARTIES

Tauranga City Council

("TCC")

Western Bay of Plenty District Council

("WBOPDC")

BACKGROUND

TCC and WBOPDC:

- (a) have agreed to establish the Company as a jointly owned CCO for the purposes of the Company acting as the water organisation as contemplated by their Water Services Delivery Plan; and
- (b) have entered into this agreement to record how the parties will manage their shareholdings in the Company and their respective relationships with each other.

AGREEMENT

TCC and WBOPDC agree to give effect to the provisions set out in this agreement, including by exercising their rights as Shareholders in the Company.

SIGNATURES

TAURANGA CITY COUNCIL

By:

Signature of Authorised Signatory

Signature of Authorised Signatory

Name of Authorised Signatory

Name of Authorised Signatory

WESTERN BAY OF PLENTY DISTRICT COUNCIL

By:

Signature of Authorised Signatory

Signature of Authorised Signatory

Name of Authorised Signatory

Name of Authorised Signatory

DRAFT

SCHEDULE 1**AGREEMENT DETAILS**

Address for notices <i>(clause 15.1, Schedule 2)</i>	Tauranga City Council	Western Bay of Plenty District Council
	21 Devonport Road Tauranga, 3143 Private Bag 12022 Tauranga 3143 Email: christine.jones@tauranga.govt.nz Attention: Christine Jones	1484 Cameron Road Barkers Corner, Greerton Tauranga, 3112 Private Bag 12803 Tauranga Mail Centre Tauranga 3143 Email: adele.henderson@westernbay.govt.nz Attention: Adele Henderson

SCHEDULE 2**TERMS AND CONDITIONS****AGREEMENT****1. DEFINITIONS AND INTERPRETATION****1.1 Definitions:** In this agreement the following definitions apply:

Alternate means:

- (a) in relation to a Shareholder, an alternate to that Shareholder's appointed JC Representative; and
- (b) in relation to Tangata Whenua, an alternate to a TW JC Representative,

who will be entitled to attend and vote at meetings of the JC, but only where the respective Shareholder's JC Representative or the TW JC Representative (as relevant) is unable to do so.

Board means the board of Directors of the Company.

Board Skills Matrix means the board skills matrix at Schedule 10.

Business means the business and activities set out in clause 2.2 of the Constitution.

Business Day means any day other than a Saturday, Sunday or statutory public holiday in any of the Service Areas.

Class A Shares has the meaning given in the Constitution.

Class B Shares has the meaning given in the Constitution.

Companies Act means the Companies Act 1993.

Company means [TBC] Limited.

Confidential Information means the provisions of this agreement and all other information of a confidential nature (which, where the confidentiality of the information is not expressly stated, shall be determined by the recipient, acting reasonably) obtained by one party from the other party under or in connection with this agreement, including, in relation to the Company, trade secrets, proprietary information and confidential information belonging to the Company that are not generally known to the public, including information concerning business plans, financial statements and other information provided pursuant to this agreement, operating practices and methods, expansion plans, strategic plans, marketing plans, contracts, customer lists or other business documents which the Company treats as confidential, and any other information in respect of which the Company is bound by an obligation of confidence owed to a third party.

Constitution means the constitution of the Company as filed with the New Zealand Companies Office on the incorporation of the Company, as amended from time to time.

Director means a director of the Company.

Establishment Costs means the costs incurred by each Shareholder:

- (c) during the period prior to the incorporation of the Company, in relation to the scoping and planning activities and establishment documents; and
- (d) during the Establishment Period in respect of the operational and transition costs incurred by the Company.

Establishment Period means the period between the Incorporation Date and the Operational Date.

Event of Default in respect of a Shareholder means where a Shareholder breaches or fails to observe any of the obligations under this agreement and:

- (a) if that breach or failure is capable of remedy, does not remedy that breach or failure within 20 Business Days of notice from any other Shareholder specifying the breach or failure and requiring remedy;
- (b) if that breach or failure is not capable of remedy; or
- (c) that breach or failure is material in the context of the obligations of that Shareholder under this agreement.

Expert Determination means determination of a dispute by reference to the process set out in clause 13.5.

Incorporation Date means the date on which the Company is incorporated as determined by the date recorded by the New Zealand Companies Office.

Independent Director has the meaning given in the Constitution.

Joint Committee or **JC** means the joint committee formed by the Shareholders pursuant to clause 6.1.

JC Representative means a member of the JC and includes (where the context requires) a TW JC Representative.

Kaitiakitanga has the meaning given to it in the Constitution.

LGA means the Local Government Act 2002.

LGFA means the New Zealand Local Government Funding Agency Limited.

LG (WS) Act means the Local Government (Water Services) Act 2025.

Local Authority has the meaning given to it in the LGA.

Mātauranga Māori has the meaning given to it in the Constitution.

Operational Date means 1 July 2027, or any other later date as agreed by the Shareholders.

Ordinary Resolution has the meaning given to it in the Companies Act.

Reserved Matters means those matters listed in Schedule 3.

Security Interest includes a mortgage, debenture, charge, lien, pledge, assignment or deposit by way of security, bill of sale, lease, hypothecation, hire purchase, credit sale, agreement for sale on deferred terms, option, right of pre-emption, caveat, claim, covenant, interest or power in or over an interest in an asset and any agreement or commitment to give or create any such security interest or preferential ranking to a creditor including set off.

Service Area means:

- (a) in the context of the Company, as set out in the LG (WS) Act; and
- (b) in respect of each Shareholder, the 'district' of that Shareholder as a 'territorial authority' (as those terms are defined in the LGA).

Shares means shares in the Company on issue from time to time and includes all Class A Shares and Class B Shares.

Shareholder means a shareholder in the Company and includes any person who subsequently becomes a shareholder. Where Shares are held by persons jointly, those persons are considered one Shareholder for the purpose of this agreement.

Special Resolution has the meaning given in the Companies Act.

Statement of Expectations or **SOE** has the meaning given to it in the LG (WS) Act.

Significance and Engagement Policy means the significance and engagement policy referred to in section 35 of the LG (WS) Act.

Tangata Whenua means iwi within the TCC and WBOPDC rohe (boundaries), acting through their recognised iwi authority or governance entity.

Te Mana o te Wai has the meaning given to it within the National Policy Statement for Freshwater Management 2020.

Te Tiriti o Waitangi / Treaty of Waitangi has the meaning given to it in the Constitution.

TW JC Representative means a JC Representative nominated by Tangata Whenua and appointed by the Shareholders in accordance with Schedule 4.

Terms of Reference means the terms of reference of the JC set out in Schedule 4.

Transfer Agreement has the meaning set out in the LG (WS) Act.

Transfer Principles means the principles set out in Schedule 6.

Transition Agreement means the agreement to be entered into between the Shareholders and the Company on or about the date of this agreement, which relates to the establishment activities to be carried out by the Company, and the funding to be provided by the Shareholders to the Company, during the Establishment Period.

Treaty Settlement Obligations has the meaning given to it in the Constitution.

Unanimous Resolution means a resolution of the shareholders in the Company which is approved by all Shareholders in writing.

Water Services has the meaning set out in the LG (WS) Act, which will be the water services obligations to be transferred to the Company in accordance with the Transfer Agreement to be entered into between the Company and each Shareholder and as otherwise provided by the Company in the Service Areas.

Water Services Annual Budget has the meaning set out in the LG (WS) Act.

Water Services Annual Report has the meaning set out in the LG (WS) Act.

Water Services Delivery Plan means the means the plan prepared and adopted by each Shareholder in accordance with the Local Government (Water Services Preliminary Arrangements) Act 2024, as approved by the Department of Internal Affairs on 14 November 2025.

Water Services Strategy or **WSS** has the meaning set out in the LG (WS) Act.

1.2 **Interpretation:** In this agreement, unless the context otherwise requires:

- (a) headings are for convenience only and do not affect interpretation;
- (b) the singular includes the plural and vice versa, and a gender includes other genders;
- (c) another grammatical form of a defined word or expression has a corresponding meaning;
- (d) words in this agreement have the same meaning as in the Companies Act unless inconsistent with the context;
- (e) a reference to a party, person or entity includes:
 - (i) an individual, firm, company, trust, partnership, joint venture, association, corporation, body corporate, estate, state, government or any agency thereof, municipal or local authority and any other entity, whether incorporated or not (in each case whether or not having a separate legal personality); and
 - (ii) an employee, agent, successor, permitted assign, executor, administrator and other representative of such party, person, entity;
- (f) a reference to dollars or \$ is to New Zealand currency and excludes every tax and duty;
- (g) a reference to a clause or schedule is to a clause or schedule of this agreement;
- (h) a reference to a statute, ordinance, code or other law includes regulations and other instruments under it and consolidations, amendments, reenactments or replacements of any of them;
- (i) references to the word 'include' or 'including' are to be construed without limitation;

- (j) references to any form of law is to New Zealand law, including as amended or re-enacted;
- (k) a reference to a document or instrument includes the document or instrument as novated, altered, supplemented or replaced from time to time;
- (l) "written" and "in writing" include any means of reproducing words, figures or symbols in a tangible and visible form;
- (m) any obligation falling due for performance on or by a day other than a Business Day shall be performed on or by the Business Day immediately following that day; and
- (n) an obligation not to do something includes an obligation not to allow or cause that thing to be done.

1.3 **Subsidiaries of the Company:** If at any time the Company has a subsidiary (as defined in the Companies Act) or subsidiaries, the provisions of this agreement relating to the operation of the Company shall be read so as to relate to the group of companies consisting of the Company and its subsidiaries, rather than to the Company alone.

1.4 **Constitution:** In the event of any inconsistency between this agreement and the Constitution, this agreement will (as between the parties) prevail over the Constitution to the extent of the inconsistency (and consistent with the Companies Act) and the Shareholders will take such steps necessary to resolve the inconsistency.

2. ESTABLISHMENT OF COMPANY

2.1 **Incorporation:** The Shareholders shall immediately after signing this agreement take all steps necessary (including signing documents) to incorporate the Company as a New Zealand registered company, on the basis set out below:

- (a) each Shareholder will be issued 10 Class A Shares, at an issue price of \$1.00 per share (which amount is deemed to have been received by the Company);
- (b) the initial directors will be Keith Turner; Patrick Dougherty and Todd Muller;
- (c) the registered office and address for service of the Company will be 90 Devonport Road, Tauranga Central, Tauranga 3110; and
- (d) the Constitution of the Company, in the form approved by the Shareholders, will be adopted on incorporation.

2.2 **Transition Agreement:** As soon as reasonably possible following the incorporation of the Company, each Shareholder will enter into the Transition Agreement with the Company, in the form approved by the Shareholders.

2.3 **Ratification of any pre-incorporation contracts:** The Shareholders must use reasonable endeavours to ensure that any pre-incorporation contract intended to bind or benefit the Company is identified and, where appropriate, ratified by the Company in accordance with the Companies Act. Such ratification shall occur as soon as reasonably practicable following incorporation.

3. PURPOSE OF COMPANY

- 3.1 **Purpose:** The Shareholders agree that the Company is to carry on the Business in a manner that is consistent with Treaty Settlement Obligations applicable to the Service Area.
- 3.2 **Public Ownership:** The Shareholders agree that all water services infrastructure and related assets owned by the Company shall remain in public ownership. This does not preclude the Company from accessing or benefiting from private funding or financing arrangements, provided such arrangements do not result in any transfer of ownership of those assets. No Shareholder will take any steps to approve or otherwise give effect to any action which is inconsistent with this clause.

4. BOARD AND DIRECTORS

- 4.1 **Board:**
- (a) Following the Incorporation Date, the Shareholders will appoint (and subsequently remove or replace) each Director in accordance with the Board Skills Matrix (and any council policy criteria), with the aim of ensuring that the Board as a whole has the skills required by the Board Skills Matrix.
 - (b) The Company will have the number of Directors that comply with the Constitution.
 - (c) The Directors will be appointed and removed in accordance with the Constitution.

5. SHAREHOLDERS' OBLIGATIONS

- 5.1 **Voting and Shareholder Reserved Matters:**
- (a) Subject to clause 5.1(b) and any resolution that is required by the Companies Act or the Constitution to be passed as a Special Resolution, all resolutions of meetings of the Shareholders may be passed by Ordinary Resolution.
 - (b) The Shareholders will procure that the Company will not enter into any transaction or matter which is a Reserved Matter unless the entry into that transaction or matter is approved in writing by the Shareholders in accordance with the relevant approval thresholds set out in Schedule 3.
- 5.2 **Duty to comply with Constitution:** Each Shareholder shall comply with the Company's Constitution.
- 5.3 **Compliance with laws:** The Shareholders will each ensure they comply with their, and the Company complies with its, obligations under the LGA, Local Government (Water Services Preliminary Arrangements) Act 2024, the LG (WS) Act and the Companies Act.
- 5.4 **Spirit of collaborative working:** The Shareholders must at all times act in a spirit of co-operation and collaborative working, endeavouring to act together to allow for the effective communication of the Shareholders' intentions or requirements to the Company.
- 5.5 **No surprises:** The Shareholders shall act under the principle of "no surprises", both with the Company and with each other in relation to their respective interests.

- 5.6 **Treaty Obligations:** Each Shareholder, in exercising its rights and performing its obligations under this agreement, must act consistently with its Treaty Settlement Obligations.

6. JOINT COMMITTEE

- 6.1 **Establishment and Terms of Reference:** The Shareholders will establish a Joint Committee in the manner set out below:
- (a) The Shareholders will jointly establish, maintain and operate a JC in accordance with the Terms of Reference to provide oversight of the Company.
 - (b) Each Shareholder confirms the Terms of Reference for the JC are the terms attached at Schedule 4 (as amended from time to time).
- 6.2 The Joint Committee will be established as a joint committee under clause 30(1)(b) of Schedule 7 to the LGA. Subject to clause 6.5, the Shareholders intend for the Joint Committee to be an enduring governance arrangement and will use reasonable endeavours to maintain the Joint Committee for so long as the Shareholders consider it appropriate.
- 6.3 **Delegations to Joint Committee:** Each Shareholder agrees to delegate to the Joint Committee those responsibilities and powers set out in the Terms of Reference. The Joint Committee shall be a recommendatory, rather than decision-making, body.
- 6.4 **Interface with JC Representatives:** Each Shareholder is responsible for determining and managing the internal arrangements, processes, instructions, and decision-making protocols between that Shareholder and its appointed JC Representative (and any Alternate).
- 6.5 **Review of Terms of Reference:** The Shareholders will undertake a review of the Terms of Reference of the Joint Committee:
- (a) before a Proposed Shareholder is admitted to the Company;
 - (b) at the commencement of each triennium following a Proposed Shareholder's Admission to the Company, at which point the Joint Committee will prepare a report on the operation and function of the Joint Committee for consideration by the admitted Proposed Shareholder;
 - (c) before any substantive legislative change, or any other significant matter that impacts or may reasonably be expected to impact treaty settlement legislation, comes into force;
 - (d) before any other substantive legislative change that may reasonably be expected to impact the Water Services comes into force; or
 - (e) at such other date as may be determined by an Ordinary Resolution.
- 6.6 Any review under clause 6.5(a), 6.5(b) or 6.5(c) must include direct engagement with the Joint Committee (including TW JC Representatives).

7. LOANS AND GUARANTEES BY SHAREHOLDERS

- 7.1 **Loans and guarantees:** Subject to clause 7.3, no Shareholder will be required to make any loans to the Company or guarantee the obligations of the Company, to any creditor or other party except with the express prior agreement of such.
- 7.2 **Establishment Funding:** The Shareholders acknowledge and agree that, in advance of the Company receiving revenue from the Business (which will not occur until after the end of the Establishment Period), each Shareholder will provide working capital funding to the Company for the purpose of meeting the Establishment Costs. The terms on which such funding will be provided to the Company (which will include that this funding will be repaid by the Company upon the Company entering into its own funding arrangements) will be as agreed in writing between the Shareholders and the Company, including (in respect of funding provided during the Establishment Period) as set out in in the Transition Agreement.
- 7.3 **Debt Guarantee:** The Shareholders will provide a joint and several guarantee in favour of LGFA in respect of all of the Company's LGFA debt. Notwithstanding this, each Shareholder will only be responsible for the portion of the LGFA debt attributable to its Service Area if this guarantee is called on and indemnifies the other Shareholders in respect of such attributed amounts.

8. STATEMENT OF EXPECTATIONS

- 8.1 **Preparation:** The Shareholders will be jointly responsible for preparing and adopting the Statement of Expectations in accordance with the LG (WS) Act, within the time periods required by the LG (WS) Act. Each Shareholder will provide initial guidance to officers who will prepare the draft Statement of Expectations, which will then be presented to, and reviewed and refined by, the Joint Committee. The Joint Committee will, after consulting with the Company on the draft Statement of Expectations and considering any comments provided, recommend a final Statement of Expectations to the Shareholders for adoption. The Shareholders acknowledge that the first Statement of Expectations needs to be adopted by a date that is not later than 6 months from incorporation of the Company.
- 8.2 **Process:** Unless the Shareholders agree otherwise, or an alternative process is provided for in the LG (WS) Act (in which case that alternative process will be followed):
- (a) the Shareholders will meet within the timeframes required for the Company to adopt a Water Services Strategy under the LG (WS) Act, to discuss and agree to the process for preparing the next Statement of Expectations, which will include the input provided by each Shareholder for the Statement of Expectations and will be consistent with the Constitution and include consulting with the Company;
 - (b) the Shareholders will ensure that one or more Shareholders publish the process agreed in accordance with clause 8.2(a) on their website in accordance with the LG (WS) Act;
 - (c) the Shareholders will prepare a draft Statement of Expectations in accordance with the process agreed under clause 8.2(a) and the requirements of this agreement and the LG (WS) Act; and
 - (d) the Shareholders must adopt (as a Reserved Matter) the draft Statement of Expectations prepared in accordance with this clause, at least six months prior to

the date on which the Company is required to adopt a Water Services Strategy under the LG (WS) Act.

- 8.3 **Specific Matters:** In addition to the requirements specified in the LG (WS) Act, the draft Statement of Expectations shall also include the matters set out in Schedule 5.
- 8.4 **Provision of Statement of Expectations:** Promptly after the Statement of Expectations has been adopted in accordance with clause 8.2(d), the Statement of Expectations will be provided to the Chairperson of the Board, the Chief Executive of the Company and the Joint Committee.
- 8.5 **Amendments to the Statement of Expectations:** If any Shareholder considers that the Statement of Expectations, or any part of it, should be amended at any time, either on its own initiative or after recommendation by the JC, the JC will follow the process set out in clauses 8.2 and 8.3 (with all necessary modifications). If any amendments to the Statement of Expectations are made out of cycle with the timing anticipated by the LG (WS) Act, the Shareholders acknowledge that the amended Statement of Expectations may not inform the Water Services Strategy required to be adopted by the Company, and also acknowledge that the Company is not required to amend its Water Services Strategy as a result of the amendments made.

9. TRANSFER AGREEMENTS

- 9.1 **Process:** During the Establishment Period, the Shareholders will:
- (a) agree with the Board a template form of Transfer Agreement, which will be used as the basis for preparing a Transfer Agreement for each Shareholder with the Company, together with the template form of any ancillary agreements required to be entered into as part of the transfer, such as transitional services agreements and shared interest agreements;
 - (b) each undertake the process of identifying which assets, obligation and liabilities (including water debt) will be transferred by that Shareholder to the Company under its Transfer Agreement, by applying the Transfer Principles;
 - (c) identify what statutory responsibilities will transfer (or not transfer) to the Company;
 - (d) each negotiate the form of the Transfer Agreement (and any ancillary agreements) with the Company, in accordance with the provisions of this clause 9.1 and as contemplated by the LG (WS) Act, which will provide that the consideration payable by the Company for the net assets to be acquired from the relevant Shareholder under the Transfer Agreement will be satisfied by the Company issuing Class B Shares to that Shareholder following execution of the respective Transfer Agreement; and
 - (e) each enter into their agreed Transfer Agreement with the Company (and any ancillary agreements), prior to the Operational Date, with a completion date of 30 June 2027.
- 9.2 **Disputes:** If any Shareholder has not agreed the form of its Transfer Agreement with the Company by 31 March 2027 then that Shareholder will refer any unresolved issues between that Shareholder and the Company to Expert Determination. For clarity, this clause is

directed at the terms and conditions of the Transfer Agreement, and does not limit the Shareholders' discretion as to the subject matter of the transfer itself, including which assets, debt, contracts, liabilities or other rights and obligations are to be transferred from a Shareholder to the Company pursuant to that Transfer Agreement.

9.3 **Stormwater:** The parties acknowledge that:

- (a) subject to the terms of each Transfer Agreement, the Company will be responsible for all stormwater assets and for the provision of stormwater services (as defined in the LG (WS) Act, within each Service Area) subject to clause 9.4 below;
- (b) subject to any exceptions identified during preparation of the Transfer Agreement (including land used for both stormwater and other purposes), stormwater assets will be transferred by each Shareholder to the Company;

9.4 **The setting and collection of charges:** The parties agree that:

- (a) The Shareholders may provide operational direction in respect of the setting and collection of charges for drinking water, wastewater and stormwater that are required to be provided within each Shareholder's Service Area.
- (b) The Statement of Expectations may include requirements or expectations with regard to the setting and collection of charges for each Water Service (in accordance with section 228(4) of the LG (WS) Act).
- (c) Details of the exact approach regarding the setting and collection of charges for each water service will be included each Shareholder's Transfer Agreement with the Company.
- (d) The long-term goal will be for the Company to hold all responsibility to set and collect charges for each Water Service. However, over the Company's initial years of operation the parties acknowledge that the Shareholders may need to hold some responsibilities in this regard.
- (e) If a Transfer Agreement requires the Shareholders to set charges for any Water Service, then the Shareholders must take into account the views of the Company regarding such charges, and the Shareholders must meet their obligations in relation to revenue sufficiency and the other matters set out clause 6 of Schedule 2 of the LG (WS) Act.

10. SHARES AND SHAREHOLDINGS

10.1 **Share issue:** Subject to approval of the Shareholders in accordance with clause 5.1, the Board may issue Shares in accordance with the Constitution and this agreement.

10.2 **No sale:** No Shareholder shall directly or indirectly sell, transfer, or dispose of the legal or beneficial ownership of, or the control of, any of its Shares otherwise than in compliance with this clause 10, the Constitution and the LG (WS) Act.

10.3 **New Shareholders:** A Local Authority who is not an existing Shareholder may be admitted as an additional Shareholder in accordance with the process and requirements set out in Schedule 7.

- 10.4 **Shareholder Exit:** A Shareholder who wishes to exit from its shareholding in the Company may do so in accordance with the process and requirements set out in Schedule 8.
- 10.5 **No Security Interest:** A Shareholder must not grant a Security Interest over any of its Shares.
- 10.6 **Amalgamation of Local Authorities:** In the event of an amalgamation or any other change in the governance structure of a Shareholder, the Shareholders will meet and discuss the effect of the amalgamation on the shareholding structure of the Company and will exercise their voting rights to ensure that the shareholding percentages for the Shares remain reasonable as agreed by all Shareholders.
- 10.7 **Review of Class B Shareholdings:** The Shareholders will undertake a review of the shareholdings of Class B Shares in accordance with Schedule 9.

DISTRIBUTIONS

- 10.8 **Principle:** The Shareholders acknowledge and agree that:
- (a) if the Company generates any surplus, it is the Shareholders' expectation that such surplus will be either retained by the Company or reinvested in the provision of the Water Services, taking into account clause 2.7 of the Constitution;
 - (b) there is no expectation by the Shareholders of any distributions being made by the Company to the Shareholders; and
 - (c) a distribution can only be made to the Shareholders if the distribution:
 - (i) is approved by a Unanimous Resolution;
 - (ii) is approved by a majority decision of the Board; and
 - (iii) will not result in the Company being in breach of the Constitution or the Companies Act.

11. TERM AND TERMINATION

- 11.1 **Term:** This agreement commences on the date signed by all parties and continues until the first date on which:
- (a) in respect of a Shareholder, that Shareholder no longer holds any Shares;
 - (b) only one Shareholder owns all Shares;
 - (c) none of the Shareholders hold Shares; or
 - (d) the date on which the Company is liquidated.
- 11.2 **Effect of termination:** Any termination of this agreement with respect to a Shareholder does not affect any accrued rights that Shareholder may have against the other parties to this agreement or which the other parties to this agreement may have against it.

11.3 **Shareholder Triggered Liquidation:**

- (a) Upon the passing of a Unanimous Resolution to liquidate the Company, the Shareholders must, without delay, take all necessary steps to appoint a liquidator to the Company. In this case, the liquidator must be agreed by the Shareholders within 10 Business Days, or failing agreement, shall be chosen on the application of any Shareholder by the President for the time being of the New Zealand Law Society or his or her nominee.

11.4 **Liquidation principles:** The following principles will apply to the distribution of assets and liabilities of the Company upon a liquidation:

- (a) each Shareholder will be entitled to, and will, take a transfer of all of the assets (including reserves) and associated contractual arrangements from the Company that relate to its Service Area, along with the relevant debt apportioned to those assets, in each case on the basis of an independent valuation of those assets;
- (b) where an asset and/or associated contractual arrangement relates to more than one Service Area, or where an asset has been funded by more than one Shareholder, an apportionment will be made as between the relevant Shareholders to ensure an appropriate allocation of the benefit and the burden of each asset or arrangement, which may include a contractual arrangement between those Shareholders in respect of those assets or arrangements; and
- (c) the basis on which the allocations and valuations will be made for the purposes of this clause 11.4 will be determined by the Shareholders, with any disputes referred to Expert Determination.

11.5 **Survival:** Termination of this agreement will not affect the rights and obligations of the Shareholders set out in clauses 13, 14 and 15, together with this clause 11.5, which are intended to survive the termination of this agreement.

12. SUSPENSION OF RIGHTS

12.1 **Consequences:** If an Event of Default occurs in respect of a Shareholder (the "**Defaulting Shareholder**") any other Shareholder may, while that Event of Default continues, by notice in writing to the Defaulting Shareholder and each other Shareholder, require that the Defaulting Shareholder is suspended as follows:

- (a) all rights of the Defaulting Shareholder under this agreement (including the right to vote on a Reserved Matter) and all rights attaching to the Defaulting Shareholder's Shares ("**Default Shares**") (including voting) are suspended and the Default Shares are not to be counted for the purpose of determining the required level of support for a Reserved Matter or a quorum for a Shareholders' meeting; and
- (b) all voting rights of that Shareholder's members of the JC will be suspended,

provided that any suspension of rights set out in this clause will automatically cease to have effect upon that Event of Default having been cured by the Defaulting Shareholder.

12.2 **Voting During Suspension Period:** The parties agree that, where a Shareholder's rights have been suspended pursuant to clause 12.1, any vote on a Reserved Matter can only be undertaken after the next Business Day which is at least 30 days after the suspension takes effect (or the next Business Day after the date on which the suspension is lifted, if earlier).

12.3 **Default interest:** If either party does not pay any amount payable under this agreement on the due date for payment ("**Due Date**") that party shall pay to the other party interest (both before and after judgment) on that amount. That interest:

- (a) shall be paid at a default rate of the then current Official Cash Rate plus 5% per annum;
- (b) shall be paid by instalments at intervals of ten Business Days from the Due Date; and
- (c) shall be calculated on a daily basis from and including the Due Date until the unpaid amount is paid in full.

The right of a party to require payment of interest under this clause does not limit any other right or remedy of that party.

12.4 **Other remedies:** Clauses 12.1 and 12.3 are without prejudice to any other right, power or remedy under this agreement, at law, or otherwise, that any Shareholder has in respect of a default by any other Shareholder.

13. DISPUTE RESOLUTION

13.1 **Notice in writing:** If a party claims that a dispute has arisen, that party must give written notice to the other parties. The written notice must specify the nature of the dispute.

13.2 **Negotiation:**

- (a) On receipt of a notice delivered in accordance with clause 13.1 and before any party may refer a dispute to mediation, the Representatives must, in good faith and acting reasonably, do their best to resolve the dispute quickly and efficiently through negotiation.
- (b) If any Representative considers that the dispute is not being resolved in a timely manner, such Representative may serve written notice on the other parties' Representatives to escalate the dispute to the Chief Executives or equivalent (where the Representatives are not the Chief Executive or equivalent) of the applicable Shareholders for resolution.
- (c) If the dispute has not been resolved within 20 Business Days (or within such other period as agreed by the parties) of the date of the notice referred to in clause 13.2, any party may submit the dispute to mediation.

13.3 **Mediation:**

- (a) If the parties do not resolve the dispute by negotiation, the parties must, in good faith and acting reasonably, do their best to resolve the dispute by participating in mediation with an independent mediator.

- (b) If the parties do not agree on a mediator, then the mediator will be appointed by the New Zealand Dispute Resolution Centre.
- (c) The parties must mediate the dispute in accordance with principles agreed between them or, if no agreement can be reached, the New Zealand Dispute Resolution Centre Mediation Rules.
- (d) Unless the parties agree otherwise, the mediator's fee and any other costs of the mediation itself (such as for venue hire or refreshments) will be shared equally between the parties, but the parties will each pay their own costs of preparing for and participating in the mediation (such as for travel and legal representation).

13.4 Arbitration

- (a) If the dispute has not been resolved within 40 Business Days (or within such other period as agreed by the parties) of the dispute being referred to mediation, any party (the **"Initiating Party"**) may refer such dispute to binding arbitration by issuing a written notice (**"Arbitration Notice"**) to the other Party or Parties (together with the Initiating Party, the **"Disputing Parties"**) for final resolution in accordance with the provisions of this clause 13.4 and in accordance with the provisions of the Rules of Arbitration of the New Zealand Dispute Resolution Centre, as amended or modified from time to time (**"NZDRC Rules"**).
- (b) The arbitral panel shall consist of one arbitrator. The arbitrator will be appointed by the agreement of the Disputing Parties or, failing agreement within 10 Business Days of the date of the Arbitration Notice, in accordance with the NZDRC Rules.
- (c) The seat of arbitration shall be Tauranga, and the arbitration shall be conducted in the English language.
- (d) The award of the arbitration shall be in writing and must include reasons for the decision.
- (e) The award of the arbitration shall be final and binding on the parties. No party may appeal to the High Court under Clause 5 of the Second Schedule of the Arbitration Act 1996 on any question of law arising out of an award.
- (f) The award shall allocate or apportion the costs of the arbitration as the arbitrator deems fair.
- (g) Neither the existence of any dispute nor the fact that any arbitration is pending hereunder shall relieve any of the Parties of their respective obligations under this agreement.
- (h) Except as required by law, the arbitration and all related information shall be private and confidential in accordance with the Arbitration Act 1996 consistent with the NZDRC Rules. However, if at the time of any arbitration the Disputing Parties and the arbitral panel so agree in writing to vary the NZDRC Rules, then the proceedings (or specified parts thereof) may be conducted in public or otherwise disclosed to reflect the public-interest nature of the Company (notwithstanding the NZDRC Rules). Any such agreement between the Disputing Parties and the arbitral panel shall record the extent of transparency permitted (for example,

attendance by the public at hearings, publication of awards or reasons, etc.) and any necessary confidentiality safeguards.

13.5 **Expert Determination:** Where this agreement provides for a matter to be resolved through Expert Determination, this clause will apply. Any party may give written notice to the other parties referring the dispute for determination by a single person who is suitably qualified and experienced (**Expert**) to determine the matter in dispute (**Dispute Notice**). If the parties cannot agree on the person to be appointed as Expert within 5 Business Days after delivery of the Dispute Notice, the Expert will be nominated by the President for the time being of the New Zealand Law Society. In resolving the Dispute:

- (a) the Expert will be deemed to be acting as an expert, not as a mediator or an arbitrator;
- (b) nothing in this clause will constitute a submission to arbitration under the Arbitration Act 1996;
- (c) each party must give the Expert any information and assistance, and will ensure that its duly authorised representatives meet with the Expert, as the Expert may reasonably require in order to expedite the resolution of the Dispute;
- (d) the parties will be jointly and severally liable to the Expert for all costs incurred by the Expert, but the Expert may allocate, as between the parties, the responsibility for payment of those costs and that allocation will be binding on the parties; and
- (e) any determination of the Expert will, in the absence of obvious error or fraud on the part of the Expert, be final and binding on the parties.

13.6 **Implementation of agreement:** The parties must do whatever is reasonably necessary to put into effect any negotiated, determined or mediated agreement, arbitral award or other resolution. This includes exercising voting rights and other powers as required.

13.7 **Rights and obligations during a dispute:** During a dispute, each party must continue to perform its obligations under this agreement.

13.8 **Interlocutory relief and right to terminate:** This clause does not restrict or limit the right of a party to obtain interlocutory relief, or to immediately terminate this agreement where this agreement provides such a right.

14. CONFIDENTIAL INFORMATION AND PUBLIC ANNOUNCEMENTS

14.1 **Confidentiality:** Each party must keep confidential the Confidential Information, and must not disclose or permit the disclosure of such Confidential Information to any other person. If a party becomes aware of a breach of this obligation, that party will immediately notify the other parties.

14.2 **Further permitted use and disclosure:** This agreement does not prohibit the disclosure of Confidential Information by a party in the following circumstances:

- (a) the other parties have consented to the disclosure of the relevant Confidential Information;

- (b) the disclosure is specifically contemplated and permitted by this agreement;
- (c) the disclosure of Confidential Information is to an employee, subcontractor, agent or representative who needs it for the purposes of this agreement;
- (d) the disclosure is to a professional adviser in order for it to provide advice in relation to matters arising under or in connection with this agreement;
- (e) the disclosure is required by a court or governmental or administrative authority; or
- (f) the disclosure is required by applicable law or regulation, including under the Local Government Official Information and Meetings Act 1987.

14.3 **Public announcements and media releases:** Each party agrees that it will not make any public announcements or issue media releases in connection with, or on behalf of, the other Shareholders or the Company in relation to the Company or any of the Water Services, except with the written consent of the other Shareholders. Nothing in this provision shall prohibit or restrict a Shareholder from making a public announcements or media releases in connection with the Shareholder's own involvement with, or policies in relation to, the Company.

15. NOTICES

15.1 **Giving notices:** Any notice or communication given to a party under this agreement is only given if it is in writing and sent in one of the following ways:

- (a) delivered or posted to that party at its address and marked for the attention of the relevant department or officer (if any) set out in Schedule 1; or
- (b) emailed to that party at its email address and marked for the attention of the representative set out in Schedule 1.

15.2 **Change of details:** If a party gives the other party three Business Days' notice of a change of its physical address or email address, any notice or communication is only given by that other party if it is delivered or emailed to the latest physical address or email address.

15.3 **Time notice is given:** Any notice or communication is to be treated as given at the following time:

- (a) If it is delivered, when it is left at the relevant address.
- (b) If it is sent by email, when it is received in readable form addressed in the manner specified above.

However, if any notice or communication is given, on a day that is not a Business Day or after 5pm on a Business Day, in the place of the party to whom it is sent, it is to be treated as having been given at the beginning of the next Business Day.

16. GENERAL

16.1 **No partnership, joint venture:** Nothing in this agreement shall create or evidence any partnership, joint venture, agency, trust or employer/employee relationship between any of

the Shareholders, and a Shareholder may not make, or allow to be made, any representation that any such relationship exists between any of the Shareholders. A Shareholder shall not have authority to act for, or to incur any obligation on behalf of, any other Shareholder, except as expressly provided for in this agreement.

- 16.2 **No privity:** Other than as expressly provided for in this agreement, this agreement is not intended to confer a benefit on any person or class of persons who is not a party to it.
- 16.3 **Counterparts:** This agreement is deemed to be signed by a party if that party has signed or attached that party's signatures to any of the following formats of this agreement:
- (a) an original; or
 - (b) a photocopy; or
 - (c) an electronic copy;
- and if every party has signed or attached that party's signatures to any such format and delivered it in any such format to the other parties, the executed formats shall together constitute a binding agreement between the parties.
- 16.4 **Entire agreement:** This agreement contains everything the parties have agreed in relation to the subject matter it deals with. No party can rely on an earlier written agreement or anything said or done by or on behalf of another party before this agreement was executed.
- 16.5 **Severance:** If any provision of this agreement is, or becomes unenforceable, illegal or invalid for any reason it shall be deemed to be severed from this agreement without affecting the validity of the remainder of this agreement and shall not affect the enforceability, legality, validity or application of any other provision of this agreement.
- 16.6 **Further assurance:** Each party shall make all applications, execute all documents and do or procure all other acts and things reasonably required to implement and to carry out its obligations under, and the intention of, this agreement.
- 16.7 **Amendment:** Any amendment to this agreement will require the approval in writing of all of the Shareholders.
- 16.8 **Assignments and transfer:** A party must not assign or transfer any of its rights or obligations under this agreement without the prior written consent of each of the other parties.
- 16.9 **Costs:** Except as otherwise set out in this agreement, each party must pay its own costs and expenses, including legal costs and expenses, in relation to preparing, negotiating, executing and completing this agreement and any document related to this agreement.
- 16.10 **Inconsistency with Constitution:** If there is any inconsistency between this agreement and the Constitution then the parties agree to abide by this agreement and to do everything required to change the Constitution so that it is consistent with this agreement.
- 16.11 **Waivers:**
- (a) A waiver of any right, power or remedy under this agreement must be in writing signed by the party granting it. A waiver only affects the particular right, obligation

or breach for which it is given. It is not an implied waiver of any other right, obligation or breach or an implied waiver of that right, obligation or breach on any other occasion.

- (b) The fact that a party fails to do, or delays in doing, something the party is entitled to do under this agreement does not amount to a waiver.

16.12 **Governing law:** This agreement is governed by the laws of New Zealand.

SCHEDULE 3**Reserved Matters**

Matter or transaction	Approval requirement
<i>Special Resolution Matters</i>	
"Major transactions" as that term is defined in the Companies Act.	Special Resolution
Approving any Shareholder funding or guarantee obligations, including any amendments to the debt guarantee arrangements under clause 7.3.	Special Resolution
Any proposal to enter into a significant contract (see section 23(2)(b) of the LG (WS) Act).	Special Resolution
Any proposal to enter into a joint water service provider arrangement (see section 26(3)(b) of the LG (WS) Act).	Special Resolution
<i>Unanimous Resolution Matters</i>	
Any amendment to, revocation of, or adoption of, the Constitution.	Unanimous Resolution
Any resolution to put the Company into liquidation or to wind up to the Company.	Unanimous Resolution
Any resolution to amalgamate the Company with one or more other companies.	Unanimous Resolution
Any change to the Terms of Reference.	Unanimous Resolution
Any resolution to add further matters to this Schedule of Reserved Matters.	Unanimous Resolution
Any amendment to, or revocation of, this Shareholders' Agreement.	Unanimous Resolution
Any amendment to the provisions within the Constitution or this Shareholders' Agreement requiring the Company and the Company's infrastructure and assets to remain in public ownership.	Unanimous Resolution
Approval of Shareholder comments to the Company on the draft Water Services Strategy.	Unanimous Resolution
<i>Statement of Expectations</i>	
A decision to adopt the Statement of Expectations.	Unanimous Resolution
<i>Shareholdings/Shares</i>	
Any issue of Shares, securities that are convertible into or exchangeable for Shares, or options to acquire Shares.	Special Resolution

Any alteration of rights, privileges or conditions attaching to the Shares.	Unanimous Resolution
Any transfer by the Company of Shares held by the Company or any purchase or other acquisition by the Company of its own Shares.	Unanimous Resolution
Any consolidation, division, or subdivision of Shares.	Ordinary Resolution
Any cancellation, buy-back or reduction of Shares, securities that are convertible into or exchangeable for Shares, or options to acquire Shares.	Special Resolution
The giving of any financial assistance for the purpose of, or in connection with, the purchase of Shares.	Special Resolution
Making a material change in the nature of the Company's business or engaging in business activities other than the Business.	Special Resolution
Any declaration or payment of distributions by the Company, provided that any such distribution must also be approved by the Board by ordinary resolution and must satisfy all applicable solvency and statutory requirements under the Companies Act.	Unanimous Resolution
Shareholder Changes	
A decision to approve a new Shareholder, including the terms of admission.	Unanimous Resolution
A decision to approve the exit of an existing Shareholder, including the terms of exit.	Unanimous Resolution

SCHEDULE 4**Joint Committee Terms of Reference****TERMS OF REFERENCE – [TBC] JOINT COMMITTEE****Membership:**

Independent Chair	[Insert name, if any (otherwise insert "None")]
Chair (if no Independent Chair)	TCC Chair Or WBOPDC Chair <i>If no Independent Chair is appointed, then the Chair will be appointed by the Joint Committee being a member of TCC or member of WBOPDC on a rotational basis. Frequency of the rotation to be approved by the Joint Committee.</i>
Deputy Chairs	TCC Deputy Chair: • [insert] WBOPDC Deputy Chair: • [insert] <i>Where an Independent Chair is appointed, then the Deputy Chair will be appointed by the Joint Committee being a member of TCC or member of WBOPDC on a rotational basis. Frequency of the rotation to be approved by the Committee.</i> <i>Where the Chair is a TCC or WBOPDC member, then the Deputy Chair will be a member of the other Council, with the rotation on the same cycle as the Chair.</i>
Members	Total of 9 members: • 3 JC Representatives (must be appointed by TCC Council resolution and must be elected members of TCC.) • 3 JC Representatives (must be appointed by WBOPDC Council resolution and must be elected members of WBOPDC.) • 3 TW JC Representatives (nominated by Tangata Whenua and appointed by TCC by Council resolution acting as administrative agent for the Shareholders.) Each appointing or nominating party has the ability to appoint or nominate up to three alternates. An alternate may attend and participate in place of an appointed member only when that appointed member is absent. At no time may the number of representatives acting for an appointing or nominating party exceed the number of appointed members.

Quorum	A minimum of two TCC JC Representatives, two WBOPDC JC Representatives, and two TW JC Representatives
Meeting frequency	Bi-monthly or as otherwise determined by the Committee or the Councils.

Role:

- The purpose of the Joint Committee is to provide recommendations to the Shareholders to assist their decision-making in the Company. The Joint Committee will provide recommendations regarding the subject matter set out below under the sub-heading "Scope" (or other matters that may be directed by the Shareholders from time to time).
- The TW JC Representatives on the Joint Committee are to represent the Iwi and Hapū whose rohe falls within the local government areas of the Shareholders.

Scope:

- a. Statement of Expectations. Responsibilities to include:
 - Review draft SOE prepared by staff.
 - Provide feedback and comments on draft documents to staff and require amendments to achieve a version of the SOE that the Joint Committee is content to endorse to the Shareholders.
 - Present SOE to the Shareholders for consideration and approval.
- b. Company's Water Services Strategy. Responsibilities to include:
 - Review draft WSS provided by the Company.
 - Prepare proposed comments on the WSS for the Shareholders to raise with the Company.
 - Present the proposed comments to Shareholders for consideration and approval.
- c. Any Company policies that require shareholder input (such as significance and engagement policy or director appointment policy). Responsibilities to include:
 - Review draft policies prepared by the Company (or prepared by council staff if relevant).
 - Provide feedback and comments on draft documents to the Company / to staff and require amendments to achieve a version of the relevant policy that the Joint Committee is content to endorse to the Shareholders.
 - Present policies to Shareholders for consideration and approval.
- d. Service level agreements between the Company and the relevant Shareholder. Responsibilities to include:
 - Provide high-level oversight of the performance of obligations agreed under service level agreements between the Company and either Shareholder.
 - Receive reports from the Company and Shareholder chief executives as to whether the service level agreements are within the approved budgets.
 - Receive reports from the Company and Shareholders' chief executives on how the transition away from service level agreements is proposed to be managed over time.
- e. Significant contracts (sections 23 and 24 LG (WS) Act). Responsibilities to include:
 - Review the Company's proposal for significant contracts, and the Company's assessment of options.
 - Form a recommendation for the Shareholders to consider, and present to the Shareholders.
- f. Appointment of Board and Chair. Responsibilities to include:
 - Review candidates against the Board Skills Matrix and any policies of the respective Shareholders.

- Form a view on proposed Director appointment roles that the Joint Committee is content to endorse to the Shareholders (taking into account any recommendations of the Chair of the Board).
- Form a view on proposed Chair of the Board appointment that the Joint Committee is content to endorse to the Shareholders.
- Consideration of succession planning, rotation and future skill requirements.
- Oversee Board performance review.
- Present recommendations to Shareholders for consideration and approval.
- g. Director remuneration. Responsibilities to include:
 - Review remuneration policies.
 - Review market data benchmarking information.
 - Prepare recommendations and present to Shareholders for consideration and approval.
- h. Board Skills Matrix. Responsibilities to include:
 - Review Board Skills Matrix periodically to align term of appointment to Board.
 - As the Joint Committee sees fit, prepare amendments of the Board Skills Matrix and present to the Shareholders for consideration and approval.
- i. Annual review of the Company in accordance with section 250 of the LG (WS) Act. Responsibilities to include:
 - Prepare a written annual assessment from the Joint Committee's perspective on the performance of the Company including the Company's performance in giving effect to the SOE and WSS.
 - Present annual report to the Shareholders for consideration and approval.
- j. Company's Water Services Annual Report. Responsibilities to include:
 - Review Water Services Annual Report .
 - Prepare comments on the Water Services Annual Report.
 - Provide comments to the Shareholders for consideration and approval.
- k. Company's half-yearly water services report under section 248 of the LG (WS) Act. Responsibilities to include:
 - Review Company's half-yearly report.
 - Prepare comments on the report.
 - Provide comments to the Shareholders for consideration and approval.
- l. Company's annual budget. Responsibilities to include:
 - Review Company's draft annual budget.
 - Prepare comments on the Company's draft annual budget.
 - Provide comments to the Shareholders for consideration and approval.
- m. Any other plans or reports that the Shareholders require from the Company under section 249 of the LG (WS) Act. Responsibilities to include:
 - Review the Company's plans or reports.
 - Prepare comments and provide to the Shareholders for consideration and approval.
- n. Reviewing and considering reporting from the Company as required under the Transition Agreement.
- o. Recommending whether to appoint or remove an Independent Chair to the Joint Committee (with the ultimate decision of appointing or removing sitting with the Shareholders).

- p. Any other functions (and responsibilities related to such functions) assigned to the Joint Committee by the Shareholders in writing over time (whether those functions are initially raised by the Shareholders, or initially raised by the Joint Committee for recommendation and approved by the Shareholders).

Power to act:

- q. The Joint Committee is not a decision-making body (and has no formal voting rights on behalf of the Shareholders). The Shareholders will make final decisions on all matters addressed by the Joint Committee. The role of voting in the context of the Joint Committee is to inform recommendations to the Shareholders.
- r. Recommendations to the Shareholders will be made on the following basis:
 - o Where possible, the Joint Committee will make recommendations to the Shareholders on a consensus basis. For clarity, consensus is where all JC Representatives agree on the same recommendation. The consensus recommendation will be recorded and presented to the Shareholders for a decision.
 - o Where consensus is not possible, the respective positions of each party on the Joint Committee (being TCC, WBOPDC and Tangata Whenua) will be recorded and presented to the shareholding Councils for a decision.
 - o For clarity, the Independent Chair (if there is one) will have no voting rights to inform recommendations to the Shareholders.
- s. Where reference is made to consensus, it refers to a consensus of parties on the Joint Committee being TCC, WBOPDC and Tangata Whenua), rather than a consensus of each individual JC Representative of the Joint Committee. In other words, there can still be a consensus of the parties with a minority dissenting view within one or more parties. Nevertheless, should any JC Representative wish to formally note their disagreement, even when the parties have reached a consensus, they retain the right to have their dissenting perspective recorded.

Procedural matters:

- t. **Format:** Meetings may be held in person or virtually, as required and will be open to the public.
- u. **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 establishment of the Company, will distribute the agenda until such time that the Company undertakes these activities.
- v. **Meeting outcomes and direction:** Direction and action points will be recorded and maintained.
- w. **Standing Orders:** The Joint Committee is a public committee which operates under TCC's standing orders and pursuant to Clause 30 and 30A of Schedule 7 of the Local Government Act 2002

Power to recommend:

- x. To make recommendations to the Shareholders as it deems appropriate.

Power to sub-delegate:

- y. The Joint Committee has no power to sub-delegate any of its functions, duties or powers.

SCHEDULE 5**Statement of Expectations****Legislatively required content**

1. As required under the LG (WS) Act, the Statement of Expectations must include:
 - a) the outcomes that the Shareholders expect the Company to achieve by providing Water Services; and
 - b) requirements relating to the territorial authority's resource management planning and land use planning that are relevant to the Company's Service Area; and
 - c) a requirement that the Company must act in accordance with any relevant statutory obligation that applies to a Shareholder that is a territorial authority; and
 - d) the information that the Company must include in its Water Services half-yearly report.

Agreed additional content

2. How the Shareholders require the Company to conduct its relationships with:
 - a) the Shareholders
 - b) the Shareholders' communities or any specified stakeholders within those communities
 - c) hapū, iwi, and other Māori organisations (including matters of participation and engagement)
 - d) consumers in the Company's Service Area (including matters of openness and transparency)
 - e) the environment, including the role of Kaitiakitanga
3. Performance indicators and measures.
4. Expectations relating to the strategic priorities to be included in the Company's Water Services Strategy.
5. A requirement to undertake community or consumer engagement, and the contents of that engagement.
6. Expectations in relation to collaborating with the Shareholders and other parties when providing Water Services.
7. An obligation on the Company to consider and report on potential options for moving towards a price harmonisation model for charges for all Water Services across the Service Areas.
8. Where required, a matter that applies:
 - a) to all or a specified part of the Water Services provided by the Company (for example, a matter that applies only to wastewater);

- b) to all or a specified part of the Company's Service Area (for example, a matter that applies only to a specific Shareholder's Service Area).

SCHEDULE 6**Transfer Principles****Principles relating to the identification of all relevant responsibilities, assets and liabilities (including water debt) to be included in the Transfer Agreement by each Shareholder**

1. All statutory obligations relating to the provision of Water Services will transfer from the Shareholder to the Company, except in respect of stormwater and wastewater pricing and also Water Services charge collection (including for a transitional period, also wastewater pricing, wastewater charge collection and drinking water charge collection) as set out in clause 9.4 of the Shareholders' Agreement.
2. Assets to be transferred will be at the discretion of each Shareholder respectively.
3. If any assets currently used by a Shareholder to provide Water Services are not owned by the Shareholder, the Shareholder will use reasonable endeavours to transfer the rights that Shareholder has to those assets to the Company.
4. All assets will be transferred on an 'as is, where is' basis.
5. The Shareholder will provide the Company with such information as it has as to the condition of the assets, the liabilities (including water debt), any associated warranties, and the transferring obligations, and any financial and legal risks relating to these matters.
6. Subject to paragraphs 6(a) to 6(c) below, freehold land required for the provision of Water Services will generally be transferred to the Company.
 - a. If transfer of freehold land is legally prohibited, impractical, or inconsistent with other statutory obligations, the Shareholder may retain ownership.
 - b. Shareholders retain discretion to transfer or retain ownership of freehold land (for either the short term or the long term). As examples, Shareholders may exercise discretion to retain multi-use land, stormwater land, or land that is subject to the Reserves Act 1977.
 - c. Where Shareholders retain ownership of freehold land required for the provision of Water Services, the Shareholder is responsible for ensuring the Company (including any agent, representative or contractor) has secure, long-term access rights to the land for Water Services operations.
7. Lease or access arrangements will be put in place for shared land use between the Shareholder and the Company (including any agent, representative or contractor).
8. The Shareholder will ensure that the Company has the benefit of all relevant resource consents.
9. The treatment of land use consents will be determined on a case by case basis.
10. Existing abatement notices and infringement notices will transfer to the Company along with the remediation plans.
11. At the discretion of the Shareholder, capital works projects in flight will generally transfer to the Company, taking into account costs incurred to date, the debt associated with those projects,

and the remaining approved budgets. The Shareholder will ensure that all documentation related to the planning and execution of the project is transferred to the Company.

12. Any retentions relating to a capital works project held by the Shareholder will transfer to the Company (where that project is transferred to the Company).
13. All contracts which have an end date post 1 July 2027 will be assigned or novated to the Company.
14. All existing access rights that have been formalised will be assigned to the Company.
15. Development contributions, financial contributions, and levies collected for Water Services will transfer to the Company along with all supporting records. During a transitional period, Shareholders will continue to collect contributions on behalf of the Company until the Company assumes direct collection responsibility.
16. The agreed amount of water debt for each Shareholder will be determined using a consistent methodology agreed across the Shareholders and will be transferred to the Company.
17. The transfer of employees and contractors will be determined in accordance with applicable employment legislation and a framework agreed by the Shareholders and the Company during the Establishment Period.
18. The net asset value being transferred by the Shareholder will be determined by an independent valuation using a consistent methodology agreed across the Shareholders, with asset condition assessment, verified by an external auditor.
19. The Purchase Price (being the net asset value) will be satisfied by the issue of fully paid Class B Shares in the Company, subject to the Company taking over any existing debt.
20. Certain specified assets will not transfer but will be provided to the Company on a transitional basis.
21. Each Shareholder will delegate responsibility for monitoring and enforcing the Shareholder's bylaws related to Water Services on and from the Operational Date.

SCHEDULE 7**Shareholder Entry Principles****1. Process for admission of a new Shareholder**

A Territorial Authority (as defined in the LG (WS) Act) who is not an existing Shareholder (**Proposed Shareholder**) may be admitted as an additional Shareholder (**Admission**) in accordance with the following process:

- (a) a Proposed Shareholder must submit a proposal to the Board setting out the Proposed Shareholders' credentials and the rationale for its proposed shareholding (a **Proposal**);
- (b) following receipt of a Proposal, the Board will undertake due diligence, assess the merits of the Proposal, consider the implications and risks of it for the Company, its then current Water Services Strategy under the LG (WS) Act, Tangata Whenua's view on the Proposal, the Statement of Expectations, and any other matters considered relevant by the Board. The Board will then make a recommendation to the JC as to whether or not the Shareholders should approve the Admission (a **Recommendation**), which should include:
 - (i) any suggested terms and conditions of Admission;
 - (ii) any proposed changes to this agreement and/or the Constitution to give effect to the Proposed Shareholder becoming a shareholder in the Company;
- (c) following receipt of a Recommendation:
 - (i) the JC will consider the Proposal and the Shareholders will determine if the Recommendation should proceed to be consulted on as a change proposal in accordance with the requirements of the LG (WS) Act;
 - (ii) the Shareholders must comply with any required consultation in respect of the change proposal under the LG (WS) Act;
 - (iii) following completion of the change proposal requirements under the LG(WS)Act, the Shareholders may, at their discretion, approve the Admission as a Reserved Matter; and
- (d) in carrying out the process set out above, the parties must comply with all applicable legislative requirements.
 - (i)

2. Terms of admission of new Shareholder

Unless otherwise agreed by all Shareholders in writing, if the Shareholders approve the Admission of a new Shareholder under paragraph 1 of this Schedule:

- (a) the Company will issue to the Proposed Shareholder (and, if required, any existing Shareholder) the number of Class A Shares necessary to ensure that each Shareholder's voting rights, including those of the Proposed Shareholder, are proportionate in accordance with the approved Recommendation;

- (b) on or shortly after Admission, the Proposed Shareholder will transfer to the Company those assets it has agreed to transfer under a Transfer Agreement, with the terms of such transfer to be no more favourable to the Proposed Shareholder than the terms of transfer applying to the initial Shareholders under their respective Transfer Agreements and otherwise on terms that the Board is satisfied are fair and reasonable in the circumstances;
- (c) the Proposed Shareholder's Transfer Agreement will provide that the consideration payable by the Company for the net assets to be acquired from the Proposed Shareholder under the Transfer Agreement will be satisfied by the Company issuing Class B Shares to that Shareholder following execution of the respective Transfer Agreement;
- (d) prior to (but conditional on) Admission, the parties will negotiate, agree and implement any changes to this agreement and the Constitution that may be necessary or desirable as a result of Admission, including to maintain the intended balance of rights, powers and obligations of Shareholders and JC Representatives, with each party to bear its own costs and expenses of negotiating, agreeing and implementing any changes, including legal costs and expenses;
- (e) prior to (and with effect on and from) Admission, the Proposed Shareholder must accede to this agreement (as amended in accordance with paragraph 2(c) of this schedule);
- (f) the parties will negotiate and agree the financial contribution to be made by the Proposed Shareholder to each Shareholder in respect of the establishment and other costs incurred by that Shareholders in establishing the Company, taking into account any recovery of such costs from the Company, with such financial contribution to be paid by the Proposed Shareholder on Admission.
- (g) the Admission will be given effect by the issue of new Class A Shares to the Proposed Shareholder, with the Company and the existing Shareholders to take all steps necessary to issue those Shares, with one year's lead time (or such other timeframe as agreed) between the approval of Admission under paragraph 1(c)(iii), and the giving effect to of the Admission under this paragraph 2(g) (or such other period as the Parties may agree with the Proposed Shareholder); and
- (h) promptly after the approval of Admission under paragraph 1(c)(iii), the Board and the JC will develop and agree a transition plan which sets out the process and timeframes for giving effect to Admission, including the steps set out above.

SCHEDULE 8**Shareholder Exit Principles****1. Process for Exit**

A Shareholder who wishes to exit from its shareholding in the Company (**Exit**) (**Exiting Shareholder**) may do so in accordance with the following process:

- (a) the Exiting Shareholder must give at least 12 months' prior written notice to the Board and the JC stating its intention to Exit (**Exit Notice**);
- (b) following receipt of an Exit Notice:
 - (i) the JC will consider the proposal set out in the Exit Notice and the Shareholders will determine if the Exit should proceed to be consulted on as a change proposal in accordance with the requirements of the LG(WS)Act;
 - (ii) the Shareholders must comply with any required consultation in respect of the change proposal under the LG(WS)Act; and
 - (iii) following completion of the change proposal requirements under the LG(WS)Act, the Board and the JC will work collaboratively to develop a detailed exit plan (**Exit Plan**) setting out a proposed process and timeline for Exit, including to address the treatment of assets and joint assets, consideration, stranded assets and liabilities and transactions costs, and reflecting the terms of exit set out in paragraph 2 of this schedule;
- (c) a finalised Exit Plan will be presented to the JC who will consider the Exit Plan and the Shareholders may, at their discretion, approve the Exit as a Reserved Matter; and
- (d) the parties must comply with all applicable legislative requirements, including in respect of consultation, in respect of considering, approving, and giving effect to any proposed Exit.

2. Terms of Exit

Unless otherwise agreed by all Shareholders in writing, if the Shareholders approve the Exit under paragraph 1(c) of this schedule:

- (a) the Exiting Shareholder will take a transfer of the relevant assets (excluding any assets which have been funded by other Shareholders), contracts, debts and related arrangements from the Company in respect of that Exiting Shareholder's Service Area (as agreed between the Company and that Exiting Shareholder) at a value determined by an independent valuer, provided that any dispute as to such assets or valuation will be determined by Expert Determination;
- (b) all of the Exiting Shareholder's Class B Shares will be transferred to the Company by the Exiting Shareholder at Exit as consideration for the transfer, and will be cancelled by the Company upon such transfer completing;
- (c) all of the Existing Shareholder's Class A Shares will be transferred to the Company by the Exiting Shareholder at Exit for no consideration, and will be cancelled by the Company upon such transfer completing;

- (d) prior to (but conditional on) Exit, the parties will negotiate, agree and implement any changes to this agreement and the Constitution that may be necessary or desirable as a result of the Exit, including to maintain the intended balance of rights powers and liabilities of Shareholders and JC Representatives, with each party to bear its own costs and expenses of negotiating, agreeing and implementing any changes, including legal costs and expenses;
- (e) on and from the date the Exit takes effect, the Exiting Shareholder will be released from its obligations under this agreement (except in respect of any breaches up to the date of Exit); and
- (f) the Exit will be given effect by the transfer of the Exiting Shareholder's Shares to the remaining Shareholders or by the Company acquiring and cancelling the Exiting Shareholder's Shares, with the remaining Shareholders to take all steps necessary to give effect to this step, with at least two years lead time between the giving of an Exit Notice under paragraph 1(a) and the giving effect to of the Exit under this paragraph 2(f).

SCHEDULE 9**Triggers to reassess Class B shareholdings**

1. As from the Operational Date, each Shareholder will hold Class B Shares issued to it pursuant to the Transfer Agreement.
2. The Shareholders have agreed that they will reassess the relative Class B shareholdings of each Shareholder to take into account one or more of the following matters:
 - (a) The Admission of a Proposed Shareholder.
 - (b) The exit of an Exiting Shareholder.
 - (c) Any reorganisation of local government structures (such as amalgamation or otherwise) that directly impacts any Shareholder.
 - (d) A change to the ring-fencing arrangement as set out in clause 2.7 of the Constitution.
 - (e) Any periodic revaluation of the water-related assets transferred to the Company by all of the Shareholders.
 - (f) A material change to the value of the water-related assets transferred to the Company by any one of the Shareholders that would result in a change of more than 5% in the shareholding allocation.
 - (g) In the absence of any of the above, once every six years.
3. Any decision as to the issue or cancellation of Class B Shares as a result of such assessment will require approval (not to be unreasonably withheld) by the Shareholders as a Reserved Matter as outlined in Schedule 3.

SCHEDULE 10**Board Skills Matrix**

The following sets out the recommended skills and expertise for the appointment of Directors to the Board of the Company.

AREA OF EXPERTISE / SKILL	REQUIREMENT
Asset and infrastructure management and planning, and delivery	Understanding of good governance of assets and infrastructure, and experience with managing civil infrastructure assets. At least one director should have experience in governing asset management planning and engineering in an infrastructure or utility environment or consulting to the water sector: • Wide-ranging experience across the operations of an asset management / utility / infrastructure organisation with a strong focus on governance and strategic oversight • Experience and understanding of regulations and laws applicable to regulated utility organisations, including economic regulation, and engaging with regulators.
Commercial strategic business expertise	Experience working in commercial business environment and overseeing commercial negotiations. Experience with digital systems and IoT for operations and awareness of associated cybersecurity risks. Experience with innovation capability or digital transformation experience, which is critical for modern water service delivery.
Customer outcomes focused relationships, partnerships and strategies, Stakeholder / community engagement and consultation	Experience in a commercial or utilities environment that demonstrates integrating a strategic customer-experience focused outcome into guiding strategies, together with inspiring a customer-focused culture across an organisation from the Operational Date. Experience in building and maintaining constructive relationships with partners, stakeholders, and diverse communities (including Central Government), which are underpinned by a strong, authentic, communication style. This includes the ability to understand the different drivers, expectations, and priorities of each group. At least one director should have proven experience in delivering a customer experience, including: • Developing long-term strategies that position customers and partners as central drivers of high-performing service delivery. • The ability to champion and elevate the end-to-end customer journey, ensuring colleagues, partners, and stakeholders align their decisions and behaviours with desired customer outcomes. Prior involvement in extensive public engagement and consultation processes, including experience building and maintaining a social licence to

AREA OF EXPERTISE / SKILL	REQUIREMENT
	operate, and working collaboratively with partners and communities to achieve shared outcomes.
Diversity / Inclusion	Collectively, the directors should reflect diversity of background, and experience. They should bring a range of cognitive styles, cultural perspectives, and professional expertise to ensure inclusivity, representation, and the ability to respond effectively to the needs and expectations of stakeholders and the Tauranga/Western Bay region.
Experience operating within a regulated environment	Experience and understanding of the regulatory environment and compliance requirements specific to the utility / infrastructure sector. This includes familiarity with laws, regulations, and policies that govern that infrastructure industry and legal expertise in interpreting complex legislation, advising on compliance frameworks, and ensuring organisational adherence to statutory and regulatory obligations. Resource and environmental management experience, and a practical understanding of the Resource Management Act 1991.
Finance and risk	Experience in establishing complex commercial arrangements, including capital structure, debt financing and pricing and charging mechanisms; experience within networked regulated industries; and an ability to bring appropriate pragmatic advice to the Board table. At least one director (ideally two) should have experience in finance, accounting and risk within an establishment context: • Experience managing or overseeing large high stakes investment programmes. • Experience evaluating financial plans ensuring the organisation's long term financial sustainability. • Expertise in identifying, assessing, and mitigating financial, accounting operational, and regulatory risks associated with utility operations. • Ability to assess financial strategies to support sustainable and compliant performance.
Governance and leadership experience	Significant governance and leadership experience, in either a utility, commercial sector organisation, or in a public body. Direct experience or a close understanding of local government type decision-making processes, and political understanding. Preferably leadership experience in water service delivery, or a similar service delivery industry. At least one director should have the ability and willingness to chair the Board. The ability and willingness to participate fully in the life of the Board and on subcommittees as required.

AREA OF EXPERTISE / SKILL	REQUIREMENT
	A commitment to ensuring continuity of governance and maintaining the capability and expertise required for effective long-term oversight after establishment.
Health and Safety	Detailed understanding of health & safety compliance and regulatory requirements.
Knowledge of Tauranga and Western Bay / Public Accountability	A deep understanding of the Tauranga/Western Bay region and the local government context within the region, and experience and knowledge of communities and appreciation of public accountability. At least one director should be Tauranga/Western Bay based.
Te Ao Māori me Te Tiriti o Waitangi	Deep understanding of Treaty of Waitangi (Te Tiriti o Waitangi) and an ability implement Treaty of Waitangi (Te Tiriti o Waitangi) principles in governance, decision-making and engagement. Knowledge of the iwi and hapu in the Tauranga and Western Bay of Plenty and the impact of the water infrastructure on the iwi and hapu. A strong understanding of iwi and hapu governance arrangements and existing relationships, commitments and obligations including Treaty settlement arrangements and obligations. Ability to integrate Māori values and Mātauranga Māori into strategic planning, monitoring and operational frameworks. Strong cultural competency and extensive experience in relationship management with iwi and hapu.
Sustainable outcomes and environmental wellbeing	At least one director should have experience in social and environmental sustainability, climate adaptation and climate resilience planning, including an understanding of sustainability frameworks, risk-mitigation strategies, and long-term infrastructure resilience requirements. Deep understanding of Kaitiakitanga as a guiding principle for environmental care and intergenerational responsibility. Proven ability to integrate Te Mana o Te Wai and environmental wellbeing objectives into strategies to ensure water services enhance ecosystems and community health. Experience in environmental governance, sustainability frameworks, and climate resilience planning.
Transitional change and/or new organisation establishment	Significant senior level experience and success in large-scale sector and/or organisation reform, change and establishment, preferably at a governance level. Prior proven experience in large scale transitions, organisation reform or the establishment of a new entity. Proven experience in contributing to and building a new entity's organisational structures.

Schedule of CTS references within Foundation Documents

CTS Item	Term	Summary of Commercial Term resolved by TCC & WB	Incorporated into SHA / Constitution (key reference)?
1	Name of Water Organisation	Handled separately (naming to be decided in another workstream).	No (addressed outside these documents)
2	TCC stormwater responsibility	WO to assume responsibility for TCC's stormwater services (TCC to transfer stormwater assets and operations to WO).	Yes (SHA clause 9.3)
3	TCC stormwater delivery if TCC retains stormwater	<i>Not applicable – TCC decided to transfer stormwater, so no consensus on this scenario.</i>	No (not applicable, since scenario did not eventuate)
4	Stormwater charging – shareholder operational input	Shareholders may give some operational direction on stormwater charging (only) in their area.	Yes (SHA clause 9.4)
5	Number of directors on WO Board	Up to 5 directors (Board may temporarily exceed 5 for succession planning; fewer than 5 possible at commencement).	Yes (Const. cl 12.2)
6	Director appointment method	All directors jointly appointed by Shareholders (directly or via the Joint Committee); Joint Committee initially can only recommend; all Directors must be independent and meet Board Skills Matrix and council policy criteria.	Yes (SHA cl 4 and Const. cl 12.3)
7	Director term of appointment	3-year term per appointment; Directors may serve up to 3 terms (max. ~9 years) unless extended by special shareholder approval.	Yes (Const. cl 12.6)
8	Director remuneration – who approves	Joint Committee to recommend director fee levels (considering council policy & market data); final decision by full councils (shareholders).	Yes (const. cl 12.18 and SHA Schedule 4, cl (g) JC reviews director pay and makes recommendations)

9	Interested directors voting on certain matters	Interested Directors not to vote, except for specified circumstances (payments under Companies Act s 161 and director indemnity/insurance arrangements).	Yes (Const., cl 13.3)
10	Whether dividends are permitted	No dividends unless unanimously approved by all Shareholders and approved by the Board (ordinary resolution), subject to Companies Act solvency tests.	Yes (Const., cl 8.1 and SHA, cl 10.8 and SHA, Schedule 3)
11	Additional reporting by WO to Councils	Do not hard-code extra reporting requirements in foundation docs; rely on s 249 LG(W) Act flexibility (shareholders can request additional reports if needed).	Yes (SHA, Sch 4 cl (m) enables JC to recommend further reports and Const. does not include additional reporting requirements – cl 11)
12	Shareholder involvement in Water Services Strategy (WSS)	Shareholders may comment on draft WSS but cannot require changes or approve the final WSS (other than statutory rights to comment).	Yes (Const., cl 3)
13	Shareholding allocation methodology (initial share split)	Two classes of shares: Class A (voting rights only) divided equally among councils; Class B (ownership shares) allocated in proportion to each council's net water asset value transferred (valuations by one independent valuer as at 1 July 2027).	Yes (Const. cl 4 and SHA, cl 9.1(d) SHA, Sch 6 cl 18-19)
14	Ongoing review/adjustment of shareholdings	Shareholdings to be reviewed and adjusted regularly, per defined triggers (see Item 46 below).	Yes (SHA, cl 10.7 and SHA, Schedule 9)
15	Voting rights attaching to shares	Each shareholder to have equal voting power regardless of ownership percentage (i.e. one council, one vote).	Yes (Const., cl 4.3 and SHA, cl 2.1(a))
16	Size of Joint Committee	3 representatives per party initially (3 TCC, 3 WBOPDC, 3 Tangata Whenua); flexibility to alter numbers (e.g. reduce to 2 each as more councils join).	Yes (SHA, Schedule 4)
17	Joint Committee membership – elected members from councils	TCC: all JC reps must be elected members of TCC. WBOPDC: at least one elected member (others may be senior officials or independent experts).	Yes (SHA, Schedule 4)

18	Joint Committee – Tangata Whenua role (voting rights)	JC to be advisory-only (no binding votes for any members). Tangata Whenua will have seats on the JC (like councils), making recommendations by consensus (see Item 32) rather than exercising any binding vote.	Yes (SHA, Schedule 4 and SHA cl 6.3)
19	Joint Committee – number of Tangata Whenua reps	Tangata Whenua to have the <i>same number</i> of JC representatives as each council.	Yes (SHA, Schedule 4)
20	Joint Committee independent chair – whether to have one	Joint Committee may recommend appointing an independent chair, but ultimate decision (appointment or removal) lies with the Shareholder councils.	Yes (SHA, Schedule 4)
21	Joint Committee independent chair – voting rights	If an independent chair is appointed, that chair is to have no voting rights (e.g. no casting vote).	Yes (SHA, Schedule 4, Para r)
22	JC nominations – Tangata Whenua reps	Tangata Whenua representatives on the JC to be appointed by the councils following nomination by Tangata Whenua.	Yes (SHA, Schedule 4 – to be appointed by TCC as administrative agent for the Shareholders)
23	JC nominations – all JC members	Each council appoints its own JC members; all Shareholders jointly appoint Tangata Whenua members (if any) and any independent chair.	Yes (SHA, Schedule 4)
24	LGFA debt guarantee – extent of council guarantees	Each council’s guarantee to LGFA is joint and several for 100% of the WO’s debt, paired with a side agreement that each council will indemnify the other for any exposure beyond its own “ring-fenced” debt share.	Yes (SHA, cl 7.3)
25	Threshold for changing LGFA guarantee approach	Threshold to alter the above approach: >75% of shareholders (i.e. a special resolution), rather than unanimity.	Yes (SHA, Sch 3) and Const. def of Special Resolution
26	Shareholder influence on WO debt or WSS (carve-outs)	Do not create any special “carve-out” rights in the documents for shareholders to dictate debt levels or require WSS changes; rely solely on ordinary statutory tools (SOE comments, etc.).	Yes (Const. cl 3.2)
27	Frequency of WO Board meetings	“Hybrid” approach – Board to meet monthly or as otherwise determined by the Board.	Yes (Const., Sched 2 cl 1.1)

28	Board chair casting vote	No – the chair of the Board will not have a casting vote.	Yes (Const., Sched 2 cl 6.2)
29	Frequency of Joint Committee (Shareholders' Representatives Forum) meetings	"Hybrid" approach – JC to meet bi-monthly or as otherwise determined by the JC or the Shareholders.	Yes (SHA, Sch 4)
30	Frequency of formal Shareholder meetings (company shareholders' meetings)	Annual meeting, with the right for any Shareholder to call a meeting at any time if needed (no less frequent than annually).	Yes (Const. cl 10.1 and 10.2)
31	Quorum for shareholders' meetings	Two representatives from each shareholding council.	Yes (Const., Sch 1, Cl 4)
32	Joint Committee decision-making method	Joint Committee to operate by consensus where possible (i.e. recommendations require all council and TW groups in agreement). If consensus cannot be reached, record each party's position for councils to consider; no formal voting power on the JC.	Yes (SHA, Sch 4 cl r)
33	Joint Committee responsibilities (subject matter)	Include a specific list of JC's remit (as per Schedule A in the CTS, possibly amended) in the foundation documents.	Yes (SHA, Sch 4)
34	Form of arrangement – Joint Committee vs other	Establish a formal joint committee under the LGA (not an informal body or SDMB or purely contractual arrangement).	Yes (SHA, cl 6.2)
35	Need for unanimous shareholder approval on certain decisions	Yes – identify certain fundamental decisions that will <i>require</i> unanimous approval of all Shareholders.	Yes (SHA, Sch 3)
36	Matters requiring unanimous shareholder approval (list)	Unanimous approval required for: adding new shareholders; winding up/liquidation; amending the Constitution or SHA; amalgamation/merger/major restructure; adding any further unanimous matters; (added later) removing any anti-privatisation clause; and dividend payments (per Item 10).	Yes (SHA, Sch 3)

37	Adding special resolution topics (beyond statutory)	Yes – allow additional matters to be specified as needing a 75% shareholder vote (special resolution) beyond those already in the Act.	Yes (SHA, Sch 3)
38	Matters requiring special (≥75%) shareholder approval (list)	In addition to statutory special resolutions, require special (75%+) approval for: issuing or altering shares or rights (or buybacks); any material change in WO's business; approving shareholder funding or guarantees; giving financial assistance for share purchases; and adding any further special-resolution matters in future.	Yes (SHA, Sch 3)
39	Increasing the special resolution threshold above 75%	No – leave the special resolution threshold at the default 75% (no higher super-majority).	Yes (Const. definition of Special Resolution)
40	Additional anti-privatisation protections	Include extra anti-privatisation clause(s) in the constitution (beyond the Act's provisions) and require unanimous shareholder approval to amend them. <i>(WBOPDC also noted a binding poll of the public as a possibility.)</i>	Yes (Const. cl 2.6 and SHA, CL 3.2 and SHA, Sch 3)
41	Dispute resolution regime for Shareholders	Escalation process agreed: Negotiation → Mediation → Arbitration (with ability to go to court for urgent interim relief).	Yes (SHA, Cl 13)
42	Frequency of reviewing the Joint Committee's role/functions	Consensus to periodically revisit the JC's function: at triggers such as a new shareholder joining, and toward end of each local government term (triennium), or as decided by shareholders (plus any significant legislative changes, etc.).	Yes (SHA, Cl 6.4)
43	Timeline for revisiting "ring-fencing" of debt/assets	Require review of the financial ring-fencing arrangement no later than 3 years after incorporation (and absolutely by year 6 if deferred at 3-year point).	Yes (Const. 2.8)
44	Selection of Board Chair	Chair of the Board to be selected by the Shareholders itself (not appointed by Board).	Yes (Const. 12.8)
45	Tangata Whenua holding Class A (voting) shares	<i>TCC/WB preferred councils-only holding Class A; TW preferred to hold Class A if legally possible. Ultimately unresolved at JWG; both positions were forwarded to councils.</i>	Yes – Tangata Whenua do not have Class A shares

46	Triggers to re-assess Class B shareholdings	Agree on a defined list of events that would trigger a re-assessment (and potential rebalancing) of ownership percentages (Class B shares).	Yes (SHA, Sch 9)
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LWDW: Founding Documents - Response to Proposed Amendments.

9 July 2026

Staff have prepared the Constitution and Shareholders' Agreement (Founding Documents) in accordance with the approved Commercial Term Sheet. The Founding Documents were presented to the Joint Committee on 29 June 2026, where staff received feedback. The Joint Committee feedback was addressed by staff, with updated documents being presented to TCC and WBOPDC elected members at a workshop on 8 July 2026, where staff again received feedback. The workshop feedback has now been addressed by staff, in the updated (final form) documents that will be presented to TCC and WBOPDC on 21 July 2026 and 30 July 2026 respectively.

Part 1 of this This paper summarises the feedback received at the workshop on 8 July. Part 2 summarises the feedback received at the Joint Committee meeting on 29 June.

Part 1: Response to amendments proposed at TCC & WBOPDC workshop on 8 July 2026

	Summary of request	Request actioned? (Yes or No)	Comments from Staff
Constitution			
1	Amend clause 12.8 to reflect the fact that the Joint Committee may make recommendations on the Chair of the Board	Yes	See clause 12.8 (also see updated SHA Joint Committee Terms of Reference at Schedule 4)
2	Amend clause 12.3 to reflect the fact that the Joint Committee may make recommendations on the appointment of Directors, and in doing so the Joint Committee may take into account any recommendations of the Chair of the Board	Yes	See clause 12.3 (also see updated SHA Joint Committee Terms of Reference at Schedule 4)
3	Where terms are defined, but not used in the body of the document, move them to a glossary.	No	On review, we have not encountered any terms that are defined but then not included within any of the foundation documents (including the foundation document schedules). For example, the phrases Kaitiakitanga, Mātauranga Māori, Treaty of Waitangi all appear in Schedule 10 of the SHA (Board Skills Matrix). The Board Skills Matrix is also referred to within the Constitution. On that basis, we have retained definitions of those terms, which will assist people when reviewing and implementing the Board Skills Matrix.

Shareholders' Agreement

1	Where terms are defined, but not used in the body of the document, move them to a glossary.	No	There are no defined terms that are not included in the body of the document. Terms such as Kaitiakitanga and Mātauranga Māori are included in Schedule 10 of the SHA (Board Skills Matrix) that has already been approved by the two Councils.
2	Update Transfer Principle #2 (located within Schedule 6 – Transfer Principles) to include the phrase “in respect of water growth issues only”	Remains outstanding	Remains outstanding at time of writing

Part 2: Response to amendments proposed at Joint Committee workshop on 29 June 2026

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
		Constitution		
1	Tangata Whenua (TW)	Insert new definitions at 1.1 for: - Kaitiakitanga; - Mātauranga Māori; - Tangata Whenua; - Te Tiriti o Waitangi / Treaty of Waitangi; - Treaty Settlement Obligations.	Yes	See clause 1.1. There was discussion at the JC that: a. It will be acceptable to include these definitions. b. It will be acceptable to reiterate statutory obligations re TW matters. However, there was less appetite to go far beyond the statutory position in the foundation documents, with a discussion that there will be an opportunity to consider capturing further content within the Statement of Expectations (SOE) and the WO's Significance and Engagement Policy (SEP).
2	TW	Amend clause 2.3 (new “Purpose” provisions to act consistently with Treaty Settlement Obligations and role of kaitiakitanga)	Yes	See clause 2.3. A requirement to act consistently with the Treaty settlement obligations is consistent with s7 of LG(WS) Act. We suggest the role of kaitiakitanga can be considered when we preparing the finalising the SOE.
3	TW	Amend clause 3.1 (new “Requirements” to act consistently with Treaty Settlement Obligations and maintain Tangata Whenua Participation)	Partially (clause 3.1)	First part of the request is incorporated at clause 3.1(c). Second part of the request (quoted below) is not incorporated as it goes beyond the statutory position, and therefore can be considered when preparing the SOE or SEP:

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
				<i>maintain Tangata Whenua participation, engagement and arrangements at a standard that maintains or improves the arrangements that applied under the Shareholders Agreement prior to the transfer of Water Services to the Company</i>
4	TW	Amend clause 12.5(b) (new requirement to obtain written input from Tangata Whenua on Te Ao Māori me Te Tiriti o Waitangi and kaitiakitanga competencies before appointing or reappointing director)	No.	Goes beyond statutory position, and also suggest unnecessary because TW assisted to draft Board Skills Matrix (schedule 10 to the SHA). The Matrix also includes "Te Ao Māori me Te Tiriti o Waitangi" as an area of expertise / skill. TW will sit on the Joint Committee, and the Joint Committee will report on the suitability of candidates (see JC's TOR at schedule 4, SHA). For ease of reference, this is the request that has not been incorporated: <i>Prior to appointing or reappointing a Director, the Shareholders must seek written input from Tangata Whenua on any candidate being assessed against the Te Ao Māori me Te Tiriti o Waitangi and kaitiakitanga competencies in the Board Skills Matrix. The shareholders must have regard to that input before making an appointment decision, and must record in writing how the input was considered.</i>
5	TW	Amend clause 12.14 (new "Director Duties" subparagraphs relating to Treaty Settlement Obligations and kaitiakitanga and mātauranga Māori).	Partially (clause 12.14(b)).	First part of the request is incorporated at clause 12.14(b). Second part of the request (quoted below) is not incorporated as it goes beyond the statutory position: <i>In addition to the duties set out in the Companies Act, the Directors must assist the Company to ... have regard to kaitiakitanga and mātauranga Māori when overseeing decisions affecting water resources and water infrastructure</i>
6	Cr Elvin and Cr Joyce	Remove clauses 2.7, 2.8 and 3.2 (i.e. remove references to ring-fencing within the Constitution, and cross-references to the SHA within the Constitution).	No	At JC meeting, there was an explanation that: - The Company is not a party to the Shareholders' Agreement, but does need to be bound by the ring-fencing provisions. So including the ring-fencing provisions within the Constitution is the simplest way to proceed. - If items are removed from the Constitution, there would need to be additional processes to ratify the SHA. Although we accept these provisions could be in the SHA (and have the SHA ratified as a pre-incorporation document) there didn't seem sufficient appetite amongst JC members to remove these matters out of the Constitution. Re cross-references between the Constitution and SHA, the DIA's template Constitution includes cross-references to Shareholders' Agreement – it is a common and acceptable approach.
7	Cr Elvin	Delete clause 7.3(a) (which allows transfer of shares by a local	No	Clause 7.3(a) allows a local authority shareholder to transfer shares to another local authority within the Service Area, subject to the LG(WS) Act. Retaining the

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
		authority to another local authority within the Service Area)		clause provides flexibility for future structural / shareholding changes, without undermining the broader restrictions on share transfers.
8	Cr Elvin	Add “at any time” to clause 12.3	Yes	See updated clause clause 12.3
9	Cr Elvin	Add “and may at any time replace” at clause 12.8(a)	Yes	See updated clause clause 12.8(a)
10	Cr Elvin and Cr Joyce	Amend clause 12.19(a) to restrict ability of Company to engage directors (or companies controlled by directors) for professional services	Yes	Clause 12.19(a) now provides that this can only occur “after receiving written approval from the Shareholders (or the Joint Committee on behalf of the Shareholders)”
11	Cr Elvin and Cr Joyce	Amend clause 12.20 so that evaluation of the Board will not be limited to a “self-evaluation”	Yes	Clause 12.20 now clarifies that the self-evaluation process is separate from the obligations on the Shareholders and the JC to monitor the performance of the Board and the Company.
12	Cr Elvin	Amend clause 13 so that Directors’ conflict register is provided to the Joint Committee	Yes	Clause 13.4 now requires the Board to provide a copy of the interests register to the Joint Committee, and will advise the Joint Committee of any changes to the register over time.
13	Cr Morris	Request that Board meetings are made public. Require in Constitution Schedule 2 that WO Board meetings to be public.	No.	This is unnecessary. We have confirmed that Board meetings are subject to Part 7 of LGOIMA and will need to be public. We discussed that there was no need to reiterate this position in the constitution because it is based on legislation.
14	Cr Morris and Cr Crowther	Amend clause 3.2 to add so that Shareholders can require specific changes to the Company’s Annual Budget prior to adoption.	No.	Previous resolutions clarify that Shareholder’s input on WSS will be limited to comments only, which is consistent with the governance model contemplated by the LG(WS) Act. In addition, the current framework already provides Shareholders with the following levers to influence these matters: • Strategic direction through the SOE; • The Board is required to give effect to SOE within WSS; • The WSS directly informs Annual Budget; • Shareholders can comment on draft WSS and Budget; and • Shareholders ability to remove and replace directors at any time.
15	Cr Crowther and Cr Joyce	Request to make all Board workshops (and other similar meetings where the Board makes no resolutions) open to the public	No	Joint Committee did not agree with this request (which also goes against the legislation). Instead, there was direction to clarify in SOE that openness is expected, including a culture of transparency. It would then be left to the Board to clarify whether it wished to also hold briefings or workshops in public.

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
				Schedule 5 of the SHA has been updated to clarify that the SOE can cover matters of openness and transparency.
16	Cr Crowther	Request to expand TW feedback process to specifically include Hapu references	No	Tangata Whenua explained why this step is unnecessary (i.e. the provisions proposed by TW will involve Hapu input behind the scenes).
17	Mayor Denyer	Clause 12.8(b) clarify that new Chair will be appointed by the Shareholders (rather than the Board)	Yes.	See clause 12.8(b)(ii)
18	Mayor Denyer	Clause 2.6 Consider whether Company should be able to enter buy and leaseback arrangements	No.	We consider that enabling the Company to sell assets (even if those assets are then leased back to the Company) would be contrary to the legislative intent, and contrary to very clear direction given to date that all assets remain in public ownership. If appetite grows to explore this approach in the future, then the founding documents could be amended accordingly.
19	Mayor Denyer	Schedule 2, clause 3.1: Change this clause so that Directors temporarily absent from NZ still receive notice of Board meetings	Yes	See Schedule 2, clause 3.1
20	Mayor Denyer	Schedule 1 – clarify that Shareholder meetings need to be public	Yes	See Schedule 1, new clause 11.
		Shareholders' Agreement		
21	TW	Insert new definitions at 1.1 for: • Kaitiakitanga; • Mātauranga Māori; • Tangata Whenua; • Te Tiriti o Waitangi / Treaty of Waitangi; • Treaty Settlement Obligations. • TW advisory input.	Yes	See clause 1.1. However, we have not included TW advisory input.

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
22	TW	Amend clause 3.1 "Purpose" to mirror the Constitution.	Partially (clause 3.1).	The first part of this request is incorporated at clause 3.1. Second and third parts of the request (quoted below) are not incorporated as it goes beyond the statutory position, and therefore can be considered when preparing and finalising the SOE or SEP: <i>b) recognises and provides for kaitiakitanga in the stewardship of water resources and water infrastructure; and</i> <i>c) maintains Tangata Whenua participation, engagement and arrangements at a standard no less than that which applied under the Shareholders Agreement prior to the transfer of Water Services</i>
23	TW	Amend clause 4.1 "Board" (new requirement to obtain written input from Tangata Whenua on Te Ao Māori me Te Tiriti o Waitangi and kaitiakitanga competencies before appointing or reappointing director)	No.	Goes beyond statutory position, and also suggest unnecessary because TW assisted to draft Board Skills Matrix (schedule 10 to the SHA). The Matrix also includes "Te Ao Māori me Te Tiriti o Waitangi" as an area of expertise / skill. TW will sit on the Joint Committee, and the Joint Committee will report on the suitability of candidates (see JC's TOR at schedule 4, SHA). For ease of reference, this is the request that has not been incorporated: <i>Prior to appointing any Director, the Shareholders must seek TW Advisory Input on any candidate assessed against the Te Ao Māori me Te Tiriti o Waitangi and kaitiakitanga competencies in the Board Skills Matrix. The Shareholders must record in writing how that input was considered before making each appointment decision.</i>
24	TW	Insert a new paragraph 5.6 "Treaty Obligations".	Partially (clause 5.6)	See clause 5.6. First part of the request is incorporated. The balance of the request that includes sub-paragraphs is not incorporated as it goes beyond the LG(WS) Act Tiriti/Treaty provisions. For ease of reference, the portion that is not included is included below as italics (everything not in italics is included in clause 5.6): Each Shareholder, in exercising its rights and performing its obligations under this agreement, must act consistently with its Treaty Settlement Obligations, including in relation to: <i>(a) the design and oversight of the Company's governance arrangements;</i> <i>(b) the preparation and adoption of the Statement of Expectations;</i> <i>(c) the transfer of assets, liabilities and agreements to the Company; and</i> <i>(d) any significant decision or structural change affecting the Company's relationship with Tangata Whenua</i>
25	TW	Add a new clause regarding engagement with Tangata Whenua where there is a review of the TOR	Partially	See new clause 6.6. This has been partially accepted to require engagement with TW JC Representatives. For ease of reference, the full request made by TW is as follows: <i>Any review under clause 6.5(a), 6.5(b) or 6.5(c) must include direct engagement with Tangata Whenua prior to the Shareholders making any</i>

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
				<i>decision on amendments to the Terms of Reference. The Shareholders must document how TW views were sought and considered, and provide that documentation to the Joint Committee.</i>
26	TW	Add a new clause 8.1A (Those parts of the SOE that relate to TW matters must be co-drafted with TW before they are provided to the JC)	No (clause 8.1A)	This proposal would require the SOE to be co-designed with TW, and to go through TW's hands before going to the Joint Committee. We see that as unnecessary given the TW presence on the JC. This also goes beyond any statutory requirements. For ease of reference, this is the requested provision: <i>In preparing the provisions of the Statement of Expectations that relate to:</i> <i>(a) the Company's relationships with Tangata Whenua;</i> <i>(b) Treaty Settlement Obligations;</i> <i>(c) Kaitiakitanga and environmental stewardship; or</i> <i>(d) any matter that directly affects the interests of iwi in the Service Area,</i> <i>the Shareholders must ensure that those provisions are co-designed with Tangata Whenua representatives before a draft is presented to the Joint Committee. TW Advisory Input on those provisions must be reflected in the draft brought to the Committee.</i>
27	TW	Expand Schedule 5 (SOE) Clause 2(c) with prescriptive requirements for relationship with TW	Partly (Schedule 5, clause 2(c))	Schedule 5 of the SHA mirrors the "bare bones" requirements for an SOE set out in s227 of the LG(WS) Act. It is not intended to include a detailed description of content as proposed here. The JC's TW reps will have an opportunity to raise these requests through the development of the actual SOE itself (and also the SEP – some of the requests relate to engagement). We also note that certain matters like compliance with Treaty Settlement Obligations have now been embedded into the Constitution and SHA. However, we have updated Schedule 5 to include references to participation, engagement and kaitiakitanga. For ease of reference, these are the requests (additions are in italics): 2. How the Shareholders require the Company to conduct its relationships with: a) the Shareholders b) the Shareholders' communities or any specified stakeholders within those communities

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
				c) hapū, iwi, and other Māori organisations, which must include: i. a statement of the Company's commitment to acting consistently with Treaty Settlement Obligations; ii. the principles that will guide the Company's partnership approach with Tangata Whenua; iii. how the Company will give effect to Kaitiakitanga in its environmental stewardship, including in relation to source water protection, stormwater and wastewater management; iv. how the Company will engage with Tangata Whenua on the development of its Water Services Strategy; v. the Company's approach to remuneration of Tangata Whenua for their participation in governance and engagement processes; and vi. how the Company will ensure that existing resource consent conditions that provide for Tangata Whenua involvement are maintained through and after the transition
28	TW	Amend Schedule 5 – (SOE) with references to Waiari Water Supply	No (Schedule 5, clause 10)	Schedule 5 of the SHA mirrors the “bare bones” requirements for an SOE set out in s227 of the LG(WS) Act. It is not intended to include a detailed description of content as proposed here. The JC's TW reps will have an opportunity to raise these requests through the development of the actual SOE itself (and even then, it may be decided this is a matter more appropriate for the Transfer Agreement). Schedule 5 has been updated to refer to participation, engagement and kaitiakitanga (which will provide an opportunity for TW to raise this topic when the SOE is being drafted). If included in the SOE, the content would need to be framed carefully to ensure it does not unduly constrain the Board's governance role (the SOE should not prescribe operational detail). For ease of reference, these are the requests: <i>The Statement of Expectations must include:</i> a) a requirement that the Company confirm, within three months of the Operational Date, the arrangements under which local marae will continue to have access to the Waiari water supply, consistent with any conditions attaching to Resource Consent RC65637 and any associated iwi agreements and consent conditions; b) a requirement that the Company notify affected Tangata Whenua and marae of those arrangements no later than 31 March 2027; and

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
				<i>c) a commitment that no change to water supply arrangements affecting marae access to the Waiari supply will be made without prior engagement with, and reasonable notice to, the affected Tangata Whenua.</i>
29	TW	Amend Schedule 5 (SOE) with mechanisms to engage with recognised Iwi authorities	No (Schedule 5, clauses 11 and 11A)	Schedule 5 of the SHA mirrors the “bare bones” requirements for an SOE set out in s227 of the LG(WS) Act. It is not intended to include a detailed description of content as proposed here. The JC’s TW reps will have an opportunity to raise these requests through the development of the actual SOE itself (and also the SEP – some of the requests relate to engagement). We have expanded Schedule 5 to refer to “matters of participation and engagement” (which will enable TW to raise these requests when the SOE itself is being drafted). For ease of reference, these are the requests (additions are in italics): <i>11. The Statement of Expectations must include a requirement that the Company’s engagement with Tangata Whenua on all substantive governance and strategic matters, including the Water Services Strategy, environmental performance frameworks, and operational policies of general application, be conducted directly with recognised iwi authorities, being those iwi who hold Treaty rights and mana whenua status within the Service Area and who engage through their recognised governance entity (such as an iwi authority, rūnanga, or trust board). For the avoidance of doubt the Company must develop and maintain a register of recognised iwi authorities within the Service Area, with input from the Tangata Whenua JC Representatives, and use that register as the primary basis for all substantive governance and strategic engagement.</i> <i>11A. Nothing in clause 11 affects or diminishes the engagement obligations that arise under any resource consent held or transferred by the Company. Where a resource consent stipulates engagement with, or participation of, specific Māori groups, whether identified as iwi, hapū, marae, or named advisory bodies, those consent conditions continue to bind the Company in full and are not affected by, and take precedence over, any general engagement policy or framework adopted by the Company under this clause. The Company must:</i> <i>a) identify, prior to the Operational Date, all resource consent conditions within the Service Area that stipulate engagement with, or participation of, specific Māori groups;</i>

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
				<i>b) confirm to the affected groups and to the Tangata Whenua JC Representatives that those consent conditions will be honoured without diminishment through and following the transition; and</i> <i>c) ensure that no general iwi authority engagement policy adopted under clause 11 is applied in a manner that reduces or substitutes for the specific engagement obligations required under any resource consent.</i>
30	TW	Amend Schedule 7 (Shareholder Entry Principles) with a structured process for TW's input.	No (Schedule 7, clause 1(e))	This amendment is unnecessary. The Board's role is limited to forming and presenting a recommendation to the JC (with 3 TW reps sitting on the JC). The JC's recommendation then goes to shareholders, who make the final decision. In this JC context, TW already has a direct and formal role in the decision-making process. For ease of reference, here is the request: <i>(a) For the purposes of considering Tangata Whenua's view under this Schedule, the Board must:</i> <i>(i) notify TW JC Representatives of the Proposal within 10 Business Days of receipt;</i> <i>(ii) allow a period of not less than 40 Business Days for TW to provide written input;</i> <i>(iii) include a summary of TW input received, and the Board's response to that input, in its Recommendation to the JC; and</i> <i>present TW input directly to the JC as part of the admission assessment process.</i>
31	Cr Elvin	The matters I propose removing from the constitution (above) should be relocated to the Shareholders Agreement	No	At JC meeting, there was an explanation that: • The Company is not a party to the Shareholders' Agreement, but does need to be bound by the ring-fencing provisions. So, including the ring-fencing provisions within the Constitution is the simplest way to proceed. • If items are removed from the Constitution, there would need to be additional processes to ratify the SHA. Although we accept these provisions could be in the Shareholders' Agreement (and have the SHA ratified as a pre-incorporation document) there didn't seem sufficient appetite amongst JC members to remove these matters to the SHA. Re cross-references between the Constitution and SHA, the DIA's template Constitution includes cross-references to Shareholders' Agreement – it is a common and acceptable approach.

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
32	Cr Elvin	Ratification and request for new clause requiring shareholders to ensure all pre-incorporation contracts are properly ratified	Yes	See new clause 2.3
33	Cr Elvin	Clause 11.4(a) – this may be academic, but the clause does not appear to account for the fact that the Waiari water scheme falls within the Western service area	No	Clause 11.4(a) is based on assets that “relate to” a shareholder’s Service Area, not simply where those assets are physically located. That is important because an asset may be physically located in one district but functionally “relate to” another shareholder’s water services. On that basis, we are confident the existing drafting is capable of dealing with assets such as Waiari.
34	Cr Elvin and Cr Joyce	Concern about Shareholders retaining discretion on what assets are transferred to the Company, and the ability of different Shareholders to use the Transfer Agreement dispute process as clause 9.2	No	The Transfer Agreements are distinct between each shareholder and the Company (though the SHA does include transfer agreement principles). Clause 9.2 provides a mechanism to resolve issues between a shareholder and the Company, in the event those two parties are in a deadlock as at 31 March 27. It does not provide an avenue for one Shareholder to interject into a Transfer Agreement when they are not a party to that Agreement. However, clause 13 contains general Dispute Resolution provisions that enable one Shareholder to raise a dispute with another Shareholder, so there would be scope for one Shareholder to argue another Shareholder did not follow agreed SHA Transfer Principles (for example).
35	Mayor Denyer	Schedule 10. Ensure that references to gender and ethnicity are removed from the Board Skills Matrix	No	This change was already incorporated. No change necessary. However, we have added the word “of” as follows: “directors should reflect diversity <u>of</u> background, and experience”
36	Mayor Denyer	Schedule 6, clause 2 add the following: “but such discretion must not be exercised to thwart the efficient delivery of water services”	Yes but amended.	See Schedule 6, clause 2 tracked changes. The amended words are: <i>In exercising that discretion, each Shareholder will have regard to the efficient and effective delivery of Water Services by the Company, while retaining the ability to preserve its financial interests and seek a fair and equitable outcome where matters remain unresolved.</i> We hope this addresses Mayor Denyer’s concerns while also ensuring consistency with a TCC resolution from 24 March that TCC: <i>Commits to best endeavours negotiation to reach agreement with Western Bay of Plenty District Council, and in the event that a resolution is unable to be reached by 31 March 2027, Tauranga City council will consider options to preserve its financial interests and ensure a fair and equitable position.</i>

	Party making request	Summary of request	Request actioned? (Yes or No)	Comments from Staff
37	Mayor Denyer and Cr Elvin	Cr Elvin queried whether the level of detail at clause 9 (we presume this means 9.4) had been agreed. Mayor Denyer queried whether clause 9.4 can be deleted altogether (Councils don't want to set charges) or deleted from SHA and put into SOE / transfer agreement (clause 9.4 clarifies the approach to setting and collecting charges for the three water services over different timeframes)	No	Section 228 prevents Shareholders from including operational matters in the SOE unless the foundation documents provide otherwise. This is subject matter that will need to be included in the SOE, and therefore needs to be "carved-out" within the foundation documents. TCC also has resolutions requiring that the foundation documents to include a "carve-out" re stormwater charging. We accept the structure of clause 9.4 appears odd at face value (and that Councils do not want to be setting charges in the long term) but this is largely just for a transition period and driven by business (rather than legal) factors (particularly digital and costs capabilities).
38	Mayor Denyer	Query whether the JC will be dissolved each local election cycle	Yes (but each Council will need a resolution)	The Shareholder Councils will need to resolve that the Joint Committee will not be discharged in conjunction with local elections. In other words, the JC will be enduring. This cannot alone be baked into the foundation documents (it specifically requires a Council resolutions). However, clause 6.2 now states: <i>The Joint Committee will be established as a joint committee under clause 30(1)(b) of Schedule 7 to the LGA. Subject to clause 6.5, the Shareholders intend for the Joint Committee to be an enduring governance arrangement and will use reasonable endeavours to maintain the Joint Committee for so long as the Shareholders consider it appropriate.</i>
49	Mayor Denyer	Can Schedule 7, clause 2(a) be re-worded so that it is easier to read	Yes	Updated wording hopefully makes this easier to read.
40	Mayor Denyer	Question regarding the ability to transfer assets out of the Company back to the Shareholder(s)	No	The LG(WS) Act includes a pathway to transfer assets out of the Company back to a Shareholder. This would require a new transfer agreement to be entered under section 15(1)(b) of the LG(WS) Act, where there is a transfer or responsibility back from the Company to the Shareholder (and accompanying assets would form part of that agreement). In addition, the SHA already includes provisions for a Shareholder Exit and a Liquidation (which would also involve a transfer back of assets).

11.6 LWDW: Shareholder Statement of Expectations of Water Organisation

File Number: A20898112

Author: Tyler Buckley, Commercial Solicitor
Charles Lane, Team Leader: Commercial Legal

Authoriser: Christine Jones, General Manager: Strategy, Partnerships & Growth

PURPOSE OF THE REPORT

1. To present the draft Statement of Expectations for approval by the Council.

RECOMMENDATIONS

- (a) Receives the report "LWDW: Shareholder Statement of Expectations of Water Organisation".
- (b) Notes that the draft Statement of Expectations at Attachment 1 complies with the Local Government (Water Services) Act 2025, the current draft Shareholders' Agreement and the Commercial Term Sheet adopted by Tauranga City Council and Western Bay of Plenty District Council in March 2026.
- (c) Approves the draft Statement of Expectations at Attachment 1 being provided to the Water Organisation for review and comment.

Or

- (d) Approves the draft Statement of Expectations at Attachment 1 being provided to the Water Organisation for review and comment, subject to the following amendments:
 - *[insert amendment]*
 - *[insert amendment]*
- (e) Notes that Tauranga City Council and Western Bay of Plenty District Council must consider any comments received from the Water Organisation on the draft Statement of Expectations before the Statement of Expectations is finalised and issued.
- (f) Resolves that, at the same time the draft Statement of Expectations is provided to the Water Organisation for review and comment, it will also be made publicly available in draft form to enable public comment and feedback.
- (g) Notes that an additional item will be added to the Tangata Whenua work programme to identify and document the Treaty settlement obligations that will apply to the Water Organisation and its delivery of water services.
- (h) Notes that the detail to be included within paragraph 22 of the Statement of Expectations (regarding the approach to setting and collection of charges) is currently listed as "[TBC]" and will be drafted following input from the Water Organisation's Board of Directors. Such drafting will be included in a final version of the Statement of Expectations for the Council to approve.

EXECUTIVE SUMMARY

2. A Statement of Expectations (**SOE**) is a statutory planning and accountability document under Part 4 of the Local Government (Water Services) Act 2025 (**LG(WS) Act**). The LG(WS) Act requires shareholders to prepare and adopt an SOE, which the Water Organisation (**WO**) "must give effect to".

3. In terms of timing, the shareholders must provide a draft of the SOE to the WO, and provide a reasonable opportunity for the WO to review the document and provide comment. The shareholders must consider any comments from the WO before finalising and adopting the SOE. The shareholders must then adopt an SOE as soon as practicable after establishment of the WO, and no longer than six months after establishment. This provides a runway for the WO to prepare a Water Services Strategy (**WSS**) (which needs to be prepared no later than 1 March 2027, or such other date as agreed by the shareholders).
4. The SOE sets out the shareholders' expectations for the WO, including outcomes and operating principles, establishment expectations, planning and statutory obligations, relationships and engagement, Tangata Whenua engagement, WSS priorities, performance/reporting/monitoring expectations, and operational direction regarding charging and collection arrangements.
5. On 7 August 2026, the WO Joint Committee (**Joint Committee**) (comprising three TCC elected members, three WBOPDC elected members and three Tangata Whenua reps) provided feedback on the draft Foundation Documents. **Attachment 3** provides a summary of the comments received from the Joint Committee regarding the SOE, and the accompanying responses from staff.³
6. In addition to the matters set out in Attachment 3, the Joint Committee also passed the following resolution:

"Recommends that the shareholding Councils undertake public engagement on the Statement of Expectations."
7. Staff note that paragraph 22 of the SOE addresses the topic of setting and collecting of charges. In earlier drafts of the SOE, this section included detailed descriptions of how charges would be set and collected for each of the water services. The new clause now states "[TBC]". This follows feedback to staff that this section of the SOE (and the whole finalised approach to the setting and collection of charges) should follow after the WO's Board of Directors has provided a viewpoint. On that basis (and recalling that the SOE will remain in draft until feedback is received from the Board) paragraph 22 has been updated to read "TBC".
8. Staff now request Council provide approval of the final draft SOE to provide to the WO, and also to be made available to the public.
9. Staff consider that the draft SOE at **Attachment 1**:
 - (a) Satisfies the content requirements of section 227 of the LG(WS) Act;
 - (b) Aligns with the additional SOE content required by Schedule 5 of the draft Shareholders' Agreement;
 - (c) Gives effect to the relevant agreed positions within the Commercial Term Sheet (**CTS**) that was adopted by TCC and WBOPDC in March 2026; and
 - (d) Takes into account feedback from the Joint Committee following a Joint Committee meeting on 7 August 2026, where a draft version of the SOE was presented and discussed.

STATUTORY CONTEXT

10. Sections 224 to 229 of the LG(WS) Act (see **Attachment 2**) address the legal context and requirements for an SOE. At a very high level, the key elements of those sections are:
 - a. Section 224 requires shareholders to prepare and adopt an SOE, provide it to the WO with sufficient time for the WO to prepare its WSS, and ensure it relates to at least 10 consecutive financial years. Section 224 also states the purpose of an SOE, which is

³ Please note that paragraph 18(f) of the SOE was updated following the Joint Committee feedback process, to account for clarifications from Mayor James Denyer.

essentially to set out shareholder expectations and inform and guide the WO's decisions, actions and WSS, including strategic priorities.

- b. Section 225 applies to new WOs and requires the shareholders to provide the SOE as soon as practicable after establishment of the WO, and no later than six months after establishment.
- c. Section 226 requires the WO to give effect to the SOE provided by its shareholders.
- d. Section 227 prescribes mandatory SOE content, including outcomes expected by shareholders, resource management and land-use planning requirements relevant to the service area, statutory obligation requirements, and half-yearly report information. Section 227 also prescribes optional content, such as relationship requirements, performance measures, community or consumer engagement, collaboration expectations, and so forth.
- e. Section 228 requires the SOE to be consistent with legislative obligations, foundation documents and the WO's responsibilities under transfer agreements. It also clarifies that an SOE must not include any requirement or expectations for operational matters (unless there is specific provision within the WO's foundation documents).⁴
- f. Section 229 requires only one SOE to be issued by the shareholders at any one time, gives priority to directions from regulators where those directions are inconsistent with an SOE, and requires shareholders to publish the process for preparing its SOE. It also clarifies that the shareholders must provide a draft of the SOE to the WO, and provide a reasonable opportunity for the WO to review the document and provide comment. The shareholders must consider any comments from the WO before finalising and adopting the SOE.

CONTENT OF THE SOE

11. At a very high level, the draft SOE covers the following:

- (a) Purpose and period.
- (b) Outcomes and operating principles.
- (c) Establishment expectations.
- (d) Planning and statutory obligations.
- (e) Relationships and engagement.
- (f) Tangata Whenua.⁵
- (g) WSS strategic priorities and assurance.
- (h) Performance, reporting and monitoring.

⁴ See Section 228(3) and (4). The wording under subsection (3) is that an SOE “must not include any requirements or expectations that relate to the Water Organisation’s performance or exercise of a duty, function or power under this Act; or require the Water Organisation to perform, or not to perform, a specified act, or to achieve a specified result, in relation to a specified person or persons.” And subsection (4) says “However, subsection (3) does not apply if the Water Organisation’s foundation documents provide otherwise.”

⁵ Please note we are mindful Tangata Whenua JC representatives have previously requested that the SOE includes detailed content about engagement with Tangata Whenua. We note that the SOE contains an entire section on relationships and engagement. In addition, the SOE also requires the WO to “establish and maintain effective relationships with Tangata Whenua including iwi within the TCC and WBOPDC rohe (boundaries), acting through their recognised iwi authority or governance entity” and “Engage with Tangata Whenua on substantive governance and strategic matters, including the WSS, environmental performance frameworks, and operational policies of general application. Such engagement will be undertaken consistently with the Company’s Significance and Engagement Policy.” These directions will be further detailed in the WO’s Significance and Engagement Policy which will be presented to the JC in draft for feedback moving forward.

- (i) Operational direction.⁶

BENCHMARKING

12. Broadly speaking, the content, detail and length of the draft SOE is similar to the SOEs issued by other shareholder Councils to other WOs around the country. We also note that draft SOE is more detailed than Statements of Intent that TCC and WBOPDC issue to other CCOs on a regular basis.

OPTIONS ANALYSIS

13. Council has two available options:

Option 1 — Recommend the Statement of Expectations to the Councils

14. Accept the draft SOE in the form attached at Attachment 1, to present to the WO for comment.⁷ This is the recommended option because the SOE complies with the LG(WS) Act, aligns with the draft Shareholders' Agreement, and provides the WO with clear shareholder expectations before it prepares its WSS.

Option 2 — Recommend the Statement of Expectations to the Councils, but with amendments

15. Alternatively, Council may accept the draft SOE subject to clearly defined amendments. If the Council elects this option, staff recommend any amendments be limited to matters that are consistent, and comply, with the LG(WS) Act, the Foundation Documents (including Schedule 5 of the draft Shareholders' Agreement) and the agreed CTS.

FINANCIAL CONSIDERATIONS

16. Approval of the SOE does not itself transfer assets or create new operational expenditure obligations. It does, however, set shareholder expectations for financially sustainable services, value and affordability, growth funding, performance reporting, development contribution transparency and future charging responsibilities.

RISKS AND LEGAL IMPLICATIONS

17. The key legal implication is that the SOE is a statutory document under the LG(WS) Act. The shareholders must prepare and adopt the SOE, provide it to the WO, and follow the statutory process, including publishing the preparation process, providing a draft to the WO, giving the WO a reasonable opportunity to comment, and considering those comments before finalising the SOE.
18. The SOE must be consistent with legislative obligations, the WO's foundation documents and the WO's responsibilities under the respective transfer agreements. It must also respect the statutory limits in section 228, including not including expectations that improperly constrain the WO's statutory functions unless the foundation documents provide otherwise.
19. These risks are mitigated because the draft SOE has been prepared against the LG(WS) Act, Schedule 5 of the draft Shareholders' Agreement and the CTS, and because the recommendations delegate only minor/editorial finalisation authority consistent with those documents.

⁶ The only operational direction anticipated within the WO's foundation documents (and therefore the only operational direction included within the SOE) relates to a) financial ring-fencing and b) the setting and collection of charges.

⁷ Note that, once approved by the Councils, the SOE will remain in draft form while it is presented to the WO's Board for comment. Only after the Councils have considered the WO's feedback will the SOE be finalised and adopted.

TE AO MĀORI APPROACH

20. Tangata Whenua were represented on the JWG, providing input into the development of the CTS. This representation continues through the Joint Committee, enabling Tangata Whenua to contribute to recommendations to the Councils, including in relation to the Foundation Documents. Tangata Whenua representatives have reviewed the updated SOE, considered the amendments and have advised they have no additional recommendations to add.
21. Accordingly, the governance framework incorporates Tangata Whenua representation, supporting the integration of Te Ao Māori perspectives into oversight and decision making.
22. The draft SOE includes expectations for effective relationships with Tangata Whenua, require the WO is act in a manner that is consistent with Treaty Settlement Obligations⁸, openness to partnership opportunities with Māori entities, engagement on substantive governance and strategic matters, regard to statutory acknowledgements and fulfilment of consent-based engagement obligations.
23. These matters align with Schedule 5 of the draft Shareholders' Agreement, which requires the SOE to address relationships with hapū, iwi and other Māori organisations, including participation and engagement, and the environment, including Kaitiakitanga.

CLIMATE IMPACT

24. The draft SOE expects the WO's asset management and investment decisions to be based on long-term demand, resilience and climate considerations, and identifies long-term system resilience as a strategic priority for the WSS.

CONSULTATION

25. To date, both Council and WBOPDC have provided significant input into the formation of the Foundation Documents. In particular, the two councils have resolved to approve the CTS, which has directly informed the drafting of the Foundation Documents.
26. As mentioned above, the SOE must be provided to the WO in draft for its feedback. There is no requirement to provide the draft SOE to the public for feedback (or to formally consult on the SOE). However, the Joint Committee has made a recommendation that, at the same time the draft SOE is provided to the WO, it could also be made publicly available for feedback. Staff consider this to be an unnecessary step, but have included it within this paper on the Joint Committee's recommendation. Further details are provided under the heading "Engagement" below.

SIGNIFICANCE

27. 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.
28. 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.

⁸ We note the SOE requires the WO to act in a manner that is consistent with Treaty Settlement Obligations and establish processes to ensure the Company both understands and continues to fulfil any such obligations on an ongoing basis.

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

ENGAGEMENT

30. 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. Staff also note that there is also no express obligation under the LG(WS) Act to undertake public consultation on the draft SOE.
31. As noted above, the Joint Committee has recommended that that Council (and WBOPDC) makes the draft SOE available online, for members of the public to see, review and make comment. The purpose of the engagement is to provide an opportunity for community input on the draft SOE, recognising that the SOE is a governance document and that the engagement is not a formal consultation process.
32. The proposed engagement will include:
- (a) A shared online feedback form accessible to the communities of both councils;
 - (b) A three-week feedback period;
 - (c) Promotion through existing council communication channels, including newsletters, stakeholder email lists, social media platforms, and other digital channels; and,
 - (d) A possible media release to raise awareness of the opportunity to provide feedback.
33. The engagement is proposed to occur concurrently with consideration of the draft SOE by the WO's Board.
34. The current proposed timetable is:
- (a) 27 August / 3 September: Councils approve the draft SOE for feedback.
 - (b) Early September to early October 2026: Community engagement period.
 - (c) 30 September 2026: Draft SOE provided to the WO for comment and feedback at its proposed inaugural Board meeting
 - (d) October 2026: Feedback from both the Board and the community considered, with the SOE reported back to Tauranga City Council and Western Bay of Plenty District Council for finalisation and adoption.
35. This approach enables community and Board feedback to be received at the same time, allowing both to inform the final SOE while maintaining the programme timetable for development of the Water Services Strategy.

NEXT STEPS

36. The next steps will be to present the draft SOE to the WO for comment; at the same time, post the draft SOE online for members of the public to see, review and make comment; and then finalise the SOE so that the WO can use it when preparing its WSS.

ATTACHMENTS

- 1. **Attachment 1_Statement of Expectations - A20982783**  
- 2. **Attachment 2_Sections 224 to 229 of the LG(WS) Act - A20982786**  
- 3. **Attachment 3_Joint Committee Feedback on the SOE - A20982790**  

Draft: 19 August 2026

STATEMENT OF EXPECTATIONS

Purpose and period

1. This Statement of Expectations (**SOE**) sets out the expectations of Tauranga City Council and Western Bay of Plenty District Council as Shareholders of [the joint water organisation] (**Company**).
2. It is prepared under Part 4, Subpart 1 of the Local Government (Water Services) Act 2025 (**LG(WS) Act**) and is intended to guide the Company's decisions, actions and preparation of its Water Services Strategy (**WSS**).
3. This SOE does not direct day-to-day management or operational matters, except where operational direction is permitted by the Company's foundation documents.
4. This SOE relates to a period of at least 10 consecutive financial years from the Company's incorporation. But the Shareholders can issue a new SOE to the Company at any time.
5. Definitions of capitalised phrases within this document can be found within the Company's Constitution and Shareholders' Agreement.

Operating principles and outcomes

6. The Shareholders expect the Company to provide water services based on the following principles and in a way that achieves the following outcomes:
 - a. **Value and affordability:** Prudent financial management and financially sustainable services that offer excellent value for price, avoid unreasonable price-shocks and achieve improved community affordability over time.
 - b. **Compliance:** Full compliance with drinking water, wastewater, stormwater and environmental standards, resource consents, comprehensive stormwater consents, legislation and regulatory requirements, (except where any non-compliance has been identified in a Shareholder's Water Services Delivery Plan).
 - c. **Environmental health:** Operations that support the health and wellbeing of water bodies and recognise water as a taonga.
 - d. **Integrated sub-regional delivery:** A coordinated approach across the service area, subject to the ringfencing and charging arrangements in the Company's foundation documents.
 - e. **Good governance, transparency and customer-focus:** Efficient, accountable and transparent and governance and operations, with a focus on customer satisfaction.
 - f. **Workforce, partnerships and growth:** A capable workforce and constructive relationships with Shareholders, Tangata Whenua, regulators, neighbouring providers, infrastructure partners, developers and key stakeholders. Explore partnerships or co-investment opportunities that support Shareholder objectives.
 - g. **Growth pays for growth:** Growth-related capital expenditure is attributed to, and funded by, those who cause and/or benefit from that investment, with external

funding maximised where available.¹ The Company will explore innovative approaches regarding growth funding.

- h. **Customer and community:** Responsive service delivery, effective communication, and high public confidence in water services
- i. **Kaitiakitanga and wellbeing of water:** Recognise the vital importance of water as a taonga, uphold its responsibility as a guardian over water resources and water services (and support Tangata Whenua to exercise their role as Kaitiaki). Ensure that its decisions recognise the importance of the health and wellbeing of water, for the benefit of the environment, communities and future generations.
- j. **Long-term planning:** Asset management and investment decisions based on long-term demand, growth, resilience, and climate considerations. Support the Shareholders' position on planning processes and the Shareholders' long-term plans.
- k. **Te Mana o te Wai:** Recognise the fundamental importance of water and the need to protect and enhance the health and mauri of water bodies. In exercising its functions, the Company should have regard to Te Mana o te Wai and support outcomes that improve environmental health, community wellbeing, and intergenerational stewardship of water resources.

Establishment Expectations

- 7. During the establishment phase from incorporation to when the Company becomes operational, the Shareholders expect the Company to:
 - a. Achieve full operational readiness by 1 July 2027, with no disruption to services.
 - b. Work with the Shareholders to complete all necessary transfer, shared service, transitional service, billing and collection agreements.
 - c. Develop, consult on and adopt its first WSS prior to 1 July 2027.
 - d. Work with the Shareholders to maintain continuity of customer billing.
 - e. Honour all existing obligations and commitments inherited from the Shareholders.
 - f. Put in place sound financial, regulatory risk, governance, audit and assurance frameworks.
 - g. Plan for long-term system integration, shared services, service transition and potential future organisational change.
 - h. Develop a roadmap for business systems and shared service transition.
 - i. Explore future growth opportunities, efficiency opportunities and effectiveness opportunities, including other councils joining the Company or shared opportunities with other providers or Shareholder Councils.

Planning and statutory obligations

- 8. The Company is expected to be a key partner of the Shareholders in land-use, growth, spatial, infrastructure and resource management planning. The Shareholders expect the Company to:
 - a. Act as the primary source of three-waters technical advice to the Shareholders.

¹ As far as reasonably practicable.

- b. Where reasonably practicable, co-ordinate its works with Shareholder works to achieve efficiencies and minimise community disruption.
 - c. Use consistent population, growth, and climate assumptions aligned with Shareholder planning processes.
 - d. Engage jointly with Shareholders on development proposals and infrastructure agreements.
 - e. Align its position with Shareholder policies when responding to unplanned or out-of-sequence development proposals.
9. The Shareholders require the Company to meet all relevant statutory obligations that apply to the Shareholders as territorial authorities, to the extent those obligations are relevant to the delivery of water services. This includes obligations arising under the LG(WS) Act, relevant Treaty Settlement Obligations, and any other applicable legislation. The Company must conduct its activities in a manner that supports the Shareholders to meet those obligations.
10. Where a Shareholder holds obligations related to a third party that relate to water services, the Company must act in accordance with those obligations. The Company must ensure that its actions do not place the Shareholders in breach of such obligations.
11. Where agreed with the Shareholders, the Company must undertake specified water-services obligations on behalf of one or both Shareholders. Any such obligations must be clearly defined and delegable, consistent with the Company's statutory purpose, and recorded in appropriate governance or contractual arrangements.

Relationships and engagement

12. The Shareholders expect the Company's relationships to be based on trust, openness, collaboration, mutual respect, early issue identification, good-faith problem-solving and a strong "no surprises" culture. The Shareholders expect the Company to collaborate constructively with the Shareholders and relevant third parties, including regulators, Tangata Whenua, neighbouring councils or water service providers and infrastructure partners.
13. In its relationship with the Shareholders, the Company is expected to:
- a. Maintain open and regular communication with the Shareholders.
 - b. Provide early notice of material issues, risks, or incidents.
 - c. Work collaboratively to deliver agreed objectives.
 - d. Enter into a shared service agreements, service level agreements, partnering agreements or memoranda of understanding as reasonably requested by the Shareholders.
14. In its relationship with customers and Shareholder communities, the Company is expected to:
- a. Place the interests of consumers at the centre of decision-making.
 - b. Maintain effective customer service processes.
 - c. Provide accessible, timely, and transparent information to the public.
 - d. Engage proactively with communities on service performance and major initiatives.

- e. Foster transparency, accountability and public confidence by publishing key performance information and engaging openly with the community.
- f. Undertake appropriate community and consumer engagement in relation to the delivery of water services, based on its Significance and Engagement Policy. Engagement should be timely, accessible, and proportionate to the matter concerned.

Tangata Whenua

15. In its relationship with Tangata Whenua, the Company is expected to:
- a. Establish and maintain effective relationships with Tangata Whenua including iwi and hapū within the TCC and WBOPDC rohe (boundaries), acting through their recognised iwi or hapū authority or governance entity.
 - b. Act in a manner that is consistent with Treaty Settlement Obligations (and establishing processes to ensure the Company both understands and continues to fulfil any such obligations on an ongoing basis).
 - c. Be proactively open to partnership opportunities with Māori entities.
16. Where a Shareholder holds obligations to Tangata Whenua or other Māori organisations that relate to water services, the Company must act in accordance with those obligations.
17. The Shareholders expect the Company to:
- a. Engage with Tangata Whenua on substantive governance and strategic matters, including the WSS, environmental performance frameworks, and operational policies of general application. Such engagement will be undertaken consistently with the Company's Significance and Engagement Policy.
 - b. Recognise and provide for any relevant statutory acknowledgements made under Treaty settlement legislation applicable to the Service Area when making decisions that affect the statutory areas to which those acknowledgements relate.
 - c. Fulfil all engagement obligations arising from resource consents held or transferred to the Company (including engagement with, or participation of, specified Māori groups).

WSS strategic priorities and assurance

18. The Company's WSS should prioritise:
- a. successful establishment and stable operations;
 - b. safe, reliable, affordable and compliant water services;
 - c. infrastructure investment that supports planned growth;
 - d. integrated planning with Shareholders, NZTA, central government and other infrastructure providers;
 - e. water conservation and demand management;
 - f. long-term system resilience (including stormwater risk strategies) and consideration of alternatives to discharge to water; and

- g. no dividends unless there are exceptional circumstances where a distribution of dividends is unanimously approved by the Shareholders and approved by the Board, subject to all solvency and statutory tests.

Performance, reporting and monitoring

- 19. The Company must report against an agreed set of performance indicators to enable the Shareholders to monitor service delivery, financial sustainability, regulatory compliance, customer outcomes, and organisational performance. Performance indicators are expected to align with the WSS and relevant regulatory frameworks, and may be refined from time to time by agreement between the Shareholders and the Company.
 - a. **Establishment reporting:** quarterly establishment progress reports to the Joint Committee, covering milestones, risks and delivery against establishment expectations
 - b. **Half-yearly reports:** prepare and provide water-services half-yearly reports in accordance with section 248 of the LG(WS) Act, including sufficient financial, personnel, service, health and safety, regulatory compliance, capital project, stakeholder engagement and risk information.
 - c. **Operational reporting:** once operationally stable, provide quarterly performance reports to the Shareholders.
 - d. **Governance engagement:** hold regular joint governance meetings with the Board and management, supported by additional briefings as required.
- 20. The Company must apply best accounting practice when receiving and collecting (as and when relevant) Development Contributions, Development Levies and, if relevant, Financial Contributions. Records must transparently show the source of the funds, how they are used, and the net financial position of those funds.

Operational direction

- 21. The Company must ringfence its operations in the manner contemplated by clause 2.7 of the Constitution, and comply with any Shareholder reporting requirements under clause 2.8 of the Constitution.
- 22. In accordance with the Company's foundation documents and section 228(4) of the LG(WS) Act the Shareholders and Company will proceed on the following basis with regard to the setting and collection of charges:
 - a. [TBC]

- (f) for an additional plan or report, the relevant water organisation and each shareholder in the water organisation.

Subpart 1—Planning

Statement of expectations

224 Statement of expectations

- (1) The shareholders of a water organisation must prepare and adopt a statement of expectations and provide it to the water organisation at least 6 months (or such longer period as is agreed between the shareholders and the water organisation) before the water organisation is required to prepare a water services strategy (*see* section 230 or 231).
- (2) A statement of expectations must relate to a period of at least 10 consecutive financial years.
- (3) The purpose of a statement of expectations is—
 - (a) to set out the shareholders' expectations of the water organisation; and
 - (b) to inform and guide—
 - (i) the decisions and actions of the water organisation; and
 - (ii) the water organisation's preparation of its water services strategy (*see* section 230 or 231), including its strategic priorities (*see* clause 2(1)(a) of Schedule 3).

225 Statement of expectations for new water organisation

- (1) This section applies when a water organisation is established after the date on which this section comes into force.
- (2) Despite anything to the contrary in section 224, the shareholders in the water organisation must prepare a statement of expectations under section 224 and provide it to the water organisation—
 - (a) as soon as practicable after the date on which the water organisation is established; but
 - (b) no later than 6 months after the date on which the water organisation is established.
- (3) The shareholders may provide the water organisation with a document setting out the shareholders' interim expectations of the water organisation (an **interim statement**) that applies during the period between the following:
 - (a) the date on which the water organisation is established;
 - (b) the date on which the shareholders provide the statement of expectations to the water organisation under subsection (2).
- (4) In addition to the shareholders' expectations, an interim statement may also include, to the extent permitted by section 228, either or both of the following:

- (a) directions for the operation of the water organisation:
- (b) priorities for the water organisation.
- (5) The shareholders may start preparing the statement of expectations or an interim statement before the date on which the water organisation is established.

226 Water organisation must give effect to statement of expectations

A water organisation must give effect to a statement of expectations provided by the shareholders of the water organisation.

227 Content of statement of expectations

- (1) A statement of expectations prepared under this subpart must include—
 - (a) the outcomes that the shareholders expect the water organisation to achieve by providing water services; and
 - (b) requirements relating to the territorial authority's resource management planning and land use planning that are relevant to the water organisation's service area; and
 - (c) a requirement that the water organisation must act in accordance with any relevant statutory obligation that applies to a shareholder that is a territorial authority; and
 - (d) the information that the water organisation must include in its water services half-yearly report (*see* section 248).
- (2) A statement of expectations may include any other matters the shareholders decide, including, for example,—
 - (a) how the shareholders require the water organisation to conduct its relationships with—
 - (i) the shareholders:
 - (ii) the shareholders' communities or any specified stakeholders within those communities:
 - (iii) hapū, iwi, and other Māori organisations:
 - (iv) consumers in the water organisation's service area:
 - (b) performance indicators and measures that the shareholders may use to monitor the water organisation:
 - (c) expectations relating to the strategic priorities to be included in the water organisation's water services strategy:
 - (d) a requirement that the water organisation act in accordance with an obligation that a shareholder that is a territorial authority may have with a third party (including with hapū, iwi, or other Māori organisations) under a contract or other agreement:

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- (e) a requirement that the water organisation undertake a specified obligation on behalf of a shareholder that is a territorial authority;
 - (f) a requirement to undertake community or consumer engagement, and the contents of that engagement;
 - (g) expectations in relation to collaborating with the shareholders and other parties when providing water services;
 - (h) a requirement that part or all of the water organisation's water services strategy be independently reviewed or audited.
- (3) A statement of expectations may contain a matter that applies—
- (a) to all or a specified part of the water services provided by the water organisation (for example, a matter that applies only to wastewater);
 - (b) to all or a specified part of the water organisation's service area (for example, a matter that applies only to a territorial authority's district).

228 Additional requirements of statement of expectations

- (1) A statement of expectations must be consistent with—
- (a) all legislative obligations that apply to the water organisation; and
 - (b) the water organisation's foundation documents; and
 - (c) the water organisation's responsibilities,—
 - (i) in the case of an Auckland water organisation, for providing a water supply service and wastewater services; and
 - (ii) in all other cases, as specified in a transfer agreement.
- (2) If a water organisation is financially independent of its shareholders, the statement of expectations must not include any requirements or expectations that would compromise that financial independence.
- (3) The statement of expectations must not include any requirements or expectations that—
- (a) relate to the water organisation's performance or exercise of a duty, function, or power under this Act; or
 - (b) require the water organisation to perform, or not to perform, a specified act, or to achieve a specified result, in relation to a specified person or persons.
- (4) However, subsection (3) does not apply if the water organisation's foundation documents provide otherwise.

229 Statement of expectations: process and limits

- (1) The shareholders of a water organisation may provide only 1 statement of expectations to a water organisation at any time.

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- (2) If a water organisation receives a statement of expectations that is inconsistent with a direction or requirement imposed by a regulator, the regulator's direction or requirement prevails to the extent of the inconsistency.
- (3) The shareholders of a water organisation must publish, on an internet site maintained by or on behalf of 1 or more of the shareholders, the process that the shareholders must follow to prepare a statement of expectations.
- (4) The process to prepare a statement of expectations must include the following:
 - (a) the shareholders must provide a draft of the statement of expectations to the water organisation;
 - (b) the shareholders must give the water organisation a reasonable opportunity to review the draft statement and provide comments;
 - (c) the shareholders must consider any comments provided by the water organisation before finalising the statement of expectations.
- (5) In subsection (2), **regulator** means 1 or more of the following:
 - (a) the Water Services Authority;
 - (b) the Commerce Commission;
 - (c) a regional council or unitary authority (as that term is defined in the LGA 2002) in whose region the water organisation provides water services.

Water services strategy

230 Water services strategy

- (1) A water service provider must—
 - (a) prepare a water services strategy in accordance with this Part; and
 - (b) have a water services strategy in place at all times.
- (2) A water service provider must adopt its water services strategy before the start of the first financial year to which the strategy relates.
- (3) A water services strategy—
 - (a) comes into force on the first day of the first financial year to which the water services strategy relates; and
 - (b) continues in force until the end of the third consecutive financial year to which it relates; and
 - (c) must relate to a period of at least 10 consecutive financial years or such other period as is specified in this Part or Schedule 3.
- (4) A water services strategy must be prepared and adopted,—
 - (a) in the case of a water service provider that is a water organisation, by the water organisation; or

LWDW: Statement of Expectations (SOE) - Response to Proposed Amendments.**14 August 2026**

Staff have prepared the SOE with reference to LG (WS) Act, the draft Shareholders' Agreement and the Commercial Term sheet adopted by TCC and WBOPDC in March 2026. The SOE was presented to the Joint Committee on 7 August 2026, where staff received feedback.

This paper summarises the feedback received from the Joint Committee, as well as the response from staff.

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
1.	Present as a recommendation to Council that they resolve to send to the Board at the same time it is sent for public engagement.	Cr Joyce and Cr Crowther	Yes	The draft paper that will introduce the SOE to the Councils has been updated to include the following resolution: <i>"Resolves that at the same time the draft SOE is provided to the WO for feedback, it will also be made available (in draft) to the public for comment."</i> The body of the paper has also been updated to record: <i>"There is no requirement to provide the draft SOE to the public for feedback (or to formally consult on the SOE). However, the Joint Committee has raised a recommendation that, at the same time the draft SOE is provided to the WO, it could also be made publicly available for feedback. Staff consider this to be an unnecessary step, but have included it within this paper on the Joint Committee's recommendation."</i>
2.	Clause 4. Clarify that the document can be reviewed at any time as determined by the Shareholders.	Mayor Denyer	Yes	Clause 4 has been updated to read: <i>"This Statement relates to a period of at least 10 consecutive financial years from the Company's incorporation. <u>But the Shareholders can issue a new SOE to the Company at any time.</u>"</i>
3.	Clause 6. Amend clause 5 so that the outcomes and operating principles can be separated in different sections.	Cr Crowther	No	When this prospect was raised, other parties at the Joint Committee expressed reservation as to the utility of taking this step, and staff do not consider it necessary. However, we have amended clause 6 to distinguish between principles and outcomes, which now reads as follows: <i><u>The Shareholders expect the Company to provide water services based on the following principles and in a way that achieves the following outcomes:</u></i>
4.	Clause 6(b). Add a reference to "comprehensive stormwater consents"	Cr Crowther	Yes	Clause 6(b) now reads: <i>"Compliance: Full compliance with drinking water, wastewater, stormwater and environmental standards, resource consents, <u>comprehensive stormwater consents</u>, legislation and regulatory requirements, (except where any non-compliance has been identified in a Shareholder's Water Services Delivery Plan)."</i>
5.	Clause 6(d). change referring from "regional delivery" to "sub-regional delivery"	Mayor Denyer	Yes	Clause 6(d) now reads: <i>"Integrated sub-regional delivery: A coordinated approach across the service area, subject to the ringfencing and charging arrangements in the Company's foundation documents."</i>

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
6.	Clause 6(e). Remove the reference to “innovative governance” and replace with “good”	Cr Crowther and Mayor Denyer	Yes	Clause 6(e) now reads: <i>“Good governance, transparency and customer-focus: Efficient, accountable and transparent and innovative governance and operations, with a focus on customer satisfaction.”</i> <i>Efficient, accountable and transparent is a description of “good”.</i>
7.	Clause 6(f). Delete reference to growth and refer to developers.	Cr Crowther (Mayor Denyer disagreed)	Partially	When this prospect was raised, other parties at the Joint Committee expressed reservation as to the utility of taking this step. As a balanced approach, clause 6(f) now reads: <i>“Workforce, partnerships and growth: A capable workforce and constructive relationships with Shareholders, Tangata Whenua, regulators, neighbouring providers, infrastructure partners, <u>developers</u> and key stakeholders. Explore partnerships or co-investment opportunities that support Shareholder objectives.”</i>
8.	Amend clauses 6(g) and 8(e). Growth-related capital expenditure is attributed to those who cause or benefit from it, and clause 7(e) requires the Company to align with Shareholder policy when responding to unplanned or out-of-sequence development. A papakāinga and marae servicing policy developed with tangata whenua, and clarification of how the out-of-sequence provisions apply to development on Māori land	Tangata Whenua (TW)	No	We consider that this request strays more into the territory of operational (rather than governance matters). We anticipate that the Company will have an opportunity to develop a papakāinga and marae servicing policy with tangata whenua (including clarification of how the out-of-sequence provisions apply to development on Māori land) in due course outside of this Statement of Expectations process.
9.	Clause 6(g). Request for context / explanation of what “growth pays for growth” means in the context of stormwater.	Cr Crowther	No	Potential difficulties with the concept of “growth paying for growth” in the stormwater context would be captured by the footnote that reads “as far as reasonably practicable”.
10.	Clause 6(g). add reference to “innovative growth funding”	Cr Crowther	Yes	Clause 6(g) now reads: <i>Growth pays for growth: Growth-related capital expenditure is attributed to, and funded by, those who cause and/or benefit from that investment, with external funding maximised where available. <u>The Company will explore innovative approaches regarding growth funding.</u></i>
11.	Clause 6(h). Add reference to transparency and accountability and affordability	Cr Crowther	No	The concepts of transparency and accountability are already mentioned at clause 6(e), clause 14(c) and clause 14(e). the concept of affordability is already mentioned at clause 6(a) and 18(b). Staff consider this is sufficient.

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
12.	Amend clause 6(i). Kaitiakitanga is exercised by tangata whenua. As drafted, the clause allows the Company to record itself as discharging kaitiaki responsibilities without tangata whenua involvement, which is unlikely to withstand scrutiny. Reframe the clause as supporting tangata whenua in the exercise of their kaitiaki responsibilities.	TW and Mayor Denyer	Yes	Clause 6(i) now reads: <i>Kaitiakitanga and wellbeing of water: Recognise the vital importance of water as a taonga, and uphold its responsibility as a guardian over water resources and water services (and support Tangata Whenua to exercise their role as Kaitiaki). Ensure that its decisions recognise the importance of the health and wellbeing of water, for the benefit of the environment, communities and future generations.</i>
13.	Amend clause 6(j). Consider extracting “resilience, and climate considerations” as a separate principle/outcome.	Cr Crowther	No	Staff consider the direction to manage assets and investment decisions “based on ... resilience, and climate considerations” as sufficient.
14.	Amend clause 6. Include Te Mana o te Wai as a named operating principle. [This phrase will likely require a definition if it is to be included in these principles – other Māori phrases are defined in the foundation documents. Definition is included with National Policy Statement]	TW and Mayor Denyer	Yes	New clause 6(k) reads: <i>Te Mana o te Wai: Recognise the fundamental importance of water and the need to protect and enhance the health and mauri of water bodies. In exercising its functions, the Company should have regard to Te Mana o te Wai and support outcomes that improve environmental health, community wellbeing, and intergenerational stewardship of water resources.</i> For clarity, a the following definition of Te Mana o te Wai has been added to the Shareholders’ Agreement: Te Mana o te Wai has the meaning given to it within the National Policy Statement for Freshwater Management 2020.
15.	Amend clause 7. Add establishment milestones: a verified Treaty settlement obligations register, relationship agreements concluded, the section 35 policy co-designed, and senior Māori capability appointed.	TW	No	- Other than the statutory milestones (re operational readiness and WSS) , clause 7 is not intended to set milestones. - Treaty settlement obligations register has been added to the TW workstream. - Relationship agreements concluded – matters associated with relationships are addressed in the TW workstream. - Senior Māori capability appointment is nearly complete, independent of this SOE. - Section 35 is discussed further below.
16.	Amend clause 9. “Treaty Settlement Obligations” is used as a defined concept but is neither defined nor scheduled.	TW	Yes	Clause 5 has now been added to record that “Definitions for capitalised phrases can be found within the Company’s Constitution and Shareholders’ Agreement”. The constitution includes this definition: Treaty Settlement Obligations means obligations arising under Treaty of Waitangi, settlement legislation applicable to the Service Aarea, including any statutory acknowledgements, relationship agreements, and deed of settlement commitments relevant to the Shareholders’ role.
17.	Amend clause 9.	TW	No	This work is underway (i.e. creating a schedule of Treaty Settlement Obligations relevant to the delivery of water services). We have been instructed from the Councils that the SOE should be kept simple and, while they are content to reiterate legislative

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
	Require a schedule of obligations, verified with each post-settlement governance entity, as a foundation document completed before operational readiness.			obligations, they do not want the documents itself to list the specific Treaty Settlement Obligations.
18.	Amend clauses 10 and 16. A standalone clause creating expectations owed directly by the Company to tangata whenua.	TW	No	Previous direction from the Councils is that obligations on the WO should not exceed obligations on the Shareholders. This is reflected in the current drafting – i.e. where a shareholder holds obligations that relate to Water, the WO must follow those obligations.
19.	Amend clause 11. The Company may undertake specified water services obligations on behalf of one or both Shareholders where agreed. Require tangata whenua agreement before any Treaty-related function is delegated.	TW	Partially	Clause 11 has been updated to record that if this situation arises, then the obligation(s) in question must “be delegable”. This addresses the risk of a Council attempting to delegate obligations which cannot be delegated.
20.	Amend clause 12. The relational standard of trust, openness and “no surprises” is expressed in relation to regulators, neighbouring councils and infrastructure partners. Add tangata whenua to clause 12.	TW	Yes	Clause 12 now reads: <i>The Shareholders expect the Company’s relationships to be based on trust, openness, collaboration, mutual respect, early issue identification, good-faith problem-solving and a strong “no surprises” culture. The Shareholders expect the Company to collaborate constructively with the Shareholders and relevant third parties, including regulators, <u>Tangata Whenua</u> neighbouring councils or water service providers and infrastructure partners</i>
21.	Amend clauses 14(c), 17(d). Engagement obligations are conditioned on the Company’s own Significance and Engagement Policy. Specify mandatory content for the section 35 policy (iwi and hapū named, engagement thresholds, timeframes and resourcing), require co-development, and set a floor of engagement that applies independently of the policy	TW	No	TW will have input into the significance and engagement policy (SEP) (along with any other Company policies that require shareholder input) because those documents must be brought to the JC (and TW reps will sit on the JC). JC responsibilities for the SEP and other policies include reviewing drafts; providing feedback; requesting amendments to achieve a version that the JC is content to endorse to the Shareholders. So while this SOE document does not specify to any great degree the content of the SEP (and it does not specifically require co-development of the SEP) TW reps on the JC will have a direct opportunity to provide input into the SEP. For clarity, the detailed requests raised to date by the JC’s TW reps on the topic of engagement with Māori have been provided to the staff members responsible for drafting the SEP.
22.	Amend clause 15(a). Relationships are routed through iwi acting through their recognised iwi authority or governance entity. Name hapū expressly, and provide for each group to nominate how and through whom it engages.	TW	Yes	This wording has been taken from the definition of Tangata Whenua (included in the Constitution) provided by TW’s JC reps. However, we have added reference to hapū in this clause.

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
23.	Amend clause 15(c). The Company is to be open to partnership opportunities with Māori entities. An active obligation to identify and bring forward partnership opportunities.	TW	Yes	The phrase "Be open to partnership" has been amended to "Be <u>proactively</u> open to partnership".
24.	Amend clauses 15(b), 17(e). "Consistent with" settlement obligations, and "have regard to" statutory acknowledgements. "Give effect to" settlement obligations, and "recognise and provide for" statutory acknowledgements.	TW	Partially	Clause 15(b) already includes provision requiring the Company to both understand and continue to fulfil Treaty Settlement Obligations on an ongoing basis. Clause 17(b) updated to read: <i>Have regard to Recognise and provide for any relevant statutory acknowledgements made under Treaty settlement legislation applicable to the Service Area when making decisions that affect the statutory areas to which those acknowledgements relate.</i>
25.	Amend clause 17(f). Engagement obligations arising from resource consents held or transferred by the Company are preserved. Include an undertaking not to seek variation or removal of Māori-related consent conditions without agreement.	TW	No	If, when and how the WO may seek variation of resource consents is considered more of an operational matter.
26.	Amend clause 18. The seven Water Services Strategy priorities do not refer to Treaty obligations, tangata whenua or cultural values, and wastewater discharge is not addressed. Add a priority on progressing alternatives to discharge to water, developed with tangata whenua.	TW and Mayor Denyer	Partially	Clause 18(f) updated to read: <i>long-term system resilience (including stormwater risk strategies) and development of alternatives to discharge of water for consideration; and</i>
27.	Amend clause 18. Cr Crowther has raised the prospect of adding stormwater risks as a strategic priorities point.	Cr Crother	Yes	Clause 18(f) updated to read: <i>long-term system resilience (including stormwater risk strategies) and development of alternatives to discharge of water for consideration; and</i>
28.	Amend clause 18(g). Delete footnote 2. The only exceptional circumstance named for a dividend is the sale of surplus land transferred from a Shareholder. A land register as an establishment deliverable, and an express commitment that no transferred land is disposed of before settlement and offer-back obligations are discharged.	TW	Partially	Footnote 2 has been deleted.

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
29.	Amend clauses 19(a), 19(c). Establishment reporting is provided to the Joint Committee. Operational reporting from 1 July 2027 is provided to the Shareholders only. An enduring tangata whenua governance interface with a defined mandate, standing information rights and a role in the Water Services Strategy cycle.	TW	No	The Joint Committee is actually an enduring body, rather than an establishment body. The Joint Committee will continue to function following the “go-live” date. Please see Shareholders’ Agreement including JC’s Terms of Reference.
30.	Amend clause 19 (indicators). The performance indicator set contains no cultural or Treaty measure. A cultural indicator set developed with tangata whenua (cultural health monitoring, unserved marae and papakāinga, relationship measures), built before 1 July 2027	TW	No	For clarity, performance indicators have not yet been developed, and this will happen in due course. We anticipate there will be an opportunity for the Joint Committee (including JC TW reps) to have input into performance indicators.
31.	Board capability. The Statement is silent on board composition, Treaty settlement literacy and tikanga capability. Include Treaty settlement literacy and tikanga in the board skills matrix, and establish a tangata whenua advisory body reporting to the Board.	TW	No	Board composition is addressed within the Shareholders’ Agreement, rather than the SOE (after all, it is the Shareholders rather than the Company that will appoint the Board). We consider this point is sufficiently captured within the Board Skills Matrix, which forms part of the Shareholders’ Agreement (i.e. Schedule 10). Tangata Whenua have already had input into the Matrix, and includes an entire section on Te Ao Māori me Te Tiriti o Waitangi (the content of which was provided by Tangata Whenua. Further, TW will continue to have input into the selection of directors via the JC’s Terms of Reference, which include an entire section on “Appointment of Board and Chair”.
32.	Māori land. The Statement does not address the Act’s Māori land provisions: entry onto Māori land for water infrastructure, with appeal rights to the Māori Land Court under sections 118C and 129(1A), and charges on multiply-owned Māori freehold land, with charging orders under section 69A. A consent-first access protocol, confirmation that existing remissions and exemptions transfer, and a charging approach for multiply-owned land that does not require owners to apply to the Māori Land Court to recover overpayments	TW	No	This request moves beyond governance / direction expectations into operational territory (which is reserved for the Company). Correct that the Company will have statutory rights to access land (including Māori land) and this process is focused on consent (with the landowner holding an ability to set reasonable conditions). In addition, the Company will have an ability to negotiate access arrangements outside of that statutory process, should it see fit to do so from an operational perspective. We consider the topics of remissions and exemptions to be operational in nature.

	Summary of request	Party raising request	Request actioned? (Yes or No)	Comments from Staff
33.	Resourcing. No resourcing commitment attaches to any engagement obligation. Request for an express expectation that engagement is properly resourced by the Company.	TW	No	We anticipate that this topic (resourcing for engagement) will be put under the microscope in the context of the Significance and Engagement Policy and we also anticipate that the Company would develop a remuneration for Tangata Whenua policy in due course (something that both of the Shareholders currently have). The Tangata Whenua remuneration is included in the TW workstream work plan.
34.	Amend clause 4. The Statement relates to a period of at least ten consecutive financial years and provides no tangata whenua role in its review or amendment. Request to add a tangata whenua consultation requirement on any amendment or review of the Statement.	TW	No	As explained above, the JC's will be an ongoing body with TW reps. Part of the JC's Terms of Reference scope addresses the SOE (including a requirement to review draft SOE; provide feedback; request changes to achieve a version of the SOE that the JC is content to endorse). For clarity, there is no such thing as an amended SOE, there is only a fresh SOE. So every time there is to be a new SOE, the JC will have to be involved.
35.	Formatting errors – previous clauses 12, 13, 16. Request to confirm content of clause 16 and correct lettering in clauses 12, 13 and 14.	TW	Yes	Staff had also picked up these formatting errors. Now addressed.
36.	Clause 2. The Statement is expressed to be prepared under section 229 of the Act. Confirm the correct enabling provision with the Councils' advisers.	TW	Yes	Clause 2 updated to read: <i>It is prepared under <u>Part 4, Subpart 1</u> of the Local Government (Water Services) Act 2025 (LG(WSS) Act) and is intended to guide the Company's decisions, actions and preparation of its Water Services Strategy (WSS).</i>

11.7 Electoral system for 2028 Tauranga City Council election

File Number: A20799543

Author: Jeremy Boase, Head of Strategy, Governance & Climate Resilience

Authoriser: Christine Jones, General Manager: Strategy, Partnerships & Growth

PURPOSE OF THE REPORT

1. To consider the preferred electoral system for the 2028 Tauranga City Council election.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Electoral system for 2028 Tauranga City Council election".
- (b) Adopts the following option:
 - (i) Option A – retain Single Transferrable Voting as the electoral system
or
 - (ii) Option B – adopt First Past the Post voting as the electoral system
or
 - (iii) Option C – make no formal resolution
or
 - (iv) Option D – hold a binding poll on the electoral system.

and

- (c) *(If Option A, B or C is selected)* Notes that the next step is to publicly notify the electoral system intended to be used for the 2028 election and the right of electors to demand a poll.

or

- (d) *(If Option D is adopted)* Notes that Council will, at a later date, determine the date of the poll to ensure it occurs alongside the poll that Council has resolved to hold on whether to retain the Māori ward for the 2028 election.

EXECUTIVE SUMMARY

2. Council has the opportunity to formally retain or change the electoral system for the 2028 election. If a change is made, it will also affect the 2031 election.
3. There are only two electoral systems that Council can choose between: First Past the Post or Single Transferable Voting. Each system has its advantages and disadvantages. Neither system is considered to automatically lead to increased voter turnout.
4. The decision on the electoral system will feed into the wider representation review that Council needs to undertake before the 2028 election. Some potential aspects of a future representation review are considered to work better with each of the different electoral systems.

5. Regardless of which system Council chooses, the public has a right to demand a binding poll be held on the issue. A valid demand for a binding poll requires the signatures of 5% of those registered on the electoral roll.
6. There is no set period for the public to demand a poll. As such, the timing of any subsequent poll is not within Council's control. A stand-alone poll would likely cost Council between \$500,000 and \$600,000.
7. If a poll is to be held it would be financially prudent to hold it alongside the poll on whether to retain the Māori ward that Council has already resolved to hold. The marginal cost of holding the two polls together, rather than just the Māori ward poll alone, would be marginal.
8. While a valid demand for a poll is considered unlikely, Council can mitigate the risk of two separate polls by deciding to put the issue of the electoral system directly to a poll. In doing this, Council can control the date on which that poll is to be held, and therefore the costs.

BACKGROUND

Electoral system and key legislation

9. The 'electoral system' refers to the set of rules that establish how the votes that are cast by the electorate result in the mayor and councillors (and community board members if relevant) being elected.
10. The legislation that governs how local authority elections are run is the Local Electoral Act 2001 ("LEA"). It prescribes two systems that can be used, being:
 - (a) the system commonly known as First Past the Post ("FPP"):
 - (b) the system commonly known as Single Transferable Voting ("STV") using the New Zealand method of counting single transferable votes⁹.
11. This council has used the STV system for the two most recent elections (2019 and 2024) and would have used it for the 2022 and 2025 elections if they had been held.

Decision to be made

12. Under the LEA, Council may resolve to change the electoral system for the next two elections (being 2028 and 2031 in this instance). If such a decision is made for the 2028 election it must happen before 12 September 2026¹⁰.
13. Note that the above legislative provision is a 'may' not a 'must'. Council does not have to make a decision. If no decision is made, the status quo continues¹¹. For Tauranga, this would mean that STV continues to be the electoral system (subject to any potential poll on the matter – see below).
14. If Council does not resolve to change the electoral system, then it can reconsider this ahead of the 2031 election (but if a change is made it is locked in for two elections – 2028 and 2031).

Comparison of STV and FPP

15. No voting system is perfect. Both STV and FPP have their advantages and disadvantages. In general, the advantages of one system become the disadvantages of the other.
16. FPP has the following broad advantages:
 - It is simple to understand; the person with the most votes wins
 - It is familiar; while not currently used for local authority elections, it is the way that central government's electorate seats are determined and for many people it has

⁹ Section 5, Local Electoral Act 2001

¹⁰ Section 27(1), Local Electoral Act 2001

¹¹ Section 27(2)(b)(ii), Local Electoral Act 2001

been well known since childhood (the election of a class representative or of a sports team's players' player of the season, for instance)

- It is used by most councils, including all other councils in the Bay of Plenty
- It was used by Tauranga City Council (and previous organisations representing the city) from inception in 1882¹² to 2016.

17. STV has the following broad advantages:

- It is familiar; it is the current system, used in the city since 2019, and was also used for six Bay of Plenty District Health Board elections from 2004 to 2019
- For multi-member wards, it can better reflect the diversity of voter preferences and therefore can aid representation for minority communities
- It reduces 'wasted votes'; surplus votes are transferred to next preferences so that more voters contribute to the election of successful candidates.

18. While STV can be criticised for being complicated, a number of organisations have prepared easy-to-follow material including videos to aid understanding. This council's explanatory video is available on council's YouTube channel:

<https://www.youtube.com/watch?v=zZhTyaw0OZI>.

Use of STV and FPP

19. The ability for councils to choose between STV and FPP has been available since the LEA was enacted in 2002, ahead of the 2004 elections. At the most recent elections (2024 for Tauranga, 2025 for the rest of the country), 16 of the 78 local authorities used STV. The other 62 all used FPP.
20. Note that of the other 15 local authorities using STV at the most recent elections, all have at least one multi-member ward or vote for councillors 'at large'. Dunedin and Palmerston North use STV for 14 and 13 member elections respectively, while Gisborne, Marlborough, Hamilton, New Plymouth and Ruapehu each have a largest ward involving six to eight members. The remaining eight councils using STV all have a largest ward of three to five members.
21. Tauranga is the only council currently using STV exclusively for single-member wards¹³.

Voter turnout

22. One potential criticism of STV is that its apparent complexity may reduce voter turnout. However, based on the 2025 local authority elections, there is no evidence to suggest that either STV or FPP are likely to increase voter participation.
23. In the 2025 elections, average voter turnout nationwide for territorial authorities¹⁴ was 39.6%¹⁵. Auckland Council accounts for approximately one third of eligible voters nationwide and had a comparatively low turnout at 28.6%. This creates an artificially low national average. Excluding Auckland Council, the average territorial turnout was 45.2%.
24. Of the 13 territorial authorities whose election was under the STV system:
- five had turnout within 2% of the Auckland-excluded average of 45.2%
 - five had turnout that was more than 2% higher than the Auckland-excluded average

¹² [Tauranga Mayors and Councillors, 1882-1971 | Pae Korokī](#), accessed 9 August 2026

¹³ All the territorial authorities in the list of 16 use STV for their mayoral election which is by nature a single-member election. Nine of the other 15 also had at least one single-member ward, often (but not always) the Māori ward.

¹⁴ Including unitary authorities

¹⁵ [Local Authority Election Statistics 2025 - Our work - Ministry for Cities, Environment, Regions and Transport](#) – accessed 9 August 2026

- three had turnout that was more than 2% lower than the Auckland-excluded average¹⁶.

25. Within the regional council cohort, average turnout across the 13 councils was 43.9%. The only two regional councils using STV both experienced turnouts slightly higher than the average: 47.2% for Otago Regional Council and 47.6% for Wellington Regional Council.

Potential changes to the structure of local government

26. Note that this paper and the decisions sought within it relate to the Tauranga City Council as it is currently constituted under the Local Government Act 2002. This paper and these decisions do not have any direct bearing on any new or amended organisation that may be established to govern the Tauranga city as a result of any future potential changes to local government structures within the Bay of Plenty and across the country.

Public notification and right to demand a poll

27. Regardless of whether Council makes a decision, or what the decision is if one is made, Council must give public notice by 19 September 2026 of the public's right to demand a binding poll (referendum) on the electoral system to be used¹⁷.
28. A valid demand for a poll requires the signatures of 5% or more of eligible voters¹⁸.
29. In the event that a valid demand for a binding poll is received, Council must hold such a poll and that poll will be determinative.
30. Note that when Council made the decision in 2017 to move to STV from FPP, there was no valid demand from the public for a binding poll on the matter. Similarly, in 2020 when the use of STV was confirmed for the expected 2022 and 2025 elections, no valid demand from for a poll was received.

Timing of binding poll

31. If a valid demand for a poll is received, the chief executive must advise the electoral officer within two days of the demand being validated¹⁹. This has the effect of 'starting the clock' on the prescriptive legislative process required to hold the poll.
32. Note that the LEA specifically states that if a valid demand is received after 11 December 2026, then the poll must be held after 28 March 2027. The relevance of this is that Council has already resolved to hold a poll on whether to retain the Māori ward²⁰. That poll has to happen on or before 28 March 2027²¹.
33. Therefore, if a demand for a poll on the electoral system was received and validated after 11 December 2026, Council may need to run two separate polls, one for the Māori ward question and then a separate, later, one on the electoral system. Each stand-alone poll is likely to cost between \$500,000 and \$600,000.
34. A poll held after 28 March 2027 would take effect for the 2031 and 2034 elections.
35. It is possible that by working with the petitioner, Council and the electoral officer can manage the date of a post-11 December demand so that the poll can be held with the 2028 election. Holding the poll with the 2028 election would ensure that the costs of the poll are minor. It would also avoid the potential for confusing the public with a poll held in, say, mid-2027 which wouldn't impact the 2028 election but would instead impact the 2031 and 2034 elections.

¹⁶ The full range was from 51.6% in Ruapehu to 33.0% in Hamilton which was a true outlier being the only one of the 13 to be more than 6.5% higher or lower than the non-Auckland average

¹⁷ Section 28(1), Local Electoral Act 2001

¹⁸ Section 29, Local Electoral Act 2001

¹⁹ Section 30(4), Local Electoral Act 2001

²⁰ Council meeting, 2 June 2026

²¹ Clause 48, Schedule 1, Local Electoral Act 2001

Council can resolve to hold a poll

36. If Council considers that a public poll is likely to be demanded, or considers that a public poll is the appropriate decision-making process, then Council may itself resolve to hold a poll. This decision must be made no later than 11 December 2026²².
37. Such a decision would enable Council to control the date of the poll (as well as removing the need for the community to gather signatures from 5% of the electorate). The poll could then be held alongside the poll on whether to retain the Māori ward, significantly reducing the combined cost.

A valid demand for a poll is unlikely

38. For the avoidance of doubt, staff consider it unlikely that the community will demand a poll on the issue of STV versus FPP for the Tauranga city election.
39. A review of records suggests that in the past 20 years there have only been three polls on the electoral system held by councils in New Zealand²³. Two of those were as a result of a council decision to hold a poll (Whangarei poll in 2019 and Hutt City poll in 2022) and only one as a result of a valid demand from the electorate (Tasman in 2019).
40. All three polls were held as part of the triennial local government elections. All three polls resulted in a clear decision in favour of FPP (80%, 69% and 63% respectively in favour of FPP).

Wider representation review

41. The decision on the electoral system is one part of a wider series of decisions regarding representation and elections.
42. By 31 July 2027, Council must determine by resolution the proposed representation arrangements for the 2028 election²⁴. Such representation arrangements include the number (if any) of wards, the retention or otherwise of the Māori ward, the total number of elected members, the distribution of those elected members across the wards or 'at large', and the inclusion or otherwise of community boards.
43. As noted earlier in this report, both STV and FPP have advantages and disadvantages which mean they may be more suited to differing approaches to other elements considered through the representation review. As such, it is unfortunate that the STV/FPP decision is the first that needs to be made per the legislation. Council may need to consider the potential link with its future decisions when making decisions on this paper.
44. The process to reach a resolved position on the wider representation review is lengthy and may involve 'pre-consultation' with the Tauranga community later in 2026 or early in 2027. Once Council has resolved its initial proposal, the legislation requires:
 - public notice and a period of consultation
 - Council making a final proposal
 - a period for appeals and objections
 - the forwarding of all appeals and objections to the Local Government Commission
 - hearings by the Local Government Commission
 - a final determination by the Local Government Commission
 - appeals to the High Court.

²² Section 31(1), Local Electoral Act 2001

²³ There were approximately 12 polls in 2002 and 2003, just after the legislation was first introduced, some via council resolution and some via public demand

²⁴ Sections 19H, 19J, and 19K, Local Electoral Act 2001

45. A representation review needs to be undertaken at least once every six years. Since the Local Electoral Act 2021 was enacted, this council has undertaken four representation reviews (ahead of the 2004, 2010, 2016, and subsequently-cancelled 2022 elections respectfully). Each of those processes has resulted in appeals or objections to Council's final proposal and therefore the Local Government Commission has made the final decision. In two of these processes, the Local Government Commission has supported Council's final proposal. On the other two occasions it has made amendments²⁵.

STATUTORY CONTEXT

46. See the Background section above for key statutory elements.

STRATEGIC ALIGNMENT

47. 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	✓
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	✓

48. Taken together, all elements of the election process, including the matters covered by this report, enable a strong democratic representation around the Council table and therefore the promotion of all community outcomes.

OPTIONS ANALYSIS

49. Under the LEA there are four options available to Council regarding the electoral system for upcoming elections. Each has different 'next steps' and potential implications. These are outlined under the description of each option. The four options are:

Option A – resolve to retain STV as the electoral system

Option B – resolve to adopt FPP as the electoral system

Option C – make no formal resolution

Option D – resolve to hold a binding poll on the electoral system

50. These options are further considered below. No staff recommendation is provided because this is a political decision.

Option A – resolve to retain STV as the electoral system

51. Under this option:

- Council resolves to retain STV as the electoral system
- Public notice is given of this decision by 19 September 2026, explaining the public's right to demand a poll
- Council waits to see if a valid demand for a poll is forthcoming
- If a poll is demanded, the results of the poll determine the electoral system (for which election will depend on the timing of the valid demand)

²⁵ In 2004, Council proposed three wards of four members each; the LGC then decided on seven members at large and three wards with one member each. In 2010, Council proposed ten members all at large; the LGC then decided on four members at large and three wards with two members each.

52. The advantages and disadvantages (including risks) of this option are broadly as follows:

Advantages	Disadvantages / risks
• STV is the status quo and therefore known to Tauranga voters • STV can better reflect the diversity of voter preferences and therefore can aid representation for minority communities • STV works best with multi-member wards (or at large elections) • STV reduces 'wasted votes' so that more voters contribute to the election of successful candidates	• Perception that STV is more complicated for voters to understand • No other council in BoP uses STV, leaving TCC as an 'outlier' in any future local government reform discussions • Risk that a public demand for a poll might occur after 11 December 2026 potentially resulting in a second binding poll in 2027 at an additional \$500,000 to \$600,000 cost (if the poll date cannot be managed to avoid this).

Option B – resolve to adopt FPP as the electoral system

53. Under this option:

- Council resolves to adopt FPP as the electoral system
- Public notice is given of this decision by 19 September 2026, explaining the public's right to demand a poll
- Council waits to see if a valid demand for a poll is forthcoming
- If a poll is demanded, the results of the poll determine the electoral system (for which election will depend on the timing of the valid demand)

54. The advantages and disadvantages (including risks) of this option are broadly as follows:

Advantages	Disadvantages / risks
• FPP is a simple system. • FPP works best with single-member wards as TCC currently utilises. • All other councils in BoP use FPP, meaning any future local government reform discussions have a common base	• FPP may not be the best system for multi-member wards • Risk that a public demand for a poll might occur after 11 December 2026 potentially resulting in a second binding poll in 2027 at an additional \$500,000 to \$600,000 cost (if the poll date cannot be managed to avoid this).

Option C – Council makes no formal resolution

55. Under this option:

- Council passes no resolution (or a resolution to make no decision)
- As such, STV continues to be the default electoral system for Tauranga
- Public notice is given of this fact by 19 September 2026, explaining the public's right to demand a poll
- Council waits to see if a valid demand for a poll is forthcoming
- If a poll is demanded, the results of the poll determine the electoral system (for which election will depend on the timing of the valid demand)

56. The advantages and disadvantages (including risks) of this option are broadly as follows:

Advantages	Disadvantages / risks
Same advantages as Option 1	- May be perceived as a lack of leadership from Council - Perception that STV is more complicated for voters to understand - No other council in BoP uses STV, leaving TCC as an 'outlier' in any future local government reform discussions - Risk that a public demand for a poll might occur after 11 December 2026 potentially resulting in a second binding poll in 2027 at an additional \$500,000 to \$600,000 cost (if the poll date cannot be managed to avoid this).

Option D – resolve to hold a binding poll on the electoral system

57. Under this option:

- Council resolves to hold a binding poll on the electoral system
- Council does not have to determine a preferred system, the two options are put to the community evenly
- Council can (but does not have to yet) set a date for the binding poll
- The chief executive advises the electoral officer of the decision to hold a poll
- The results of the poll determine the electoral system

58. The advantages and disadvantages (including risks) of this option are broadly as follows:

Advantages	Disadvantages / risks
- The electorate determines the electoral system - Council controls the timing of the poll and therefore can hold it alongside the Māori ward poll without significant additional cost - Council has a clear understanding of the electorate's preference for its election system before entering into any future local government reform discussions	- May be perceived as a lack of leadership from Council - Risk that the public may not want a say in determining the electoral system - Risk that the electoral system becomes a 'secondary' issue in a poll alongside the Māori ward issue (and potentially other non-binding matters at Council's discretion).

FINANCIAL CONSIDERATIONS

59. Because of the additional complexity of the counting process, it is likely that vote processing costs for STV will be slightly higher than for FPP. However, these costs (and therefore the increment) are relatively minor compared to the costs of printing, postage and promotion which make up the majority of election costs, and which are the same under both systems.
60. If a poll is to be held and that poll can be held at the same time as the Māori ward poll, the incremental costs of another question on the ballot are minor.

61. However, if the public demand a poll and the timing cannot fit with the Māori ward poll, then Council will need to run a second poll. The current poll for the Māori ward question has been budgeted in 2026/27 at \$500,000 (though with postal price increases it is expected that number may be exceeded). A second poll would cost the same amount and is not budgeted for. The risk of this expenditure may be mitigated if council can work with the petitioner and the electoral officer to time the poll to coincide with the 2028 election. In those circumstances, the cost of the poll would again be minor.

RISKS AND LEGAL IMPLICATIONS

62. As noted above, the process to be undertaken regarding the decision on the electoral system is clearly set out in the LEA.
63. Risks of different options are outlined in the options section of this report.

TE AO MĀORI APPROACH

64. Within Council's Te Ao Māori approach, the principle of rangatiratanga includes mana motuhake or self determination.
65. With regards to the wider representation review and approach, the biggest opportunity to deliver on this principle is through the retention of the Māori ward. Council has already considered that matter and, on 2 June 2026, resolved to conduct a binding poll of the electorate on whether or not to retain that ward.
66. In regard to the issues covered by this report, one of the advantages of STV is that when it is used for multi-member wards it can better enable representation from minority groups. Depending on decisions made later in the representation review process (i.e. the number of councillors, the number of wards (if any), the number of councillors per ward, the presence (or not) of community boards), STV may allow the opportunity for better representation for Māori than FPP would.

CONSULTATION / ENGAGEMENT

67. No consultation or engagement has been conducted with the community before this paper was written.
68. Once Council makes a decision on this paper (or decides to make no decision), the public will be notified of the opportunity to demand a poll on the electoral system. In previous versions of this decision-making process (in 2017 and 2020), no such poll was demanded.

SIGNIFICANCE

69. 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.
70. 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.
71. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of medium significance. This is because while it affects all voters in the city, the impact of the electoral system on who ultimately is elected is of much less import than the representation arrangements (i.e. wards or not, number of councillors

etc), the number and calibre of those standing for election, the voter turnout, and the voting preferences of those voters.

ENGAGEMENT

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

NEXT STEPS

73. Next steps will depend on the option selected by Council, and are broadly outlined within those options above.
74. Under options A, B and C, public notice of Council's proposed electoral system and of the public's right to demand a poll on the matter will be made by 19 September.
75. Under option D, the chief executive will inform both the electoral officer and the community regarding the upcoming poll.

ATTACHMENTS

Nil

11.8 Draft 2027 Council and Committee Meetings Schedule

File Number: A20688639

Author: Caroline Irvin, Governance Advisor
Sarah Holmes, Team Leader: Governance & CCO Support Services

Authoriser: Christine Jones, General Manager: Strategy, Partnerships & Growth

PURPOSE OF THE REPORT

1. This report provides a draft 2027 Council and Committee meetings schedule for feedback and approval in principle, pending further input from external parties.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Draft 2027 Council and Committee Meetings Schedule".
- (b) Approves the Draft 2027 Council and Committee Meetings Schedule (Attachment 1) in principle and authorises its inclusion in calendar bookings:
 - (i) Pending input from Western Bay of Plenty District Council and Toi Moana Bay of Plenty Regional Council to confirm joint committees and meeting dates,
 - (ii) Subject to incorporation of feedback provided to staff at this meeting.
- (c) Notes that meetings may be rescheduled due to unforeseen conflicts.

EXECUTIVE SUMMARY

2. The proposed January to December 2027 Council and Committee Meeting Schedule (provided as Attachment 1 to this report) gives effect to Tauranga City Council's governance structure, and closely reflects the current 2026 year's meeting schedule.
3. This report seeks Council's approval in principle of the draft meeting schedule (provided as Attachment 1 to this report), subject to inclusion of feedback from this meeting.

DISCUSSION

4. The Council can adopt a schedule of meetings that covers any future period. A 12-month schedule is recommended, as this provides certainty to Elected Members, external appointees and staff, and transparency to the community and media on when meetings will be held over the year ahead.
5. The proposed 2027 meetings schedule (Attachment 1 to this report) adheres to the same principles as the current 2026 schedule, in that it is based on the current governance structure, meets the minimum meeting requirements of all committee and advisory group terms of reference, and, wherever possible, treats the school holiday periods as meeting recess periods.
6. This means that Council meetings are scheduled three-weekly, the City Future Committee and City Delivery Committees are scheduled six-weekly (seven meetings per year), and the Audit and Risk Committee meetings are scheduled quarterly (four per year).
7. The meeting schedule has been prepared on the basis that Tauranga City Council meetings are held on Tuesdays and Thursdays, and external/joint meetings on Wednesdays and Fridays.

8. Ngā Poutiriao ō Mauao meetings are proposed to be held monthly due to the ongoing recovery arising from the events of 22 January 2026.
9. Dates for joint committee meetings administered by TCC have been provided to the governance teams from Toi Moana Bay of Plenty Regional Council, and the Western Bay of Plenty District Council. No immediate issues have been identified; however both councils have advised they have not drafted their meeting schedules yet. TCC staff will continue to liaise with both councils to provide feedback when their schedules are drafted.
10. Dates for joint Tangata Whenua and TCC advisory groups have been scheduled as close as possible to the 2026 dates, however some movement in the proposed 2027 advisory group dates may still be required. Staff will work together with Tangata Whenua representatives to confirm the 2027 dates as soon as possible.
11. Draft dates for Local Government New Zealand (LGNZ) meetings have been considered when preparing the schedule but have not been included in Attachment 1 for simplicity. Where possible, these dates have been avoided. LGNZ dates for 2027 are subject to change and are available on their website: <https://www.lgnz.co.nz/events-networking/events-calendar/>
12. On 16 and 23 March 2027 the City Future Committee and Council meeting have been swapped to allow for Long-Term Plan consultation document adoption timing, and an additional Water Organisation Joint Committee has been added for the committee to consider the Water Services Strategy prior to Council adoption. Long-term Plan hearing and deliberation dates have been included in May.
13. This information is summarised in Table 1 below, which provides key information used to develop the draft 2027 meetings schedule.

Table 1: supporting information incorporated into draft 2027 Meetings Schedule

Meeting of	Preferred meeting day	Frequency (per TOR)	Number scheduled 2027
TCC administered meetings – we set the dates			
Council (excluding hearings & deliberations)	Tuesday	3-weekly	15
City Future Committee	Tuesday (backup: Mon / Wed)	6-weekly	7
City Delivery Committee	Tuesday (backup: Mon / Wed)	6-weekly	7
Audit & Risk Committee	Tuesday (backup: Monday)	4 per year	4
Tangata Whenua/TCC Committee	Wednesday	6 per year	6
Wastewater Management Review Committee	Wednesday	4 per year	4
Ngā Poutiriao ō Mauao	Wednesday	2+ per year	11
Waiāri Kaitiaki Advisory Group	Wednesday	4 per year, or as required	4
Matapihi Southern Pipeline Advisory Group	Thursday	2+ per year	2
Taumata Kahawai Governance Group	Wednesday	Two-monthly, or as required	5

Meeting of	Preferred meeting day	Frequency (per TOR)	Number scheduled 2027
SmartGrowth Leadership Group	Wednesday	4 per year	4
Water Organisation Joint Committee	Friday	Two-monthly, or as required	7
Not administered by TCC – we will engage with partners to reduce likelihood of clashes			
Western Bay of Plenty Transport Committee (<i>BOPRC or WBOPDC administered in 2027</i>)	Friday	Two-monthly, or as required	To be confirmed
Regional Transport Committee (<i>BOPRC administered</i>)	Friday (Tuesday backup)	Quarterly	To be confirmed
Civil Defence & Emergency Management Committee (<i>BOPRC administered</i>)	Friday	Quarterly (or as required)	To be confirmed
Tauranga Moana Advisory Group (<i>BOPRC administered</i>)	Friday	Quarterly (or as required)	To be confirmed
Te Maru o Kaituna River Authority (<i>BOPRC administered</i>)	Friday	As per meeting schedule	To be confirmed
Mayoral Forum	Friday	3 per year	To be confirmed
LGNZ meetings – a summary			
LGNZ Metro Sector	Friday	3 per year	24 Feb 7 May 4 or 5 Nov
LGNZ Zone 2	Friday	3 per year	19 Mar 21 May 19 Nov
LGNZ AGM / Conference	Wed-Fri	Annual	26-30 Jul
LGNZ Te Maruata (group for all Māori elected and appointed members)	Friday	4 per year	5 Mar 11 Jun 10 Sep 3 Dec

STATUTORY CONTEXT

14. Clause 19(6) of Schedule 7 of the Local Government Act 2002 provides for the Council to adopt a meeting schedule to cover any future period.

STRATEGIC ALIGNMENT

15. 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	☐

- We are a well-planned city ☐
- We can move around our city easily ☐
- We are a city that supports business and education ☐

16. Providing advance notice of Tauranga City Council's proposed meeting schedule for the upcoming year enables our communities to participate in their local democracy and stay informed about the council's plans and activities.

OPTIONS ANALYSIS

Option 1 – Approve the January to December 2027 Meetings Schedule in principle, subject to inclusion of feedback provided at this Council meeting (Recommended).

17. This option would enable the Elected Members, external appointees, staff, media and the public to know when meetings are scheduled for the year ahead. This would assist with openness and transparency for our communities, and in enabling participation in local democracy.
18. This option would also enable staff to book 2027 meetings into committee and group members' calendars, and to set up the report-writing system for the year ahead.

Option 2 – Do not approve the 2027 January to December Meetings Schedule in principle at this time.

19. This option would not enable the people involved or our wider communities to know when meetings are scheduled for the year ahead until a later date.
20. A decision would be needed on whether the schedule should be reported back to Council, and when.

CONSULTATION / ENGAGEMENT

21. Staff will continue to engage with LGNZ, partner councils, advisory group members, and Tangata Whenua representatives to confirm all meeting dates for the 2027 calendar year.

SIGNIFICANCE

22. 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.
23. 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.
24. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance.

ENGAGEMENT

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

NEXT STEPS

26. If Option 1 is approved, 2027 meeting calendar requests will be sent out to Elected Members, external appointees and relevant staff as soon as possible after this meeting. Meetings will be publicly notified on Council's website.
27. If Option 2 is approved, an updated report incorporating feedback from this Council meeting will be provided to a future Council meeting for approval.

ATTACHMENTS

1. **Draft 2027 Meeting Schedule - A20943202** [!\[\]\(448bd415caa8b52d2aeb4d58499267b2_img.jpg\)](#) 

DRAFT Tauranga City Council Meeting Schedule for 2027																											
		January		February		March		April		May		June		July		August		September		October		November		December			
Sat	30								1				31													Sat	
Sun	31								2						1											Sun	
Mon			1		1				3						2						1					Mon	
Tue			2	Council	2	City Delivery Committee			4	Council	1	City Delivery Committee			3	Audit & Risk Committee					2	Council				Tue	
Wed			3	Nga Poutiriao o Mauao	3	Nga Poutiriao o Mauao			5		2	Taumata Kahawai Governance Group			4		1	Wastewater Mgt Review Committee			3		1	TW / TCC Committee	Wed		
Thu			4		4		1	Taumata Kahawai Governance Group	6		3		1		5		2				4		2			Thu	
Fri	1	New Year's Day	5		5		2		7		4		2		6		3		1	School Holidays	5		3			Fri	
Sat	2		6	Waitangi Day	6		3		8		5		3		7		4		2		6		4			Sat	
Sun	3		7		7		4		9		6		4		8		5		3		7		5			Sun	
Mon	4	Day after New Year's Day Observed	8	Waitangi Day Observed	8		5		10	LTP Hearings	7	King's Birthday	5	School Holidays	9		6		4	School Holidays	8		6			Mon	
Tue	5	School Holidays	9	City Future Committee	9		6	Council	11	City Future Committee	8	Nga Poutiriao o Mauao	6	School Holidays	10	Council	7	City Delivery Committee	5	School Holidays	9	City Future Committee	7	Wastewater Mgt Review Committee		Tue	
Wed	6	School Holidays	10	Taumata Kahawai Governance Group	10	Waiāri Kaitiaki AG	7	Nga Poutiriao o Mauao	12	Wastewater Mgt Review Committee	9	Waiāri Kaitiaki AG	7	School Holidays	11	Taumata Kahawai Governance Group	8	Nga Poutiriao o Mauao	6	School Holidays	10		8	Nga Poutiriao o Mauao		Wed	
Thu	7	School Holidays	11		11	Matapihi Southern Pipeline Advisory Group	8		13	LTP Hearings	10		8	School Holidays	12		9		7	School Holidays	11		9			Thu	
Fri	8	School Holidays	12	Water Organisation Joint Committee	12	Water Org Joint Committee (Water Services Strategy recommendation)	9	Water Organisation Joint Committee	14	LTP Hearings	11	Water Organisation Joint Committee	9	School Holidays	13	Water Organisation Joint Committee	10		8	School Holidays	12		10	Water Organisation Joint Committee		Fri	
Sat	9		13		13		10		15		12		10		14		11		9		13		11			Sat	
Sun	10		14		14		11		16		13		11		15		12		10		14		12			Sun	
Mon	11	School Holidays	15		15		12	School Holidays	17		14		12	School Holidays	16		13		11		15		13			Mon	
Tue	12	School Holidays	16	Audit & Risk Committee	16	City Future Committee	13	School Holidays	18	Audit & Risk Committee	15	Council	13	School Holidays	17	City Future Committee	14	Council	12	Council	16		14	Council		Tue	
Wed	13	School Holidays	17	Wastewater Mgt Review Committee	17	SmartGrowth Leadership Group	14	School Holidays	19	Nga Poutiriao o Mauao	16	SmartGrowth Leadership Group	14	School Holidays	18	Nga Poutiriao o Mauao	15	SmartGrowth Leadership Group	13	Nga Poutiriao o Mauao	17	Nga Poutiriao o Mauao	15	SmartGrowth Leadership Group		Wed	
Thu	14	School Holidays	18		18		15	School Holidays	20		17		15	School Holidays	19		16	Matapihi Southern Pipeline Advisory Group	14		18		16			Thu	
Fri	15	School Holidays	19		19		16	School Holidays	21		18		16	School Holidays	20		17		15	Water Organisation Joint Committee	19		17			Fri	
Sat	16		20		20		17		22		19		17		21		18		16		20		18			Sat	
Sun	17		21		21		18		23		20		18		22		19		17		21		19			Sun	
Mon	18	School Holidays	22		22		19	School holidays	24	LTP Deliberations	21		19		23		20		18		22		20		School Holidays	Mon	
Tue	19	School Holidays	23	Council	23	Council (Adopt LTP CD)	20	School holidays	25	Council	22	City Future Committee	20	Council	24		21	City Future Committee	19	City Delivery Committee	23	Council	21		School Holidays	Tue	
Wed	20	School Holidays	24	TW / TCC Committee	24		21	School holidays	26	LTP Deliberations	23	TW / TCC Committee	21	Nga Poutiriao o Mauao	25	TW / TCC Committee	22	Waiari Kaitiaki AG	20	TW / TCC Committee	24	Waiāri Kaitiaki AG	22		School Holidays	Wed	
Thu	21	School Holidays	25		25		22	School holidays	27	LTP Deliberations	24		22		26		23		21		25		23		School Holidays	Thu	
Fri	22	School Holidays	26		26	Good Friday (Easter)	23	School holidays	28	LTP Deliberations	25	Matariki	23		27		24		22		26		24		School Holidays	Fri	
Sat	23		27		27		24		29		26		24		28		25		23		27		25	Christmas Day	Sat		
Sun	24		28		28		25		30		27		25		29		26		24		28		26	Boxing Day	Sun		
Mon	25	Auckland Anniversary			29	Easter Monday	26	Anzac Day Observed	31		28		26		30		27	School Holidays	25	Labour Day	29		27		School Holidays	Mon	
Tue	26	School Holidays			30		27	City Delivery Committee			29	Council (LTP Adoption)	27	City Delivery Committee	31	Council	28	School Holidays	26	Audit & Risk Committee	30	City Delivery Committee	28		School Holidays	Tue	
Wed	27	School Holidays			31		28	TW/TCC Committee			30	Nga Poutiriao o Mauao	28				29	School Holidays	27	Taumata Kahawai Governance Group			29		School Holidays	Wed	
Thu	28	School Holidays					29						29				30	School Holidays	28				30		School Holidays	Thu	
Fri	29	School Holidays					30						30						29				31		School Holidays	Fri	

11.9 Deliberations - Proposed fireworks and real estate sign amendments to the Street Use and Public Places Bylaw 2026

File Number: A20509280

Author: Josh Logan, Team Leader: Policy & Corporate Planning
Jane Barnett, Policy Analyst

Authoriser: Sarah Omundsen, General Manager: Regulatory and Community Services

PURPOSE OF THE REPORT

1. To consider submissions received on the proposed fireworks and real estate sign amendments to the Street Use and Public Places Bylaw 2026 and make decisions on the proposed amendments.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Deliberations - Proposed fireworks and real estate sign amendments to the Street Use and Public Places Bylaw 2026".
- (b) Approves the minor amendments to the proposed fireworks provisions in the draft Street Use and Public Places Bylaw 2026, as set out in **Attachment One**.
- (c) Determines that the maximum permitted size for real estate signs displayed in a public place²⁶ be:
 - (i) 1200 mm high by 800 mm wide; **OR**
 - (ii) a maximum area of 2.2 m²; **OR**
 - (iii) 1800 mm high by 1200 mm wide.
- (d) Determines, in accordance with section 155 of the Local Government Act 2002, that the amendments to the Street Use and Public Places Bylaw 2026 are the most appropriate way of addressing the perceived problems, are in the most appropriate form of the bylaw, and do not give rise to any implications under, or any inconsistencies with, the New Zealand Bill of Rights Act 1990 (**Attachment Two**).
- (e) Notes the Consistency Accountability Statement (**Attachment Three**).
- (f) Adopts the amendments to the Street Use and Public Places Bylaw 2026, incorporating the decisions made under recommendations (b) and (c).
- (g) Resolves that all amendments come into force on 1 October 2026, except that if recommendation (c)(i) is adopted, the amendments relating to real estate signs come into force on 1 September 2027.
- (h) Authorises the General Manager: Regulatory and Community Services to make minor or technical amendments prior to publication.

²⁶ Public place means an area that is open to or used by the public, and which is owned, managed, maintained or controlled by Tauranga City Council. Public places include, but are not limited to roads, streets, footpaths, alleys, cycle tracks, lanes, accessways, carparks, reserves, parks, domains, beaches, foreshore, berms, verges and recreational grounds.

EXECUTIVE SUMMARY

2. Council consulted on proposed amendments to the Street Use and Public Places Bylaw 2026. The draft amendments would prohibit the use of fireworks in public places without prior approval and amend the maximum permitted size of real estate signs displayed in public places. A public place is an area open to, or used by, the public and is owned, managed, maintained or controlled by Tauranga City Council.
3. Consultation was undertaken between 15 June 2026 and 17 July 2026. A total of 627 submissions were received, including 553 submissions on fireworks and 358 submissions on real estate signs. Six submitters spoke to their submissions during hearings on 11 August 2026.
4. Strong support was received for prohibiting fireworks in public places, with 88% of submitters supporting the proposal. Key reasons included concerns about animal welfare, public safety, fire risk, environmental impacts, noise and nuisance effects. Council staff recommend retaining the proposed amendment with minor changes to improve clarity and address feedback from Fire and Emergency New Zealand.
5. Feedback on real estate sign dimensions in public places was more varied. The most supported option was a maximum dimension of 1200 mm high by 800 mm wide (40%). The next most supported responses were an area-based limit of up to 2.2 m² (22%) and dimensions of 1800 mm high by 1200 mm wide (21%). Both of these options would permit signs with more than twice the area of a 1200 mm high by 800 mm wide sign. These options apply only to real estate signs in public places. There is currently no maximum size limit for real estate signs on private property.
6. The proposed amendments are not expected to have any significant financial implications or risks for Tauranga City Council.
7. In accordance with the Local Government Act 2002 (the LGA), the proposed amendments are assessed as:
 - the most appropriate and proportionate method for managing public spaces;
 - the most appropriate form of bylaw; and
 - consistent with the New Zealand Bill of Rights Act 1990.
8. The proposed amendments have also been assessed for consistency with the principles of responsible regulation set out in section 9 of the Regulatory Standards Act 2025, and no inconsistencies were identified. A draft Consistency Accountability Statement has been prepared to confirm this, together with the Summary of Underpinning Analysis. If the amendments are adopted, the Chief Executive will sign the Consistency Accountability Statement, and it will be published with the bylaw.
9. Council staff recommend the adoption of the revised fireworks provisions and seek Council's direction on the preferred maximum size for real estate signs. Once Council has made its decision, the amendments will be incorporated into the Street Use and Public Places Bylaw 2026. The amended bylaw will be brought into force from 1 October 2026, except that if a maximum sign size of 1200 mm by 800 mm is adopted, a transition period until 1 September 2027 is recommended to allow those currently using larger signs time to adjust to the new size requirement.

BACKGROUND

10. During consultation on the draft Street Use and Public Places Bylaw in 2025, concerns were raised about the impacts of fireworks on animals, public safety, nuisance, fire risk and environmental damage. As fireworks provisions were outside the scope of the 2025 consultation, further consultation was required before Council could consider amendments to address these issues.

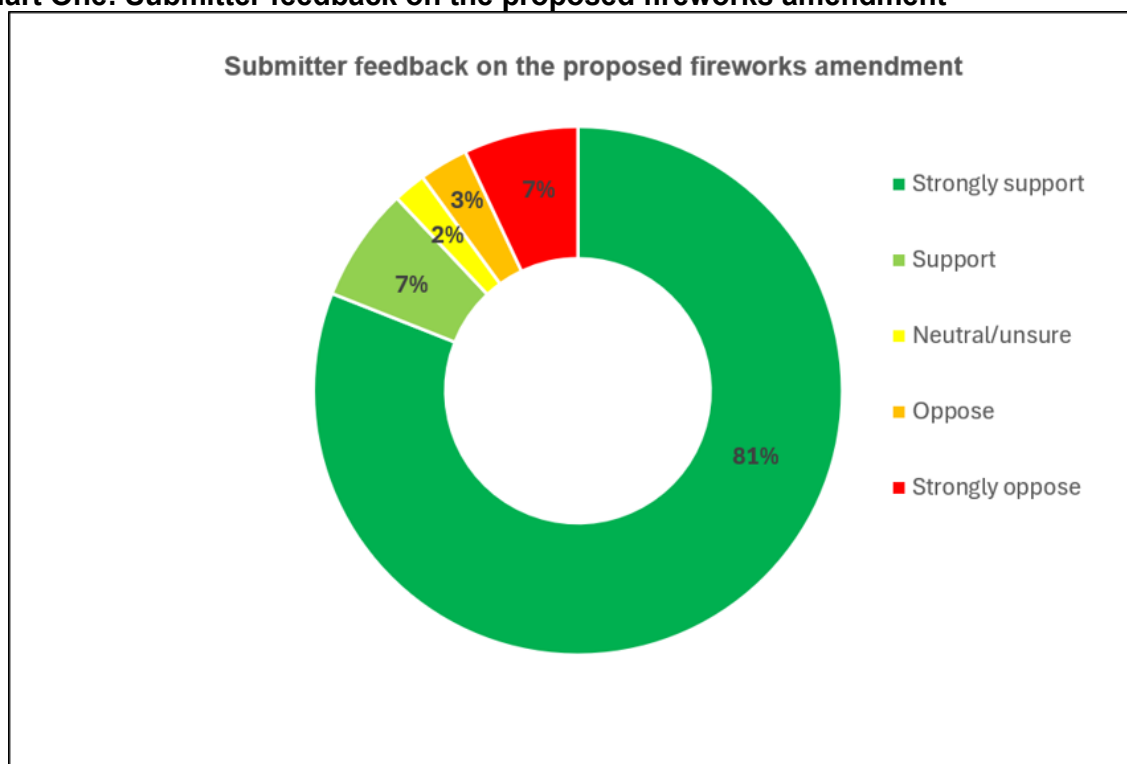
11. On 3 March 2026, Council adopted the Street Use and Public Places Bylaw 2026, including provisions introducing maximum size limits for real estate signs in public places of 1200 mm high by 800 mm wide.
12. Following adoption, Council received feedback from real estate industry representatives regarding the impacts of the new bylaw provisions on existing sign stock and infrastructure.
13. On 2 June 2026, Council resolved to undertake community consultation on proposed amendments to the Street Use and Public Places Bylaw 2026 relating to:
 - prohibiting the use of fireworks in public places unless prior approval has been granted; and
 - amending the maximum permitted size for real estate signs displayed in a public place.
14. This consultation was undertaken from 15 June 2026 to 17 July 2026.
15. A total of 627 submissions²⁷ were received, including 553 submissions on fireworks and 358 submissions on real estate signage. As submitters could provide feedback on one or both topics, the combined total exceeds the number of submissions received.
16. Social media activity generated 121 comments and 87 reactions across Tauranga City Council's channels and advertising campaigns. The views expressed aligned with the themes identified in the formal submissions and are discussed below.

5. SUBMISSION SUMMARY

6. Fireworks submissions

17. The consultation showed strong support for prohibiting fireworks in public places. Of the 553 submitters who provided feedback on the fireworks proposal, 88% (487) supported it, including 81% (446 submitters) who strongly supported it and 7% (41) who supported it.
18. 10% (55) of submitters did not support the proposal, including 7% (36) who strongly opposed it and 3% (19) who opposed it. A further 2% (11) were neutral or unsure.

7. Chart One: Submitter feedback on the proposed fireworks amendment



8.

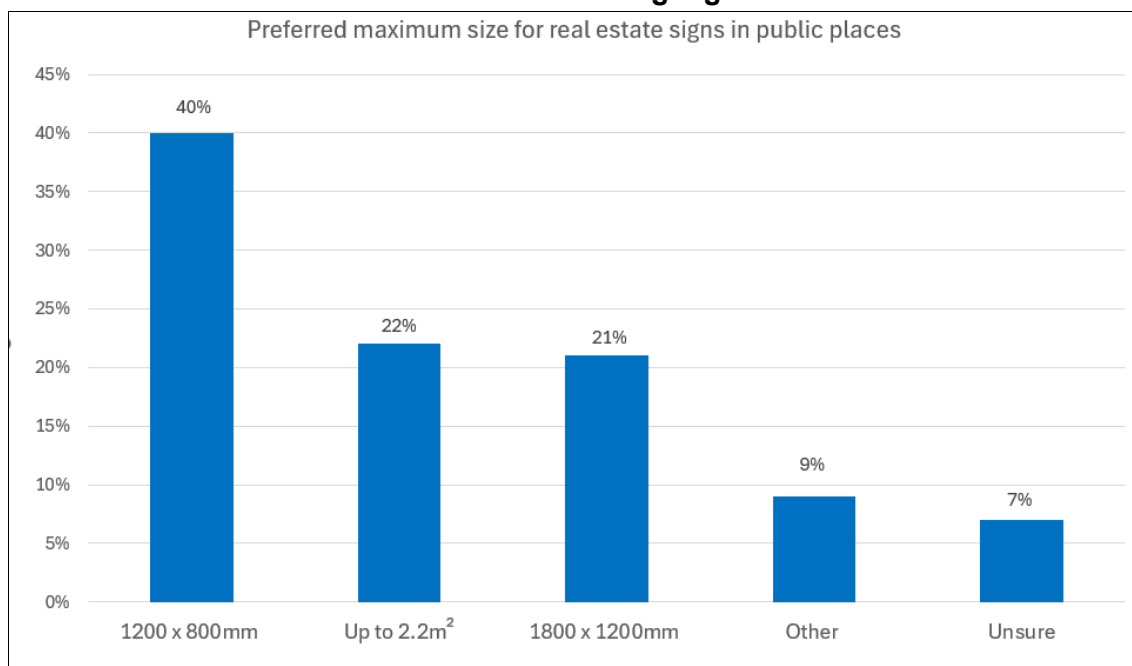
²⁷ Refer to Item 11.2, Attachments One and Two, 11 August 2026 Council agenda [Submissions of the proposed fireworks and real estate sign amendments](#)

19. The primary concern raised by submitters who supported the proposal related to the impact of fireworks on animals, including pets, livestock and wildlife. Many raised concerns about the distress, injury and harm caused by fireworks, particularly when they are used unpredictably throughout the year.
20. Other frequently cited reasons for support included public safety, fire risk, noise and disruption to residents, damage to property, environmental impacts and litter left in public places.
21. Submitters who did not support the proposal generally considered that fireworks can be used safely and responsibly by most people and that the proposal would unnecessarily restrict personal choice and enjoyment.
22. Other submitters considered that open public spaces, such as beaches and parks, can provide safer locations for fireworks than smaller residential properties. Some questioned how the proposal would be enforced.
23. Approximately 28% of submitters called for a total ban on the sale of fireworks. These submitters generally considered that the proposed amendment did not go far enough to address concerns relating to public safety, animal welfare, fire risk, noise and environmental impacts. The regulation of fireworks sales is governed by national legislation and is outside the scope of the bylaw.
24. A small number of submitters also requested additional restrictions on the timing of fireworks use, including limiting the hours or dates during which fireworks may be discharged. Many of these submitters sought restrictions that would apply to the use of fireworks on private property. As the proposed amendment relates to the use of fireworks in public places, this is also outside the scope of the proposal.
25. Fire and Emergency New Zealand (FENZ) sought drafting amendments including clarification that professional pyrotechnic displays are covered by the bylaw, use relevant legislative definitions, and confirmation that any approval granted under the bylaw does not override fire prohibitions or restrictions imposed by FENZ. These recommendations are considered in the options analysis section below.

9. Real estate sign submissions

26. Of the 358 submitters who provided feedback on preferred sign size, 40% (144 submitters) preferred a maximum size of 1200 mm high by 800 mm wide, a further 22% (78) preferred a maximum size of up to 2.2 m², while 21% (77) preferred a maximum size of 1800 mm high by 1200 mm wide. Of the remaining submitters, 9% (32) preferred another size or option and 7% (27) were unsure or had no opinion.
27. While the largest proportion of submitters preferred a maximum size of 1200 mm by 800 mm, a significant proportion preferred either a larger maximum size (21%) or a maximum area of up to 2.2 m² (22%), indicating a range of views on the appropriate size. Both of these larger options would permit signs more than double the area of the 1200 mm × 800 mm size.
28. Responses received under the "other" category reflected a wide range of views. Views ranged from prohibiting real estate signs in public places or requiring smaller signs, through to retaining the current rules or removing size restrictions. A small number of submitters suggested alternative dimensions. However no consistent alternative size emerged.
29. Submitters who preferred smaller signs generally considered they would reduce visual clutter and be less intrusive. Many also considered smaller signs to be safer, citing concerns about signs obstructing visibility for drivers, pedestrians and cyclists, particularly near driveways and intersections. Several submitters noted that most property searches now begin online and considered larger signs unnecessary.
30. Submitters who preferred larger signs or greater flexibility in sign size considered that signage was an important marketing and wayfinding tool that helps prospective purchasers identify and locate properties. Many commented that larger signs improve visibility, readability, and the ability to display photographs, and property information.

10.

11. **Chart Two: Submitter feedback on real estate signage size**

12.

31. Submitters who preferred the option of signs up to 2.2 m² generally supported the flexibility it would provide in sign design and configuration. Many considered a maximum sign area to be preferable to prescribed dimensions, as it would better accommodate different property types and marketing requirements while maintaining an overall size limit. Some noted the potential costs and waste associated with replacing existing signs and signage infrastructure.
32. A number of submitters said that signage should primarily focus on identifying and promoting the property for sale and expressed concern about the prominence of real estate agency and salesperson branding on some signs.
33. The bylaw defines a real estate sign as a sign advertising the sale, lease, rental or auction of all or part of a property or premises. This is distinct from a business sign, which advertises or identifies a business, service, trade, profession or occupation. Business signs on private property are regulated through the City Plan and business signs displayed in a public place are regulated through the bylaw. While real estate signs commonly include the branding of real estate agencies and salespeople, their primary purpose under the bylaw is to advertise the property or premises being offered for sale, lease, rental or auction.

STATUTORY CONTEXT

34. The Street Use and Public Places Bylaw 2026 is made under the Local Government Act 2002 (LGA), the Health Act 1956, the Litter Act 1979 and the Land Transport Act 1998.
35. The proposed amendments were publicly consulted on using the special consultative procedure in accordance with the Local Government Act 2002.
36. Before adopting the amended bylaw, Council must be satisfied that the requirements of section 155 of the LGA have been met and must have regard to the principles of responsible regulation in section 9 of the Regulatory Standards Act 2025.
37. Section 155 of the LGA sets out that Council must determine whether a bylaw is the most appropriate way of addressing the perceived problem, whether it is in the most appropriate form and whether it gives rise to any implications under the New Zealand Bill of Rights Act 1990. This analysis is presented in **Attachment Two**.
38. Since 1 July 2026, the Regulatory Standards Act 2025 has required secondary legislation, including bylaw amendments, to be accompanied by a Consistency Accountability Statement and a Summary of Underpinning Analysis that assess consistency with the principles of

responsible regulation set out in the Act. These documents have been prepared and are included as **Attachment Three**.

STRATEGIC ALIGNMENT

39. 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	✓
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	✓

13.

40. The proposed amendments to the Street Use and Public Places Bylaw align with all five community outcomes. They seek to balance public safety, environmental protection, amenity, business activity and community events through the management of activities in public places. Specifically, the proposed amendments:

- support an inclusive city by reducing the potential adverse effects of fireworks on residents, vulnerable people and animals;
- value, protect and enhance the environment by reducing the fire risk and other environmental impacts associated with fireworks;
- contribute to a well-planned city that is easy to move around through the effective management of activities in public places;
- support business by providing a clear framework for real estate signage size; and
- support a vibrant city that embraces events by continuing to enable approved fireworks displays.

OPTIONS ANALYSIS

14. Fireworks

41. The consultation showed strong support for the proposed amendment to prohibit fireworks in public places (unless prior approval has been granted). While some submitters raised concerns regarding the sale of fireworks and their use on private property, these matters fall outside the scope of the bylaw.
42. FENZ was supportive of the proposed fireworks amendments but suggested a number of changes to clarify the intent and operation of the bylaw. The table below summarises the issues raised by FENZ and the staff assessment and recommended response.

15.

16. Table One: Issues raised by FENZ

17. Issue raised	18. Recommended response
19. Amend clause 7.3 to refer to approval from Tauranga City Council.	20. Legal advice confirms this is unnecessary. The proposed definitions of <i>Approval</i> and <i>Authorised Officer</i> already make it clear that approval is granted by Tauranga City Council. Retaining <i>Approval</i> avoids unnecessary repetition.
Clarify that Council approval does not override any prohibition or restriction imposed by FENZ.	22. Change clause 7.5 to an explanatory note clarifying that compliance with FENZ restrictions remains required: 23. Explanatory note: <i>Nothing in clauses 7.3 or 7.4, including any approval granted under this bylaw, removes the requirement to comply with any prohibition or restriction imposed by Fire and Emergency New</i>

17. Issue raised	18. Recommended response
21.	<i>Zealand. Check before you light a fire at Check before you light</i>
Clarify that professional pyrotechnic displays are captured by the bylaw and reinstate the legislative definition of fireworks. 24.	25. Change the definition of <i>Fireworks</i> in the amended bylaw to: 26. Fireworks has the same meaning as firework in section 3 of the <i>Hazardous Substances (Fireworks) Regulations 2001</i>. 27. Expressly refer to <i>pyrotechnics</i> in clause 7.3, and include an explanatory note regarding WorkSafe requirements for pyrotechnic displays: 28. <i>Clause 7.3 No person may light any fire, fireworks or pyrotechnics in any public place without Approval.</i> 29. Explanatory note: <i>Pyrotechnic displays are subject to separate regulatory requirements administered by WorkSafe New Zealand.</i>

30.

43. These proposed fireworks amendments have been updated to reflect the matters raised by FENZ and are recommended for adoption by Council.

31. Table Two: Proposed fireworks amendments

32. Option	33. Advantages	34. Disadvantages
35. Option One: Adopt the revised fireworks amendments incorporating FENZ's feedback. 36. Recommended	• Gives effect to the outcome supported by 88% of submitters. • Responds to concerns raised of public safety, fire risk, impacts on animals, noise and disruption, damage to property, environmental impacts • Addresses issues raised by FENZ to improve clarity of the bylaw.	• 10% of submitters oppose the amendments. • Some submitters thought it would unnecessarily restrict personal choice and enjoyment. • Some submitters considered public places such as parks and beaches provide safer locations for fireworks than smaller residential properties.
37. Option Two: Retain the wording of the draft fireworks amendments. 38.	• Gives effect to the outcome supported by 88% of submitters. • Responds to concerns raised about public safety, fire risk, impacts on animals, noise and disruption, damage to property, environmental impacts. 39.	• Does not address issues raised by FENZ. • 10% of submitters oppose the amendments. • Some submitters considered it would unnecessarily restrict personal choice and enjoyment. • Some submitters considered public places such as parks and beaches provide safer locations for fireworks than smaller residential properties.
40. Option Three: Do not amend the bylaw	• 10% of submitters oppose the amendments. • Some submitters considered the proposal would unnecessarily restrict personal choice and enjoyment. • Some submitters considered public places such as parks and beaches provide safer	• Does not respond to the concerns raised by the majority of submitters. • Does not address concerns relating to public safety, fire risk, impacts on animals, noise and disruption, damage to property, environmental impacts and litter. • Does not provide the council with

32. Option	33. Advantages	34. Disadvantages
	locations for fireworks than smaller residential properties.	an approval process to manage the lighting of fireworks and pyrotechnics in public places. Does not respond to concerns raised by FENZ.

41. Real Estate Signs

44. Submitters had a range of views on the size of real estate signs. Table Three below sets out the options for Council's consideration.
45. These options apply only to real estate signs located in a public place. There is currently no maximum size limit for real estate signs located on private property, and this is outside the scope of the bylaw.
46. If Council adopts Option One, it is recommended that the amendment comes into force on 1 September 2027 to allow sufficient time for the real estate industry to transition to the smaller sign size.

42. Table Three: Real estate sign sizes

43. Option	44. Advantages	45. Disadvantages
46. Option One: Maximum size of 1200 mm high x 800 mm wide. 47. 48. Note: If Council adopts Option One, it would come into force on 1 September 2027 to allow for a transition period.	- Preferred by the largest proportion of submitters (40%). - Responds to submitters' concerns about visual clutter, amenity and safety. - Reduces the potential for signs to obstruct visibility for drivers, pedestrians and cyclists. - Reflects feedback that larger signs are often unnecessary given the increasing use of online property listings.	- May require some agencies to replace existing sign frames and signage infrastructure. - Provides less space for photographs, property information and agency branding. 43% of submitters preferred a larger size.
49. Option Two: Adopt the proposed draft amendment providing for a maximum area of 2.2 m².	- Provides flexibility in sign design and configuration. - Supported by 22% of submitters. A further 21% supported the dimensions in Option Three, which equate to a similar area. - May reduce costs and waste associated with replacing existing sign frames and signage infrastructure.	- Does not address concerns about visual clutter and amenity impacts to the same extent as smaller signs. - More difficult to assess compliance than a sign with prescribed dimensions. 40% of submitters preferred the smaller size of 1200 mm x 800 mm.
50. Option Three: Maximum size of 1800 mm high x 1200 mm wide.	- Allows more space for photographs and property information. - Supports submitter feedback that signage remains an important marketing tool. - May better accommodate existing	- Greater potential to obstruct visibility at driveways, intersections and pedestrian crossings. - Does not respond to concerns raised by submitters regarding the

43. Option	44. Advantages	45. Disadvantages
	sign frames and sign infrastructure. Supported by 21% of submitters. A further 22% supported the maximum size area option in Option Two, which would allow a similar overall sign size.	prominence and scale of real estate signs. 40% of submitters preferred the smaller size of 1200 mm x 800 mm. 51.

FINANCIAL CONSIDERATIONS

47. There are no significant financial implications arising from the recommendations in this report. Any costs associated with implementation, communications, monitoring, and enforcement will be met from within existing budgets.

RISKS AND LEGAL IMPLICATIONS

48. There are no significant legal implications associated with the recommendations in this report. Statutory requirements relating to the making of the amended bylaw, including the section 155 Local Government Act 2002 assessment and New Zealand Bill of Rights Act 1990 considerations, have been addressed through this report and attachments two and three.
49. The primary risk associated with the proposed amendments is stakeholder dissatisfaction where Council's final decisions differ from submitter preferences. This risk is mitigated through the completion of public consultation, hearings, and consideration of submissions before final decisions are made.

TE AO MĀORI APPROACH

50. Te Rangapū Mana Whenua o Tauranga Moana was notified of the consultation and invited to provide feedback.
51. Ngā Poutiriao o Mauao made a submission expressing concerns about fireworks being launched from Mauao during Guy Fawkes. The submission acknowledged that Mauao is a tūpuna and taonga and stated that the use of fireworks on the maunga is inconsistent with the respect and reverence afforded to it.
52. The recommendations in this report have considered the views raised through consultation. The proposed fireworks amendments align with the principle of kaitiakitanga by reducing potential adverse effects on the natural environment and culturally significant places. The real estate sign amendments are regulatory in nature and are not considered to have an impact on Council's Te Ao Māori approach.

CLIMATE IMPACT

53. The proposed amendments are not expected to have a significant climate impact. However, the proposed fireworks amendments may provide minor environmental benefits through reduced litter and pollution, less damage to vegetation in public places, and reduced disturbances to wildlife. These changes may have positive effects on nature and biodiversity.

CONSULTATION / ENGAGEMENT

54. Consultation was completed using the special consultative procedure under the LGA, providing affected parties and the wider community with an opportunity to provide feedback before Council makes a final decision.

SIGNIFICANCE

55. 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.
56. In making this assessment, consideration has been given to the likely impact, and likely consequences for:
- 52. (a) the current and future social, economic, environmental or cultural well-being of the district or region
 - 53. (b) any persons who are likely to be particularly affected by, or interested in, the decision on the proposed amendments to the Street Use and Public Place Bylaw 2026; and
 - 54. (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.
57. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision on the proposed amendments is of medium significance.
58. If adopted, the fireworks amendment would introduce a new rule for public places and would affect a broad range of users, including individuals, community groups and event organisers.
59. While important to sections of the community, the proposal:
- applies only to public places;
 - allows approved and controlled public firework displays to continue; and
 - does not involve a significant financial implications or long-term constraints on Tauranga City Council's ability to perform its role.
60. The proposed amendments relating to real estate signs affect a specific stakeholder group and have implications for amenity and the use of public places. However, they do not materially affect Council finances, strategic assets or levels of service.
61. Taken together, the amendments are considered to be of medium significance because they affect the use of public places and are of public interest to a range of stakeholders, but do not meet the thresholds for high significance under the policy.

ENGAGEMENT

62. Taking into consideration the above assessment, that the decision is of medium significance, and that community consultation has occurred, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

63. Following Council's direction, the amended Street Use and Public Places Bylaw 2026 will be publicly notified and published in accordance with legislative requirements.
64. Staff will update the website and operational processes as required to support implementation of the amended provisions before they come into force on the dates approved by Council.

ATTACHMENTS

1. **Revised amendments to the Street Use and Public Places Bylaw 2026 - A20955629**  
2. **Section 155 Analysis - fireworks and real estate sign amendments - A20955627**  
3. **Summary of Underpinning Analysis in accordance with the Regulatory Standards Act 2025 - A20955647**  

STREET USE AND PUBLIC PLACES BYLAW 2026



First adopted	8 December 2005	Minute reference	M05/142
Revisions/amendments	18 March 2013 20 November 2018 27 February 2020 3 March 2026 <i>2 September 2026</i>	Minute references	M13/12 M18/101.6 CO2/20/3 CO/26/3/1
Review date	March 2036		
Engagement required	Special Consultative Procedure		
Associated documents	Street Use Policy 2024 Traffic and Parking Bylaw 2023 Use of Council Land Policy 2022 Freedom Camping Bylaw 2019 Beaches Bylaw 2018 Alcohol Control Bylaw 2018 Dog Management Bylaw 2018 Dog Management Policy 2018		
Relevant legislation	This bylaw is made under sections 145 and 146 of the Local Government Act 2002, section 22AB of the Land Transport Act 1998, section 64 of the Health Act 1956 and section 12 of the Litter Act 1979.		

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1. TITLE

- 1.1. This bylaw is the Street Use and Public Places Bylaw 2026.

2. COMMENCEMENT

- 2.1. This bylaw comes into force on 1 July 2026.
- 2.2. **Clauses 7.3 to 7.5 (Fireworks) come into force on 1 October 2026.**

[If Council adopts resolution (c) (i) and sets the maximum size for real estate signs in public places at 1200 mm high x 800 mm wide, insert clause 2.3 below]

- 2.3. **Despite clause 2.1, clause 14.3 (Real Estate Signs) comes into force on 1 September 2027.**

3. APPLICATION

- 3.1. This bylaw applies to Tauranga City.

4. PURPOSE

- 4.1. The purpose of this bylaw is to:
- (a) protect the public from nuisance, promote and maintain public health and safety and minimise the potential for offensive behaviour in public places;
 - (b) protect the environment, land, structures, property and assets managed or under the control of Tauranga City Council; and
 - (c) regulate commercial activity in public places.

5. DEFINITIONS

- 5.1. For the purposes of this bylaw words which refer to the singular include the plural, and the plural includes the singular.
- 5.2. For the purposes of this bylaw the following definitions shall apply:

Term	Definition
Approval	means a licence, permit, or other form of written permission granted by an authorised officer under this bylaw, which must be obtained before undertaking the activity to which it relates, and includes any conditions to which the approval is subject. The approval will include the duration of the approval period.
Authorised Officer	means an employee or contractor of Tauranga City Council who carries out duties under this bylaw as part of their role and includes any person who has been formally delegated authority to exercise powers under this bylaw.
Bylaw	means the Tauranga City Council Street Use and Public Places Bylaw.

Term	Definition
Commercial Activity	means any activity undertaken for payment or reward whether direct or indirect. This includes but not limited to: (a) trading; (b) advertising goods, services; (c) street performing; (d) promotional giveaways.
Commercial Display	means any temporary structure, installation or arrangement placed in a public place for the purpose of promoting, selling or advertising goods, services or brands. This includes, but is not limited to: (a) retail displays such as product stands and promotional tables; (b) coin-operated machines including vending machines amusement devices or similar equipment; (c) advertising activations such as temporary installation and branded props.
Community Event Sign	means any sign advertising an event (regardless of frequency) or community message.
Council	means the elected member body representing Tauranga City.
Directional Real Estate Sign	means a temporary sign used to guide potential buyers or renters to a property that is for sale or lease and is open for viewing as part of an open home or to auction event.
Election Sign	means any sign that: (a) may reasonably be regarded as encouraging or persuading a person to vote or not vote for a candidate, party, type of candidate or party, or in any particular way; and (b) is associated with an election, by-election, poll or referendum; (i) in the Electoral Act 1993, Local Electoral Act 2001 or any legislation that enables a referendum; or (ii) relating to a trust which owns shares in a public utility company for the benefits of its beneficiaries in Tauranga City.
Event	means a temporary, organised activity that takes place on one or more days in a public place, and may include community, cultural, commemorative, recreational, sporting, artistic, educational, or entertainment activities. For the purposes of this bylaw, "event" does not include informal recreation (for example, a picnic in a park) or peaceful protest or demonstration protected under the New Zealand Bill of Rights Act 1990.

Term	Definition
Filming	means the recording of images, moving or still, for commercial purposes or at a scale that might unduly obstruct use of a public place.
Fireworks	has the same meaning as firework in section 3 of the Hazardous Substances (Fireworks) Regulations 2001.
Footpath	means a path or way principally designed for and used by pedestrians and includes a footbridge.
Frontage	means the area directly between the shop front and the road kerb.
Magazine Sign	means any portable sign independently supported by means such as a post, frame, stand or wall.
Mobile Shop	means a vehicle from which goods or services are offered for sale or hire in a public place, including where payment is made electronically, remotely, or in advance of the goods or services being transferred. For the purposes of enforcement under the Land Transport Act 1998 or any regulations made under it, mobile shop has the meaning given in 22AB (6) of that Act.
Nuisance	has the same meaning as Section 29 of the Health Act 1956 and includes a person, animal, thing or circumstance causing unreasonable interference with the peace, comfort or convenience of another person whether or not that person is in a public place.
Open Home/Auction sign	means a temporary sign used to advertise and direct people to a property or site that is available for an open home viewing or being auctioned.
Person	means an individual, a corporation sole, a body corporate, and an unincorporated body.
Pedestrian Way	means the portion of the footpath that provides a continuous, unobstructed path for pedestrians, with a minimum width of 1.8 metres, unless otherwise specified by Council resolution. The pedestrian way is measured as follows: (i) 0.8 metres from the kerb (road frontage zone); and (ii) 1.5 metres from the property boundary (frontage zone). Where total footpath width is less than 4.1 metres, the frontage zone will be reduced as required to maintain the minimum pedestrian way. Explanatory note: On 8 July 2024 Crown Commissioners specified by resolution a 1.5 metre pedestrian way width for Maunganui Road,

Term	Definition
	Pacific Avenue, Prince Avenue, Banks Avenue and Sailsbury Avenue. Resolution CO9/24/8
Public Place	means an area that is open to or used by the public, and which is owned, managed, maintained or controlled by Tauranga City Council. Public places include, but are not limited to roads, streets, footpaths, alleys, cycle tracks, lanes, accessways, carparks, reserves, parks, domains, beaches, foreshore, berms, verges and recreational grounds.
Real Estate Sign	means a sign advertising the sale, lease, rental or auction of all or part of a property or premises.
Reserve	means any land which is vested in or under the control on Tauranga City Council and which is set aside for public enjoyment as a reserve, park, garden or greenspace, whether or not that land has been vested a reserve under the Reserves Act 1977.
Reserve Management Plan	means a plan prepared under section 41 of the Reserves Act 1977.
Road	has the same meaning as road in section 315 of the Local Government Act 1974.
Shop front	means the common boundary between the legal road and the adjacent shop or other business.
Sign	means an advertisement, message or notice conveyed using any visual medium, which advertises a premises, service, good, product, activity and / or event or acts to inform, influence or warn any person.
Street dining furniture	means any movable furniture placed in a public place to facilitate dining and social interaction. For example, tables and chairs.
Street performance	means the provision of entertainment in a public place (for example, playing an instrument, singing, dancing, juggling, mime, puppetry, performance art, conjuring, aerobatics, recitation, undertaking artworks and performing other acts of theatrical or visual forms).
Tauranga City Council	means Council or any Committee, Sub Committee or elected member of Council or officer or other person authorised to exercise the authority of Council.

Term	Definition
Trade, trading and trading activity	means the sale, hire, or offer of goods or services for payment, reward, or otherwise, and includes displaying goods or services for sale.

- 5.3. Explanatory notes are not part of this bylaw, and may be added, amended or deleted at any time without amending the bylaw.

Explanatory note: Explanatory notes are used for a number of reasons, including to explain the intent of a clause in less formal language, to include additional helpful information, or because the information may be subject to change and need to be updated before the bylaw itself has to be updated.

6. OBSTRUCTIONS IN PUBLIC PLACES

- 6.1. A person must not obstruct:
- (a) the pedestrian way;
 - (b) the entrance to or exit from a public place.
- 6.2. Except where otherwise provided in this bylaw, no person must place or leave any material or thing in a public place without approval.
- 6.3. No owner or occupier of land shall allow trees or any other vegetation growing on such land to overhang or encroach by their roots or branches onto any public place so as to obstruct access to the public place or cause a nuisance.
- 6.4. If any tree or vegetation is in the opinion of an authorised officer, hazardous or is obstructing the pedestrian way or causing a nuisance the authorised officer may issue a written notice requiring the owner or occupier to cut back the tree or vegetation.
- 6.5. The owner or occupier is responsible for carrying out the works required by that notice under clause 6.4 and for meeting the costs of those works. If the owner or occupier fails to comply with the notice, Tauranga City Council may carry out such works and recover the costs from the owner or occupier.

Explanatory note: Section 355 of the Local Government Act 1974 empowers Tauranga City Council to require owners of land adjoining roads to manage trees and other vegetation on their property that affect public roads.

7. NUISANCE, PUBLIC SAFETY AND DAMAGE TO PUBLIC PLACES

- 7.1. A person may not cause a nuisance in a public place.
- 7.2. No person may, without approval:
- (a) cause or allow any material or thing to be deposited or dropped onto a public place;
 - (b) place or leave any materials, thing, or substance in a public place that is likely to be hazardous or injurious to any person, or likely to create a nuisance;
 - (c) deposit in or around a public litter bin any household, business or trade refuse;

- (d) damage, deface, interfere with, destroy or remove anything, or any part of anything in a public place, including any structure or building, any sign, artwork, and vegetation;
- (e) erect, construct or place any building, structure or plant any vegetation in a public place, except as provided for in clause 19;
- (f) cause or permit to be done any act that may damage any public place, or any work or thing in, on, over or under a public place;
- (g) use any vehicle or be in control of an animal which damages any part of a public place;
- (h) ride or take a bicycle or motorcycle or any other vehicle on or around Mauao.

Explanatory note: The Summary Offences Act 1981 enables the New Zealand Police to address more serious instances of obstruction, intimidation, disorderly and offensive behaviour or language in public places.

In accordance with section 13 and 14 of the Litter Act 1979 and the Council resolution M12/68.9 (23 October 2012) any person who breaches clauses 7.3(a), (b) and (c) may incur a fee of up to \$400.

- 7.3. No person may light any fire **or fireworks or pyrotechnics** in any public place without approval.

Explanatory note: Pyrotechnic displays are subject to separate regulatory requirements administered by WorkSafe New Zealand.

- 7.4. Clause 7.3 ~~subject to prohibitions or restrictions on the lighting of fires imposed by Fire and Emergency New Zealand~~, does not apply to:

- (a) barbecues (meaning a fixed or portable electric or gas fired appliance or device, designed or intended for the cooking of food in the open air);
- (b) ~~fireworks (having the same meaning as the Hazardous Substances (Fireworks) Regulations 2001);~~
- (c) emergency flares;
- (d) fires lit in accordance with the Beaches Bylaw, as amended or replaced.

- 7.5 Clauses 7.3 and 7.4 are subject to any prohibitions or restrictions imposed by Fire and Emergency New Zealand

Explanatory note: Fireworks may be used on private property. However, it is an offence under the Summary Offences Act 1981 to use fireworks in a manner that causes injury or alarm to any person in a public place. For example, throwing fireworks at people in public places from private property.

Nothing in clauses 7.3 or 7.4, including any approval granted under this bylaw, removes the requirement to comply with any prohibition or restriction imposed by Fire and Emergency New Zealand. Check before you light a fire at www.checkitsalright.nz

8. COMMERCIAL ACTIVITIES, EVENTS AND FILMING IN A PUBLIC PLACE

- 8.1. No person may conduct a commercial activity, filming or hold an event in a public place without approval.

Explanatory note: Commercial activity includes market and stalls, mobile shops, fundraising or a charitable cause, soliciting of any subscription or collection of any donation, street performance, distribution of promotional goods and materials and hire of equipment.

9. STREET DINING AND COMMERCIAL DISPLAYS

- 9.1. All businesses operating from fixed premises are permitted to place street dining furniture and commercial displays on the footpath, subject to the following conditions:
- (a) the area used must not exceed a total floor area of 1.5 square metres and must not protrude more than 1.5 metres from the front of the premises unless approval has been obtained;
 - (b) any protrusion up to 1.5 metres is permitted only where a pedestrian way of no less than 1.8 metres width, unless otherwise specified by Council resolution, is maintained on the footpath for unobstructed pedestrian movement;
 - (c) street dining furniture and commercial displays can only be placed in the front of the business;
 - (d) street dining furniture and commercial displays must not be placed in or otherwise obstruct the pedestrian way;
 - (e) street dining furniture and commercial displays may only be placed on the footpath during the business's hours of operation;
 - (f) the street dining furniture must be made available for use by any member of the public;
 - (g) unless otherwise authorised by Council, the street dining furniture and commercial display may not be placed:
 - (i) within 1 metre of any tree trunk or any Tauranga City Council street furniture (e.g. public bench);
 - (ii) within 0.8 metre of any road kerb;
 - (h) street dining furniture and commercial display must not obstruct access to parking meters, rubbish bins, accessibility features, bus stops or shelters, mobility spaces, pedestrian crossings, vehicular entrances or hinder visibility to or of pedestrian and vehicle traffic;
 - (i) street dining furniture and commercial displays must not encroach into the frontages of adjacent businesses unless all parties concerned agree in writing and have provided written notification to an authorised officer of their agreement;
 - (j) street dining furniture and commercial displays must be removed from the footpath:
 - (i) outside the business's hours of operation;
 - (ii) between the hours of 3am and 7am;
 - (iii) when requested by an authorised officer to facilitate street works, services, repairs, or other public utilities, or to ensure the health and safety of the public;
 - (k) any business placing street dining furniture on the footpath must:
 - (i) keep the street dining furniture clean and in good order and repair;
 - (ii) ensure that all waste, water and rubbish on or near the street dining furniture is removed;

- (iii) comply with all statutes, regulations and ordinances regarding the conduct of the business and the use of the footpath for that purpose.
- 9.2. Commercial displays must be securely mounted or anchored and free from litter and objects that could fall or be blown into the path of pedestrians or traffic.
- 9.3. Commercial displays must not have any sharp edges or protruding objects that could injure the public.
- 9.4. Commercial displays must not include weapons, dangerous objects, music or amplified sound.
- 9.5. Approval must be obtained to use any area in addition to the area set out in clause 9.1(a).

10. SKATEBOARDS AND SCOOTERS

- 10.1. No person shall ride or use a skateboard, scooter, roller skates or similar device in any public place in such a manner as to be dangerous or cause a nuisance.
- 10.2. Council may by resolution determine areas where riding or using a skateboard, scooter, roller skates or similar device is prohibited (a **Prohibited Area**). Council may prohibit one or more of these wheeled recreational devices for example, skateboards but not scooters.
- 10.3. No person shall ride or use a skateboard, scooter, roller skates or a similar device in any prohibited area.
- 10.4. A fee of \$55 is applicable for any breach of clauses 10.1 or 10.3.

11. GENERAL REQUIREMENTS FOR SIGNS

- 11.1. Except as provided for elsewhere in this bylaw, no sign shall be displayed in any public place without approval.
- 11.2. All signs and their supporting structures must be constructed, fixed, placed and maintained so they do not pose a danger to property or the public or cause a nuisance.
- 11.3. Without limiting 11.2, a sign must:
 - (a) be secure, structurally sound, not easily broken, and not able to be displaced under poor or adverse weather conditions;
 - (b) be maintained in a condition that does not endanger public safety (for example become structurally unsound or fall over) or cause a nuisance;
 - (c) not use illumination, luminescence, movement or material that may cause a distraction (for example flashing lights, lasers or reflective or luminescent material);
 - (d) not cover the display of any number allocated to a premises under the Local Government Act 1974;
 - (e) not emit smoke, steam or other matter.
- 11.4. Signs attached beneath street verandas shall have a minimum of 2.5 metres clearance from the footpath below.

11.5. No sign shall be placed or shall remain in a public place where in the opinion of an authorised officer that sign would affect the safe and efficient movement of pedestrian and vehicle traffic.

11.6. Without limiting 11.5 a sign must

- (a) not obstruct or be likely to obstruct the line of sight, view of any corner, bend, intersection, vehicle crossing, pedestrian crossing or private entrance, traffic sign or traffic signal;
- (b) not distract unduly or be likely to distract unduly the attention of road users or footpath users;
- (c) not constitute or be likely to constitute in any way a danger to road users or footpath users;
- (d) be able to be read by a driver of a vehicle on a road moving at the legal speed limit if the sign is directed at drivers.

11.7. An authorised officer may by notice in writing (or without notice if the sign is deemed to be dangerous by an authorised officer), require the owner or user of any non-complying or unsafe sign to remove the offending sign from any public place.

Explanatory note: Safe line of sight standards can be viewed in the Austroads Guide to Road Design (Part 4A, Section 3.2.2).

Minimum recommended letter sizes and other design elements to ensure signs can be safely read by drivers of vehicles can be viewed in the New Zealand Transport Agency's Waka Kotahi's Traffic Control Devices Manual Part 3 Advertising Signs.

12. BUSINESS SIGNS

12.1. Businesses operating from fixed premises are permitted to place signs on the footpath subject to compliance with section 11, clauses 12.2 and 12.3.

12.2. Siting of business signs:

- (a) businesses with one street front entrance shall be permitted one sign in addition to magazine signs;
- (b) businesses with more than one street front entrance may have a maximum of two signs in addition to magazine signs;
- (c) magazine signs shall be placed against the shop front;
- (d) signs, other than magazine signs, shall be located:
 - (i) within the frontage of the shop or business being advertised;
 - (ii) in the area within 1.5 metres from the shop front or within 0.8 metre from the kerb line;
 - (iii) in no case within the pedestrian way.
- (e) businesses using common entrance ways may only have a composite sign encompassing all businesses therein unless individual businesses within the arcade or mall have their own street frontage.

12.3. Dimensions of business signs:

- (a) the maximum size of a free standing sign (including a composite sign) shall be 1200 millimetres high x 800 millimetres wide;

- (b) the maximum size of an upright fabric banner style signs shall be 1200 millimetres high x 800 millimetres wide;
- (c) the maximum size of a magazine sign shall be 0.5 square metres.

13. MOBILE SHOP SIGNS

- 13.1. Mobile shops are permitted to have two roadside signs displayed. Any other advertising must be directly attached to the mobile shop. Mobile shop signs must meet the general requirements for signs in Clause 11 of this bylaw.
- 13.2. Mobile shop signs must be no larger than one square metre and must not be located further than 100 metres from the mobile shop.

14. REAL ESTATE SIGNS

- 14.1. Real Estate signs must be placed directly outside the property to which the signage refers and as close to the street front boundary of that property as practicable.
- 14.2. Where a property is marketed by a sole agency one real estate sign is permitted, where a property is marketed by multiple agencies a maximum of 3 real estate signs are permitted.
[Council decision on maximum size to be inserted]
- 14.3. A real estate sign, open home or auction sign placed in a public place must not exceed a maximum area of 2.2 m² OR maximum dimensions of 1800 millimetres in height and 1200 millimetres in width OR maximum dimensions of 1200 millimetres in height and 800 millimetres in width
- 14.4. Real estate signs must be removed no later than 14 days after the property is sold and comply with the general conditions in section 11.
- 14.5. Directional real signs may be displayed on the day of an open home or auction provided they comply with the following conditions, in addition to the general conditions in section 11:
 - (a) each sign must not exceed 0.3 metres in area;
 - (b) the maximum height of each sign must not exceed 1 metre above ground level;
 - (c) maximum of 1 directional sign adjacent to the property for sale or auction site;
 - (d) a maximum of 1 directional sign at each of the 3 nearest intersections leading toward the property or auction site.
- 14.6. In addition to the directional real estate signs permitted in clause 14.4 on the day of an open home or auction one open home or auction sign may be displayed on a public place or attached to a lawfully parked vehicle directly outside the site or property and complies with the general conditions in section 11.

15. ELECTION SIGNS

- 15.1. Approval must be obtained for the display of election signs on or in a public place.
- 15.2. The maximum size of any local election sign must not exceed 1.5 square metres in area.
- 15.3. Local election signs must comply with:

- (a) clause 11 of this bylaw;
 - (b) Tauranga City Council's relevant policy on elections signs.
- 15.4. In accordance with the Electoral Act 1993 general election signs of up to 3 metres in size are permitted to be displayed 9 weeks before polling day.
- 15.5. General election signs must comply with Tauranga City Council's relevant policy on elections signs.

Explanatory note: Council's current policy on elections signs is the Local Elections policy.

The Electoral Act 1993 sets out specific conditions for election signs including the requirement for a promoter statement.

16. COMMUNITY EVENT SIGNS

- 16.1. Approval is required for community event signs.
- 16.2. Approved community events signs may only be erected at sites or on frames specifically reserved for that purpose. Signs must comply with Reserve Management Plans and any specifications for reserve signage.

17. GARAGE SALE SIGNS

- 17.1. Subject to clause 16.2, signs advertising garage sales are permitted in a public place provided clauses 11.2 to 11.6 of this Bylaw are complied with.
- 17.2. Signs advertising garage sales are only permitted to be displayed in the period starting 24 hours prior to the commencement of the garage sale and finishing at the end of the garage sale.

18. FENCES ADJACENT TO A PUBLIC PLACE

- 18.1. If any rail, gate fence, wall or retaining wall adjacent to a public place is in a state of disrepair as to be in the opinion of an authorised officer dangerous to persons passing within the public place, the authorised officer may give written notice requiring the owner or occupier of the land to repair or remove the rail, gate, fence, cover, wall or retaining wall to the satisfaction of the authorised officer. The owner or occupier must comply with such a notice.

Explanatory note: The Building Act 2024 allows Tauranga City Council to regulate fence construction. The Fencing Act 1978 addresses fence encroachment issues. The Tauranga City Plan regulates fences, walls and retaining structures adjoining walkways and the coastal marine area. Section 355 of the Local Government Act allows Tauranga City Council to require removal or lowering of fences that may obstruct traffic.

19. BUILDING AND STRUCTURES

- 19.1. No person may, without approval, except where otherwise provided for in the City Plan or relevant Reserve Management Plan:
- (a) erect, construct, or place any building, dwelling or other structure or erection whatsoever, or any part thereof under, on, above, or across any public place;
 - (b) install any veranda, projecting window, balcony, wall, lamp, doorstep, cellar door, signboard, window shutter, gatepost, curtain, awning, blind or other obstruction, enclosure or projection of any kind in a position that may interfere with or cause obstruction in any public place;

- (c) hang, or allow to be hung, any door or gate abutting any public place so that it may swing over or across a public place;
- (d) omit or neglect to secure and maintain the foundations of any building, wall or fence, or cause or permit any encroachment by any building, wall, or fence abutting a public place, in a way that may damage or obstruct a public place;
- (e) mix concrete or carry out any other work upon any public place that may damage, deface or obstruct the public place.

20. ROAD AND BUILDING IDENTIFICATION

- 20.1. No person shall give any name to or affix, set up, or paint any name on any street, or public place without approval.
- 20.2. The size of the numbers required to mark every building shall be not less than 50mm in height for residential dwellings and not less than 150 mm in height for all other buildings. The numbers shall be displayed in such a position as to be readily visible from any street fronted by that building or access way to that building.
- 20.3. An authorised officer has power to:
 - (a) alter the number of any building where it may be in Tauranga City Council's opinion necessary or advisable to do so;
 - (b) affix or apply a number to any premises in such manner and position as it thinks fit.
- 20.4. No person shall destroy, pull down, obliterate, or deface the name of any street, or the number of any building.

21. TAURANGA CITY COUNCIL FACILITIES

- 21.1. Rules may be displayed at the main entrance to any public place or Tauranga City Council facilities (library, public swimming pool or other Tauranga City Council facility), to regulate the use by members of the public. Every person must comply with such rules or the reasonable request of an authorised officer about conduct at these facilities.

22. APPROVAL

- 22.1. No person may undertake any activity for which approval (including a licence or permit) is required under this bylaw without first obtaining written approval from an authorised officer.
- 22.2. The form of approval required under this bylaw will be determined by an authorised officer.
- 22.3. Conditions may be attached to any approval and include the duration of approval.
- 22.4. Any approval under this bylaw attaches to the person who obtained it and is not transferable to any other person unless the approval expressly provides otherwise.
- 22.5. Any approval granted under this bylaw may be reviewed to:
 - (a) to respond to noncompliance of the conditions of the approval;
 - (b) be consistent with changes to legislation;

- (c) to address any public safety, nuisance or misuse issues arising from the exercise of the approval (for example unsafe or hazardous conditions, unreasonable obstruction, damage);
 - (d) if the activity is likely to interfere with any authorised works by Tauranga City Council or a network utility operator.
- 22.6. Tauranga City Council may take action for failure to comply with an approval. This clause applies to a person who has been granted an approval who:
- (a) fails to comply with the approval, including any condition of an approval; or
 - (b) provided inaccurate information on any application for an approval which materially influenced the decision made on the application.
- 22.7. Tauranga City Council may take any one or more of the following actions against a person to whom clause 22.6 applies:
- (a) issue a written warning which may be used as evidence of a bylaw breach during any subsequent consideration of an approval or enforcement action;
 - (b) review of the approval which may result in its amendment, suspension or cancellation.
- 22.8. Any approval granted under this bylaw may be suspended for a period during the staging of any special event, by giving the approval holder 10 days' notice in writing.
- 22.9. Approval may be suspended for the purposes of protecting the public from nuisance or for protecting, promoting or maintaining public health and safety.

Explanatory note: Tauranga City Council may charge fees for approvals and inspections under this bylaw. Authorised Officers can issue notices requiring action to fix breaches. Tauranga City Council also has powers to remove things built in breach of the bylaw and recover costs and may issue infringement fees under the Land Transport Act 1998 where applicable.

ATTACHMENTS STREET USE AND PUBLIC PLACES BYLAW

The Street Use and Public Places Bylaw allows Council by resolution to determine:

- (a) areas where riding or using a skateboard, scooter, roller skates or a similar device are prohibited (Prohibited Areas);

These proposed attachments are provided for information only and do not form part of the Bylaw itself.

ATTACHMENT A

Council resolution: 20 November 2018

By Council resolution under clause 10.2 of the bylaw riding or using the following wheeled recreational device:

Skateboard or Roller Skates

Are prohibited in the following areas:

Tauranga Central Area:

Prohibited on Road and Footpath:

1. Hamilton Street from Durham Street to Willow Street (inclusive).
2. Wharf Street from Durham Street to Willow Street (inclusive).
3. Spring Street from Durham Street to Willow Street (inclusive).
4. Te Manawataki o Te Papa Civic Precinct.
5. Spring Street Carpark Building.
6. Elizabeth Street Carpark Building.

Prohibited on Footpath only:

1. Wharf Street from Willow Street to the Strand (inclusive).
2. Grey Street from Elizabeth Street to Spring Street (inclusive).
3. Devonport Road from Elizabeth Street to Spring Street (inclusive).
4. The Strand from Spring Street to Harington Street (inclusive).

Mount Maunganui Central Area:

Prohibited on Footpath only:

1. Maunganui Road from Pacific Avenue to its intersection with Tawa Street.
2. Prince Avenue from Victoria Road to Maunganui Road.

Greerton Commercial Area:

Prohibited on Road and Footpath:

1. Cameron Road from intersection with Cornwall Street to intersection with Pooles Road.
2. Chadwick Road from intersection with Mitchell Street to intersection with Hayes Avenue.
3. Greerton Road from intersection with Emmett Street to northern boundary of the Greerton Road carpark.
4. Greerton Road carpark.
5. Lincoln Terrace Walkway and Greerton Village Square and linking walkways.







Section 155 Determinations for the proposed draft fireworks and real estate sign amendments

Section 155 of the Local Government Act 2002 must be followed when reviewing a bylaw. Section 155(1) requires a council to determine whether a bylaw is the **most appropriate way of addressing a perceived problem**. If Council determines that it is, then before making the bylaw it must determine if the proposed bylaw is in the most appropriate form and assessing whether it gives rise to any implications under the New Zealand Bill of Rights Act 1990.

Fireworks amendments: Identified problem

There are a range of issues associated with fireworks in public places, including:

- Public safety risks.
- Fire hazards particularly in dry coastal environments.
- Animal welfare concerns.
- Nuisance and amenity impacts including noise and litter.
- Damage to Tauranga City Council assets such as playground, bins, parks and reserves.

Section 155 (1) Is a bylaw the most appropriate way of addressing the perceived problem?	Section 155 (2) (a) Is the proposed draft bylaw the most appropriate form of bylaw	Section 155 (2) (b) Any implications under the New Zealand Bill of Rights Act 1990 (NZBoRA)?
Fireworks lit in public places pose risks to public safety, animal welfare, council assets and can cause nuisance. Alternative tools such education campaigns or reliance on police response are limited in scope and do not provide an effective way to prevent or manage fireworks use in high-risk public places. A bylaw prohibition is therefore the most appropriate and proportionate response, as it provides a clear and enforceable rule that targets public aligns with approaches adopted by other councils, and still allows for approved, controlled public displays.	The proposed bylaw amendment inserts a clause that prohibits the lighting of fireworks or pyrotechnics in any public place owned, managed, maintained or controlled by Tauranga City Council, while enabling council to approve controlled fireworks displays subject to conditions. This form is appropriate because it is clear, simple and easy for the public to understand, applies only to public places and uses a straightforward prohibition with an option for approval to manage risk. The amendment fits within the Street Use and Public Places Bylaw, which already regulates activities that could pose safety, nuisance and amenity risk in public places. The form of the amendment is the most appropriate form.	The proposed amendment may affect how people choose to celebrate or use public places. However, any impact on individual freedoms is limited and justified. The restriction applies only to the use of fireworks (not access to public places or freedom of movement), is confined to public places owned, managed, maintained or controlled by council, and allows for approved fireworks displays and cultural or community celebrations to continue in a controlled manner. Individuals may continue to use fireworks on private property in accordance with national legislation. As such, the proposed amendment is reasonable and proportionate response to the identified risks and is a justifiable limitation in the public interest, consistent with section 5 of the New Zealand Bill of Rights Act 1990.

Real estate signs: Identified problem

There are a range of issues associated with the placement and display of real estate signs in public places, including:

- Risks to pedestrian and vehicle safety where signs obstruct access, sightlines or visibility.
- Potential hazards arising from signs that are not securely installed or maintained.
- Visual clutter and amenity impacts where large numbers of signs are concentrated in one location.
- Reduced ability for the public to use and enjoy public places where signs occupy space intended for other activities.
- Inconsistent placement of signs and uncertainty regarding what is permitted in public places.

Section 155 (1) Is a bylaw the most appropriate way of addressing the perceived problem?	Section 155 (2) (a) Is the proposed draft bylaw the most appropriate form of bylaw	Section 155 (2) (b) Any implications under the New Zealand Bill of Rights Act 1990 (NZBoRA)?
A bylaw is the most appropriate way to regulate signs in public places to address both safety and nuisance issues. The City Plan can address general issues of what size signs are allowed in the district's zones and the impact of those signs. However, the bylaw can regulate the size of signs in a public place to ensure that signs do not create any safety risks or interfere with the use and enjoyment of public places by other users. A bylaw also provides greater flexibility than the City Plan provisions to respond to changes and avoids the need for a formal plan change, which can be time-consuming and less adaptable to operational or site-specific issues. While a Council policy can provide guidance on signage, any non-compliant signs can only be removed if there is a bylaw in place.	The proposed bylaw amendment inserts a clause that regulates real estate signs in public places by setting limits on their size. The amendment is the most appropriate form of the bylaw because it provides a clear, enforceable rule that balances the ability to advertise properties with the need to maintain public safety, accessibility and amenity. The amendment provides a proportionate response to the identified while continuing to allow real estate signage in appropriate locations.	Restrictions on the display of real estate signs in public places could be considered a limit on freedom of expression under NZBoRA. However, the amendment regulates only the size of the real estate signs in public places and does not restrict the content of the sign. The size restriction is directed at managing safety, accessibility and amenity impacts associated with signage in public places and is considered reasonable and proportionate to achieving those objectives. Accordingly, any limitations are considered reasonable and demonstrably justifiable in a free and democratic society in accordance with the NZBoRA.



Consistency Accountability Statement

Tauranga City Council Amendments to the Street Use and Public Places Bylaw 2026

Date finalised – [insert]

Statement of Review

I confirm that Tauranga City Council has assessed the above secondary legislation, and the process for developing it, for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025.

This assessment identified no inconsistencies with the principles of responsible regulation.

[insert signature once amendments to the bylaw are adopted]

Marty Grenfell
Chief Executive
Tauranga City Council



Summary of Underpinning Analysis:

Firework and Real Estate Sign Amendments to Street Use and Public Place Bylaw 2026

Date finalised – [insert]

CONTEXT FOR THE PROPOSED AMENDMENTS TO THE BYLAW

The proposed amendments to the Street Use and Public Places Bylaw 2026 relate to the regulation of fireworks and real estate signs in public places.

The fireworks amendments respond to concerns raised, during the review of the Street Use and Public Places Bylaw 2018, regarding the use of fireworks in public places, including risks to public safety, fire hazards, impacts on animal welfare, nuisance effects and damage to property including Council-owned assets. The amendments introduce a requirement for prior Tauranga City Council approval before fireworks may be discharged in public places, while continuing to allow approved public displays and community events to occur in a controlled manner.

The real estate sign amendments respond to concerns about real estate signage in public places. The amendments seek to establish clearer controls on the size of real estate signs displayed in public places while continuing to provide opportunities for property advertising.

Public consultation was undertaken between 4 June 2026 and 17 July 2026. The consultation material sought feedback on the proposed changes and whether they appropriately addressed the identified issues. 553 submissions were received on fireworks and 358 submissions on real estate signage. Hearings were held on 11 August 2026 for submitters wishing to speak.

Overall assessment

On the material reviewed, no inconsistency with the principles of responsible regulation have been identified.

Good law-making: 9(i)

The importance of consulting, to the extent that is reasonably practicable, the persons or representatives of the persons that the responsible agency considers will be directly and materially affected by the legislation

Inconsistency identified?

No

Summary of agency analysis

Concerns regarding the use of fireworks in public places were raised during consultation on the review of the Street Use and Public Places Bylaw 2018 in late 2025. Concerns were raised about the impacts of fireworks on public safety, animal welfare, amenity and Council assets. Council resolved to undertake separate consultation on a proposal to prohibit the lighting of fireworks in Council-controlled public places unless prior approval had been obtained.

Following adoption of the Street Use and Public Places Bylaw 2026, Tauranga City Council received feedback from sign installation companies and real estate industry representatives regarding the practicality of the new size requirements for real estate signs and the potential impacts on existing sign stock. As a result, Council agreed to reconsider the real estate sign size provisions, through a further consultation process.



On 2 June 2026, Council resolved to undertake community consultation on both the proposed fireworks amendments and options for the maximum permitted size of real estate signs displayed in public places.

Consultation was undertaken between 15 June 2026 and 17 July 2026. Targeted communication was sent to key stakeholders, including previous submitters, real estate industry representatives and other interested parties. Public awareness was supported through Tauranga City Council's Let's Talk Tauranga platform, social media channels, paid advertising and a media release. The consultation generated significant public awareness and participation, including online engagement and 553 formal submissions of fireworks and 358 on real estate signage.

The consultation process provided a reasonable opportunity for persons likely to be directly and materially affected by the proposed amendments, including residents, property owners, real estate agents, sign installation companies, community organisations and other users of public places, to understand the proposals and provide feedback before Council made its decisions. Accordingly, consultation was undertaken to the extent reasonably practicable.

Good law-making: 9(j)

The importance of carefully evaluating—

- the issue concerned; and
- the effectiveness of any relevant existing legislation and common law; and
- whether the public interest requires that the issue be addressed; and
- any options (including non-legislative options) that are reasonably available for addressing the issue; and
- who is likely to benefit, and who is likely to suffer a detriment, from the legislation

Inconsistency identified?

No

Summary of agency analysis

The issues addressed by the proposed amendments are clearly identified.

For the fireworks amendment, concerns regarding the use of fireworks in public places were raised during consultation on the review of the Street Use and Public Places Bylaw 2018. A range of issues were identified including public safety risks, fire hazards, animal welfare impacts, nuisance effects and damage to Council-owned assets. Existing national legislation regulates the sale and use of fireworks in certain circumstances but does not prevent the lighting of fireworks in Council-controlled public places. The proposed amendment addresses this gap by requiring Tauranga City Council approval before fireworks may be discharged in public places.

For the real estate sign amendment, feedback received following adoption of the Street Use and Public Places Bylaw 2026 identified concerns regarding the practicality of the maximum size requirements for real estate signs displayed in public places. The amendment responds to concerns raised by the real estate industry and sign installation companies while continuing to manage the safety, accessibility and amenity impacts associated with signage in public places.

A range of options were considered by Council. For fireworks, options included retaining the existing provisions, relying on public education, or introducing a requirement for approval to light fireworks in public places. For real estate signs, options included retaining the adopted size limits or amending those limits. The proposed amendments provide a proportionate response to the identified issues while continuing to balance community expectations, public safety, accessibility and amenity.

Non-regulatory approaches, including education and voluntary compliance, were considered but were not considered sufficient to address the identified issues. Without bylaw controls, Council would have limited ability to manage fireworks use in public places or regulate the impacts of signage on Council-controlled land.

Likely beneficiaries include the wider community, users of public places, animal owners, event organisers seeking clarity regarding fireworks approvals, and property owners and real estate agents who will benefit from clearer and more practical signage requirements. Potential detriments are limited to individuals seeking to light fireworks in public places without approval and those wishing to display real estate signs that exceed the permitted size limits. These limitations are considered reasonable and proportionate to achieving the objectives of the bylaw.



Good law-making: 9(k)

The importance of the responsible agency identifying and developing effective arrangements for implementing the legislation	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments include practical implementation mechanisms that can be administered through existing Tauranga City Council processes. For fireworks, the amendment introduces a requirement for Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. The approval process provides a clear mechanism for assessing proposed fireworks displays and managing associated safety, fire risk and amenity considerations. Compliance can be monitored through existing processes and enables Tauranga City Council to respond to non-compliance in accordance with its statutory powers. For real estate signs, the amendment establishes a clear maximum size for signs displayed in public places. The requirement is straightforward to understand and administer and can be monitored through existing compliance processes. The bylaw provides a regulatory framework for managing signage in public places and enables Tauranga City Council to address non-compliant signs in accordance with its statutory powers. Existing Tauranga City Council resources, compliance procedures and delegated authorities are considered sufficient to support implementation of the amendments. Implementation preparations include updating public information on Tauranga City Council's website, communicating the changes to affected stakeholders, including the real estate industry and event organisers, updating internal guidance and compliance material, and ensuring staff are aware of the amended requirements. The amendments are considered practical to implement and provide clear and proportionate requirements that can be readily understood by the public and those directly affected by the changes.	

Good law-making: 9(l)

Legislation should be expected to produce benefits that exceed the costs of the legislation to the public or persons	
Inconsistency identified?	No
Summary of agency analysis	
The available material supports a qualitative assessment that the expected benefits of the proposed amendments outweigh the associated costs. For the fireworks amendment, expected benefits include improved public safety, reduced fire risk, reduced impacts on animals and wildlife, protection of Council-owned assets, and improved management of fireworks use in public places. The approval process provides a mechanism to assess and manage risks associated with fireworks displays while continuing to allow organised events and community celebrations to occur in appropriate circumstances. For the real estate sign amendment, expected benefits include clearer and more practical signage requirements, reduced uncertainty for real estate agents and sign installation companies, and continued management of safety, accessibility and amenity impacts associated with signs displayed in public places. The amendment is expected to improve compliance by aligning the bylaw requirements more closely with industry practice while maintaining appropriate controls. The costs associated with the amendments are expected to be limited. Individuals or organisations wishing to discharge fireworks in Council-controlled public places may incur additional administrative requirements associated with obtaining Tauranga City Council approval. Real estate agents and sign owners may need to ensure that signage complies with the amended requirements. Tauranga City Council may experience minor administrative costs associated with processing approvals, responding to enquiries and updating public information. The available evidence does not include a quantified cost-benefit assessment. However, given the limited costs of compliance and implementation, and the expected benefits for public safety, amenity, animal welfare, asset protection and regulatory certainty, the qualitative analysis indicates that the benefits of the amendments are likely to exceed the costs.	

4



Good law-making: 9(m)

Legislation should be the most effective, efficient, and proportionate response to the issue concerned that is available	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments appear to use a proportionate regulatory approach that is targeted to the specific issues identified through the consultation. For fireworks, the amendment does not prohibit fireworks generally. Instead, it requires Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. This enables Tauranga City Council to assess and manage potential safety, fire and amenity impacts while continuing to allow organised displays and events where appropriate. The amendment is more targeted than a complete prohibition and provides a practical mechanism for managing risks associated with fireworks use in public places. For real estate signs, the amendment responds to concerns raised by the real estate industry regarding the practicality of the sign size limits adopted in the Street Use and Public Places Bylaw 2026. The amendment retains controls on signage in public places while adjusting the requirements to achieve an appropriate balance between safety, accessibility and amenity considerations and the needs of the industry. The amendment is limited to the specific issue identified and does not impose broader restrictions than are necessary. Alternative approaches, including relying solely on education, voluntary compliance, or retaining the existing provisions without amendment, were considered. These options were not considered as effective because they would either provide limited ability to address the identified issues. The draft amendments have been refined following consultation and consideration of submissions. This process has helped ensure that the requirements are clear and practical while continuing to achieve the objectives of the bylaw. The amendments are therefore considered to be the most effective, efficient and proportionate response reasonably available to address the identified issues.	

Rule of Law: 9(a)(i)

The law should be clear and accessible	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments are clear, accessible and limited in scope. The amendments affect only two specific areas of the Street Use and Public Places Bylaw 2026: the discharge of fireworks in Council-controlled public places and the maximum permitted size of real estate signs displayed in public places. The draft amendments clearly identify the activities that are regulated, the requirements that apply, and the circumstances in which approval is required. The amendments are incorporated into the existing bylaw framework, which is publicly available and readily accessible through Tauranga City Council's website. For fireworks, the amendment clearly establishes that fireworks may not be discharged in Council-controlled public places unless prior Tauranga City Council approval has been obtained. For real estate signs, the amendment clearly specifies the maximum permitted sign size and the locations where the requirements apply. The Statement of Proposal and supporting consultation material explained the reasons for the proposed amendments, the issues identified through previous consultation and stakeholder feedback, and the options considered by Council. This assisted affected persons and organisations to understand the proposed changes and provide informed feedback. The amendments also use terminology that is consistent with the existing bylaw and, where relevant, legislation administered by Fire and Emergency New Zealand. As a result, the amendments are considered sufficiently clear and accessible to enable affected parties to understand their obligations.	



Rule of Law: 9(a)(ii)

The law should not adversely affect rights and liberties, or impose obligations, retrospectively	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments do not have retrospective effect and will apply only from the date on which they come into force.	
For fireworks, the amendment creates a requirement to obtain Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. The requirement applies only to future activities and does not affect fireworks that have previously been discharged or events that have already occurred. Any approval requirements operate prospectively and apply only to proposed future fireworks displays.	
For real estate signs, the amendment establishes a maximum permitted size for signs displayed in public places. The amended requirements apply to the future display of signs and do not create any retrospective obligations.	
No retrospective penalties, liabilities or obligations are apparent from the proposed amendments. The amendments regulate future conduct in public places and provide clarity regarding the requirements that will apply once the amendments come into force.	
Accordingly, the amendments do not appear to adversely affect rights and liberties retrospectively and are consistent with the principle that legislation should operate prospectively rather than retrospectively.	

Rule of Law: 9(a)(iii)

Every person is equal before the law	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments apply generally to all persons undertaking the relevant activities in Council-controlled public places and do not differentiate between individuals based on personal characteristics.	
For fireworks, the requirement to obtain Tauranga City Council approval applies equally to any person or organisation wishing to discharge fireworks in a Council-controlled public place. Any differences in how the requirement is applied will be based on the nature, scale or location of the proposed activity and the associated safety, fire risk and amenity considerations, rather than the identity of the applicant.	
For real estate signs, the maximum sign size requirements apply equally to all persons displaying real estate signs in public places. The requirements are based on the location and characteristics of the sign rather than the identity of the sign owner, real estate agency or property being advertised.	
The material does not indicate any differential treatment based on irrelevant personal characteristics. Any distinctions created by the amendments are linked to the activity being undertaken and the need to manage safety, accessibility and amenity effects in public places.	
Accordingly, the amendments appear to be consistent with the principle that every person is equal before the law.	

Rule of Law: 9(a)(iv)

There should be an independent impartial judiciary	
Inconsistency identified?	Not applicable
Summary of agency analysis	
The proposed amendments do not appear to affect the independence or impartiality of the judiciary.	
The provisions establish regulatory requirements and administrative processes for activities occurring in public places. The amendments do not create any mechanisms that would interfere with the role of the courts, limit access to judicial processes, or affect the independence of judicial decision-making. Any	



compliance, enforcement or legal proceedings arising from the amendments would be undertaken in accordance with existing statutory processes.

Rule of Law: 9(a)(v)

Issues of legal right and liability should be resolved by the application of law, rather than the exercise of administrative discretion	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments establish clear requirements that can be applied consistently and are guided by the purpose and objectives of the bylaw, rather than relying on administrative discretion. For fireworks, the amendment requires Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. While this involves an administrative decision-making process, the approval requirement is linked to legitimate considerations such as public safety, fire risk, environmental impacts, public amenity and the protection of Council assets. The purpose of the approval process is to enable Council to assess and manage the risks associated with proposed fireworks displays in public places. For real estate signs, the amendment establishes a maximum permitted sign size. The requirement is clear and objective, limiting administrative discretion in determining whether a sign complies with the bylaw. The amendments provide certainty regarding the activities that are regulated and the requirements that apply. Any administrative decisions made under the bylaw must be exercised in accordance with the bylaw, the Local Government Act 2002. The amendments therefore appear to appropriately balance the need for administrative decision-making with clear legal requirements and criteria, ensuring that rights and obligations are determined primarily through the application of the bylaw rather than the exercise of broad discretion.	

Liberties: 9(b)

Legislation should not unduly diminish a person's liberty, personal security, freedom of choice or action, or rights to own, use, and dispose of property, except as is necessary to provide for, or protect, any such liberty, freedom, or right of another person	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments may place some limits on individual freedom of action by regulating activities that occur in Council-controlled public places. However, those limits are to protect public safety, public amenity, animal welfare, accessibility and the rights of others to use and enjoy public places. For fireworks, the amendment requires Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. This limits an individual's ability to light fireworks in those locations without prior approval. However, the requirement is intended to manage risks associated with fire, public safety, nuisance effects, impacts on animals and wildlife, and potential damage to Council-owned assets. The amendment does not prohibit the use of fireworks generally and continues to allow fireworks displays in public places where approval has been granted. For real estate signs, the amendment regulates the size of real estate signs displayed in public places. This may limit the ability of sign owners and real estate agents to display signs of any size they choose in public places. However, the amendment does not prevent the display of real estate signs and is directed at managing safety, accessibility and amenity effects associated with signage on Council-controlled land. The limitations imposed by the amendments are targeted and proportionate to the issues being addressed. The amendments continue to enable the affected activities to occur, subject to reasonable controls that recognise the interests of other users of public places and the broader community. Therefore, the legislation does not unduly diminish a personal liberty, freedom of choice or property use are considered necessary and proportionate to protecting the rights, safety and interests of others.	



Taking of property: 9(c)

Legislation should not take or severely impair, or authorise the taking or severe impairment of, property without the consent of the owner unless – • there is a good justification for the taking or severe impairment; and • fair compensation for the taking or severe impairment is provided to the owner; and • the compensation is provided, to the extent practicable, by or on behalf of the persons who obtain the benefit of the taking or severe impairment	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments do not take property, authorise the taking of property, or result in a severe impairment of property rights. For fireworks, the amendment regulates the discharge of fireworks in Council-controlled public places by requiring prior Council approval. The amendment does not affect ownership of fireworks or property rights relating to private land. Instead, it regulates the circumstances in which fireworks may be used in public places to manage safety, fire risk and amenity effects. For real estate signs, the amendment regulates the size of real estate signs displayed in public places. While the amendment may influence how signage is displayed on Council-controlled land, it does not prevent ownership of signs or the advertising of properties. The amendment establishes reasonable controls on the use of public places rather than acquiring or impairing private property. The amendments are regulatory controls aimed at managing activities in public places and protecting public safety, accessibility, amenity and Council assets.	

Taxes, fees and levies: 9(d)

The importance of maintaining consistency with section 22(a) of the Constitution Act 1986 (Parliamentary control of taxation)	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments do not impose any taxes, levies or charges for the purpose of raising revenue. For fireworks, the amendment introduces a requirement to obtain Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. While an administrative process is established, the amendment itself does not create a tax or levy. Any fees associated with applications or approvals would need to be authorised under the Local Government Act 2002 and set through the appropriate Council fees and charges process. For real estate signs, the amendment regulates the maximum permitted size of real estate signs displayed in public places. The amendment does not create any new fees, charges, taxes or levies.	

Taxes, fees and levies: 9(e)

Legislation should impose, or authorise the imposition of, a fee for goods or services only if the amount of the fee bears a proper relation to the cost of providing the good or service to which it relates	
Inconsistency identified?	No
Summary of agency analysis	
The proposed amendments do not impose any fees for goods or services, nor do they establish any fees that are unrelated to the cost of providing a service. For fireworks, the amendment introduces a requirement to obtain Tauranga City Council approval before fireworks may be discharged in Council-controlled public places. An existing fee applies to undertake activities in Council-controlled public places. The amendment does not alter that fee or introduce any	



new charge. The fee is established through Council's fees and charges framework and is intended to recover the costs associated with administering the approval process.

For real estate signs, the amendment regulates the maximum permitted size of real estate signs displayed in public places. The amendment does not create any approval, licensing or registration requirements and does not impose any fees or charges.

There are no immediate financial implications associated with adopting the amendments. Any administrative costs incurred by Council are expected to be accommodated through existing operational processes.

Accordingly, the amendments do not appear to be inconsistent with the principle that fees for goods or services should bear a proper relationship to the cost of providing those goods or services.

Taxes, fees and levies: 9(f)

Legislation should impose, or authorise the imposition of, a levy to fund an objective or a function only if the amount of the levy is reasonable in relation to both -

- the benefits that the class of payers is likely to derive, or the risks attributable to the class, in connection with the objective or function; and
- the costs of efficiently achieving the objective or providing the function

Inconsistency identified?

Not applicable

Summary of agency analysis

The material reviewed does not indicate that the proposed amendments impose or authorises a levy.

Role of courts: 9(g)

Legislation should preserve the courts' constitutional role of ascertaining the meaning of legislation

Inconsistency identified?

No

Summary of agency analysis

Nothing in the proposed amendments appears to remove or restrict the courts' role in interpreting legislation or resolving disputes.

The fireworks amendment introduces a requirement to obtain Tauranga City Council approval before fireworks may be discharged in Council-controlled public places, while the real estate sign amendment regulates the maximum permitted size of real estate signs displayed in public places. These amendments establish regulatory requirements but do not alter the courts' ability to interpret the bylaw, review administrative decisions, or determine legal disputes.

Role of courts: 9(h)

Legislation should make rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review

Inconsistency identified?

No

Summary of agency analysis

The proposed amendments include limited administrative decision-making powers that are sufficiently defined and subject to existing legal and administrative processes. The fireworks amendment requires Tauranga City Council approval before fireworks may be discharged in Council-controlled public places, while the real estate sign amendment establishes a clear and objective size limit for signs displayed in public places. Administrative decisions made under the bylaw remain subject to applicable statutory requirements and principles of administrative law.



11.10 Deliberations and Adoption Report for Stormwater Bylaw Review 2026

File Number: A20154345

Author: Jennifer Ross, Policy Analyst
Radleigh Cairns, Manager: Drainage Services

Authoriser: Wally Potts, Head of City Waters
Reneke van Soest, General Manager: Operations & Infrastructure

PURPOSE OF THE REPORT

1. To consider the issues raised by submitters on the draft Stormwater Bylaw 2026 and decide whether to adopt the bylaw.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Deliberations and Adoption Report for Stormwater Bylaw Review 2026".
- (b) Approves the minor amendments made to the draft Stormwater Bylaw 2026 following the review of submissions (**Attachment 2**).
- (c) Notes the Consistency Accountability Statement (**Attachment 3**).
- (d) Revokes the Stormwater (Pollution Prevention) Bylaw 2015 and adopts the Stormwater Bylaw 2026 to replace it with effect on 1 December 2026.
- (e) Authorises the General Manager: Operations & Infrastructure to make any necessary minor final edits to the Stormwater Bylaw 2026, prior to publication.

EXECUTIVE SUMMARY

2. On 16 December 2025, the Council approved the draft Stormwater Bylaw 2026 (draft **Stormwater Bylaw**) and a statement of proposal for public consultation.
3. Submissions were sought from key stakeholders and the public between 4 May 2026 and 5 June 2026.
4. 17 submissions were received and analysed. The submissions showed general support for adopting the draft Stormwater Bylaw, with 76% of submitters supporting or strongly supporting the proposal. Support was primarily linked to environmental protection, harbour health, and the need to protect the stormwater network from pollution.
5. Submitters also raised concerns about implementation clarity, potential liability and compliance obligations and costs, alignment with legislation and consent requirements, contaminant discharge controls, pollution prevention planning requirements, stormwater network protection, and the role of tangata whenua and kaitiakitanga. Full analysis is provided in the Summary of Submissions (**Attachment 1**).
6. The draft Stormwater Bylaw responds to these issues by incorporating clarifications and minor amendments that improve legal certainty, reduce ambiguity, align with legislation and consent requirements and refine compliance obligations. Further implementation guidance will also be provided prior to the draft Stormwater Bylaw coming into force to clarify stakeholder questions and support planning for compliance.

7. After considering submissions, council staff recommend adopting the draft Stormwater Bylaw 2026 with proposed amendments since public consultation (as marked up in **Attachment 2**).
8. There are no immediate financial implications associated with adopting the draft Stormwater Bylaw as implementation costs are anticipated to fall within existing pollution prevention budgets. The draft Stormwater Bylaw does not introduce new costs to businesses other than the fees for infringement offences which are inserted in accordance with the Local Government (Water Services) Act 2025.
9. The proposed draft Stormwater Bylaw has been assessed for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025 and no inconsistencies were identified. The draft Consistency Accountability Statement has been prepared to confirm this, together with the Summary of Underpinning Analysis (**Attachment 3**). When the draft Stormwater Bylaw has been adopted, the Chief Executive will sign the Consistency Accountability Statement and it will be published with the bylaw.
10. Council is asked to consider the issues raised by submitters, accept the minor amendments proposed, revoke the Stormwater (Pollution Prevention) Bylaw 2015 and adopt the draft Stormwater Bylaw 2026 to come into effect on 1 December 2026.

BACKGROUND

11. Tauranga City Council's Stormwater (Pollution Prevention) Bylaw (the bylaw) was first adopted in 2010 and last reviewed in 2015. The bylaw aims to protect the environment, community health and the stormwater network by regulating the discharge of contaminants, ensuring the network is used solely for stormwater drainage, and preventing damage or unauthorised alteration. The bylaw empowers the council to require treatment works, monitor discharges, enforce Pollution Prevention Plans, and apply penalties for non-compliance.
12. This review of the bylaw has been undertaken in accordance with the Local Government (Water Services) Act 2025 (**Act**). Feedback from key stakeholders was sought in 2025 to understand how they thought the bylaw was working and identify any potential improvements. Stakeholders included staff, tangata whenua representatives, as well as some businesses that have previously interacted with the council about Pollution Prevention Plans.
13. On 16 December 2025, Council considered and approved, the draft Stormwater Bylaw 2026 and associated statement of proposal for public consultation.
14. Public consultation was carried out from 4 May 2026 to 5 June 2026 and was promoted through direct emails to key stakeholders, the Let's Talk website and inclusion in the Korero Mai newsletter. Hearings for those wishing to speak to their submissions were held on 1 July 2026.

Submission Summary

15. All written submissions received through public consultation were provided to Council with the hearings report on 1 July 2026²⁸. An analysis of the submissions is provided in the Summary of Submissions (**Attachment 1**).
16. Submitters were specifically asked to provide their feedback on:
 - (a) whether they support the proposal to adopt the draft Stormwater Bylaw
 - (b) whether the proposed changes strike the right balance between environmental protection and practical requirements
 - (c) what impact they expect from the proposed changes
 - (d) anything that needs refinement or should be changed.

²⁸ Hearings report available at -

https://infocouncil.tauranga.govt.nz/Open/2026/07/CO_20260701_AGN_3020_AT.PDF

17. Given the technical nature of this bylaw, feedback from the community was limited with just 17 written submissions received and one submitter (Port of Tauranga Limited) speaking at the hearings. Of the 17 submitters, four are organisations with specialist knowledge and experience – Bay of Plenty Regional Council, Western Bay of Plenty District Council, Port of Tauranga Limited and Environ NZ Limited. Each of these four organisations submitted more detailed information focused on expected impact and suggested refinements of the draft Stormwater Bylaw.
18. The majority of submitters (76%) supported or strongly supported the proposal to adopt the draft Stormwater Bylaw 2026 and 54% identified the impact of the updated bylaw as positive. Reasons for supporting the bylaw were focused around environmental protection and the health of the harbour. Those that didn't support the proposed change were generally concerned about increased compliance costs and insufficient clarity for implementation.
19. Six submitters responded that the draft Stormwater Bylaw has the balance between environmental protection and practical requirements right while two submitters indicated it as being too strongly environmental and five submitters said it was too practically focused. Only five submitters provided reasons for their views. Reasons given focused on a desire for even stronger environmental protection and concerns around proportional enforcement.
20. The four organisational submitters generally support the proposed draft Stormwater Bylaw but sought amendments to improve clarity, legal certainty and implementation. The most common themes relate to alignment with legislation and consent requirements, clarification of liability and compliance obligations, stronger and clearer stormwater network protection provisions, refinement of contaminant discharge controls, improved pollution prevention planning requirements, and greater clarity around tangata whenua involvement and kaitiakitanga. Several submitters also advocated for practical implementation measures and stronger support for best-practice stormwater management approaches.
21. The amendments proposed by these organisations largely focus on improving legal clarity, reducing ambiguity, aligning with other legislation and consents, refining compliance obligations, and strengthening stormwater management provisions. Where the proposed amendments are consistent with the intention of the draft Stormwater Bylaw and practicable, they have been included in the draft amendments to the draft Stormwater Bylaw. Some proposals have been noted as points for clarification in the guidance material that will be provided to assist with implementation.
22. A submitter raised concerns about the impact of overland stormwater flow paths that are encumbering the use and development of Māori Land. As these concerns are specific and outside the scope of this draft Stormwater Bylaw, they have been referred to the City Waters Planning Team to respond.

Summary of responses

23. As noted above, the draft Stormwater Bylaw has been amended to incorporate clarifications and minor changes to address concerns raised in submissions. The changes made in relation to submission points are outlined in the Summary of Submissions (**Attachment 1**) and changes are marked up in the draft Stormwater Bylaw 2026 (**Attachment 2**).
24. In addition to those changes, preparation for implementation of the draft Stormwater Bylaw will include guidance materials and clarification of points raised by stakeholders to assist with planning for compliance.

Consistency Statement

25. Since 1 July 2026 compliance with the Regulatory Standards Act 2025 requires that secondary legislation, such as this draft Stormwater Bylaw, be accompanied by a Consistency Accountability Statement to confirm consistency with principles in that act, together with the Summary of Underpinning Analysis (**Attachment 3**). In compliance with these new requirements, the documents have been prepared and the Explanatory Note inserted into the draft Stormwater Bylaw as required.

STATUTORY CONTEXT

26. The draft Stormwater Bylaw is made under section 258 of the Local Government (Water Services) Act 2025. This new Act requires territorial authorities to follow the bylaw making process and consultation requirements set out in the Local Government Act 2002.
27. The special consultative procedure must be used when amending or replacing a bylaw unless the proposed changes are minor or are correcting errors.

STRATEGIC ALIGNMENT

28. 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	✓
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	☐

29. Reviewing the Stormwater Bylaw helps strengthen the contribution that it makes to three community outcomes:
 - (a) valuing, protecting and enhancing the environment by ensuring that stormwater is not polluted and that the stormwater network operates effectively;
 - (b) a well-planned city by setting the expectation that our stormwater network is constructed in accordance with the Infrastructure Development Code; and
 - (c) being a city that supports business by providing a framework for Tauranga City Council or the water service provider to work with businesses that manage potential pollutants to ensure effective pollution prevention.

OPTIONS ANALYSIS

30. The table below sets out the advantages and disadvantages of adopting the amended draft Stormwater Bylaw.

Table Two: Stormwater Bylaw Options

Option	Advantages	Disadvantages
1 Adopt the draft Stormwater Bylaw. Recommended	- Allows the council to strengthen pollution prevention and improve the management of the stormwater network. - Responds to feedback received from key stakeholders. - Meets obligations, in relation to stormwater, to protect, promote and maintain public health and safety, protect the local environment, and to comply with the conditions of our resource consents. - Supports greater cost recovery from those that do not comply with bylaw provisions. - Ensures legal requirements of	- The costs to occupiers that do not comply with bylaw provisions may increase. - Costs associated with creating and providing guidance and implementation material. - Bylaws under the Local Government (Water Services) Act 2025 are new and there are limited examples of other comparable council bylaws or case law on points of potential legal

Option		Advantages	Disadvantages
		reviewing the bylaw are met.	challenge.
2	Retain the current bylaw.	- The draft Stormwater Bylaw could be approved later if more analysis or research is required prior to adopting it. - Allows the new water services CCO to recommend the terms of the stormwater bylaw. - Allows more time for the emergence of comparable bylaws under the Local Government (Water Services) Act 2025 (if any).	- No amendments from the outcome of the review will be included. - Potential improvements in cost recovery will be delayed. - Delays the initial bylaw review which must be done by 26 August 2027 to meet statutory timeframes under the Local Government (Water Services) Act 2025. - Requires amendment of the Bylaw Review Plan for the draft Stormwater Bylaw.

FINANCIAL CONSIDERATIONS

31. The proposed updates to the draft Stormwater Bylaw provide greater clarity about the council's, and later the water service providers', ability to recover some of the costs associated with managing the stormwater network from the businesses that make contaminated discharges into the stormwater network or are at higher risk of having events that pollute stormwater.
32. The costs to the council associated with implementation of the updated draft Stormwater Bylaw are anticipated to fall within existing pollution prevention budgets.

LEGAL IMPLICATIONS / RISKS

33. The review of the bylaw is well within the statutory timeframes set under the Local Government (Water Services) Act 2025 which requires that the Stormwater Bylaw be reviewed by 27 August 2027.
34. While there is always legal uncertainty complying with a new piece of legislation, the legal risk associated with this proposed draft Stormwater Bylaw is generally the same as any bylaw. This includes the risk of the repeal of the empowering Act.
35. As the Water Services Strategy is still under development, there is a risk of misalignment with that strategy. However, any bylaw is at risk of requiring a review due to future strategic or political change.
36. There is a risk that the bylaw will be perceived negatively by businesses and the wider community as it imposes compliance requirements on them. This risk will be managed through effective engagement and consultation, together with an education approach to enforcement where reasonable.

TE AO MĀORI APPROACH

37. As a pollution prevention bylaw, the draft Stormwater Bylaw supports Kaitiakitanga of the built environment (Taiaohanga) and the health of wai and waterways. The updated draft Stormwater Bylaw reflects this in its purpose clause.

38. The updated draft Stormwater Bylaw also aligns with Manaakitanga by helping keep the stormwater network safe and sanitary, and with Kaitiakitanga by protecting stormwater from preventable pollution. The draft Stormwater Bylaw recognises the link between strategies developed with tangata whenua and how Tauranga City Council protects stormwater from pollution.

CLIMATE IMPACT

39. The draft Stormwater Bylaw supports the protection and development of quality stormwater infrastructure which is essential to Tauranga's ability to:
- (a) be resilient to the changing weather conditions associated with a changing climate; and
 - (b) provide ongoing protection to nature and biodiversity in the harbour.

CONSULTATION / ENGAGEMENT

40. Consultation was carried out on the draft Stormwater Bylaw in accordance with the Local Government (Water Services) Act 2025 and the Local Government Act 2002 bylaw making process which requires the use of a special consultative procedure.

SIGNIFICANCE

41. 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.
42. 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.
43. While the draft Stormwater Bylaw has important implications for environmental protection, public health, and the effective operation of the stormwater network, it does not fundamentally alter levels of service, involve significant financial investment, or result in major changes to strategic infrastructure assets. The primary impacts are regulatory and operational in nature, affecting specific stakeholder groups (such as businesses and developers) more directly than the wider community. Accordingly, the matter is considered to have a moderate level of impact overall. The decision to adopt the draft Stormwater Bylaw is therefore assessed as being of medium significance.

ENGAGEMENT

44. Taking into consideration the above assessment and that consultation has already taken place through a special consultative procedure with a wide range of stakeholders, officers are of the opinion that no further engagement is required prior to the Council making its decision.

NEXT STEPS

45. If Council adopts the draft Stormwater Bylaw, it will come into effect on 1 December 2026. This effective date allows time for both staff and businesses to prepare for implementation, including the provision of updated stormwater and pollution prevention plan guidance material.

ATTACHMENTS

1. **Submissions Summary - A20742879** [!\[\]\(0551a83d441798e532995956b603f604_img.jpg\)](#) 
2. **Draft Stormwater Bylaw 2026 - A20855110** [!\[\]\(73ae654e8897db9b21f1bf9d9efc07ef_img.jpg\)](#) 
3. **Consistency Accountability Statement - A20945209** [!\[\]\(3b5d74d5eba68301b1a5c22417b6b52c_img.jpg\)](#) 

Submissions Summary

Topic One: Replace the 2015 bylaw with the draft Stormwater Bylaw 2026

Proposal: Adopt the draft Stormwater Bylaw 2026 to replace the Stormwater (Pollution Prevention) Bylaw 2015. The updated draft bylaw is intended to provide a stronger, clearer framework for managing stormwater in Tauranga, supporting our goals for environmental protection, community health, and resilience to climate change.

Feedback from consultation survey: Overall, do you support the proposal to adopt a new Stormwater Bylaw 2026 to replace the 2015 bylaw?		
17 Submissions		
	%	Number of responses
Strongly support	35%	6
Support	41%	7
Neutral/unsure	6%	1
Do not support	6%	1
Strongly do not support	12%	2

Table One: Issues identified through analysis of 14 written submissions on replacing bylaw

Issue	Submission themes and example Quotes	Response
1. Environmental Protection & Harbour Health – Support for an updated bylaw that improves protection of waterways, the harbour, and wildlife from pollution and runoff	Most submissions that mentioned this theme noted support for the proposed bylaw Supportive "Too much rubbish is getting into the harbour after heavy rain"; "Industrial discharge...will cause harm to wildlife"; "Better protections for our harbour and estuaries"	Already aligned with the draft bylaw
2. Tangata Whenua & Cultural Values Recognition of Māori role in stormwater management, kaitiakitanga, and te ao Māori perspectives	There was a mixed response to the proposed bylaw by submitters who mentioned this theme. Supportive: "Appreciate the recognition of tangata whenua and te ao Māori in stormwater management"; Critical: Concerns about impacts on Māori land and need for cultural remediation (note this is outside scope of bylaw). Query: clarity around "kaitiakitanga" in stormwater context.	Clause 4.2 (d) amended for clarification
3. Regulatory Burden & Compliance Costs Concerns about increased red tape, compliance costs, and practical implementation challenges	Most submitters that mentioned this theme raised concerns with the proposed bylaw. Critical "More red tape, less practical solutions. Increased compliance cost"; Concerns about fines for car washing being "absolute overkill"	Clarification and reassurance to be provided in implementation material

4. Need for Modernisation & Updates Recognition that the 2015 bylaw needs updating to be fit for purpose and strengthen the regulatory framework	Most submitters that mentioned this theme supported the proposed bylaw. Supportive "Bylaw needs to be updated"; "Always necessary to review environmental regulations"; "Strengthen the regulatory framework and enable clarity"	Already aligned with the draft bylaw
5. Governance Uncertainty (Waters Done Well) Questions about timing given pending transfer to new water entity; potential duplication of effort	Most submitters who mentioned this theme did not agree with the approach/timing to reviewing the bylaw. "WHY is TCC wasting yet more of their ratepayers budget setting principals which may be changed/adjusted by the new entity"	Note that existing bylaws may be used as starting point for any future changes suggested by the waters entity and bylaw making powers remain with TCC
6. Māori Land & Infrastructure Impacts Stormwater pathways encumbering Māori land use; flooding, erosion affecting mahinga kai traditions	Most submitters that mentioned this theme raised concerns with the proposed bylaw. "Stormwater designed overland pathways encumber the use, development and retention of Maori land"; "Ranginui Blocks impacted by flooding, erosion and water quality" (note this is outside scope of bylaw)	Shared these concerns on to the City Waters Planning Team

Topic Two: Balancing Environmental Protection and Practical Requirements

Proposal: As drafted in the proposed Stormwater Bylaw 2026, clarify responsibilities for preventing pollution and reporting unauthorised discharges, strengthen protection of stormwater assets from damage, modification, or interference, require compliance with the Infrastructure Development Code, and recognise the role of tangata whenua and te ao Māori in stormwater management and kaitiakitanga (guardianship).

Feedback from consultation survey: Do the proposed changes strike the right balance between environmental protection and practical requirements for people and businesses?		
13 Submissions		
	%	Number of responses
Too strongly environmental	15%	2
Slightly too environmental	0%	0
The balance is right	46%	6
Slightly too practically focused	24%	3
Too strongly practically focused	15%	2

Table Two: Issues identified through analysis of 5 written submissions on striking the right balance between environmental and practical considerations in the bylaw

Issue	Example Quotes	Response
1. Desire for Stronger Environmental Protection	"I would prefer stronger environmental protection, but the proposed changes are at least moving in the right direction."	Practical limitations exist, otherwise already aligned with the draft bylaw

	"I support environmental protection, as the water quality of our awa and moana will sustain this city's people, economy & tourism."	
2. Agreement with approach	"Environmental protection needs updating"	Aligns with updated bylaw
3. Proportional enforcement	"Residents washing a car in their driveway once a week should not be an offence." "seeks to ensure that the provisions of the Bylaw provide clarity to users." "provide workable compliance pathways"	Clarification and reassurance to be provided in implementation material
4. Doesn't address Māori Land	"Wetlands definitions and Māori land encumbered by storm water activities and structures are not clearly identified" (note this is outside scope of bylaw)	Outside the scope of this bylaw but noted to City Waters Planning Team

Topic Three: Impact of proposed changes

Feedback from consultation survey: If you're likely to be directly affected, what impact do you expect from the proposed changes to the bylaw?		
11 Submissions		
	%	Number of responses
Positive impact	45%	5
Minor positive impact	9%	1
Neutral/unsure	28%	3
Minor negative impact	0%	0
Negative impact	18%	2

Table Three: Likely impacts identified through analysis of 6 written submissions on expected impact of the updated bylaw

Impact	Example Quotes	Response
1. Healthier Harbour and Waterways Environmental improvements will benefit local residents who use the harbour and waterways	These submitters were focused on the potentially positive impact. "The harbour and waterways will become healthier and that will benefit me as someone who lives in this area and uses these amenities."	Aligned with intention of the bylaw
2. Disproportionate Penalties Perceived double standard with harsh fines for residents while council activities may contribute more to the problem	Submitters were concerned about negative impacts from penalties or implementation. "I feel fining a pensioner \$750 for washing his or her car on their driveway very harsh. One cap of biodegradable car wash, once a week won't hurt the environment compared with what council blow and sweep into open roadway drains every day."	Clarification and reassurance to be provided in implementation material

3. Neutral Owners and occupiers of established properties don't expect much change	Not all submitters anticipate direct impact for themselves, but the review appears to have raised awareness. "Gain some knowledge of storm water drains" "Who knows until the 'Waters Done Well' entity makes up it's own rules and charges."	Neutral
4. Long-term Māori Land & Ecological Advocacy needed	A submitter raised this opportunity outside the scope of the bylaw. "Accumulative effects culminate from adverse events or activities and the long term focus of Māori land tenure and ecological systems require advocacy and provision"	Outside the scope of this bylaw but noted to City Waters Planning Team

Topic Four: Alternatives

Proposal: Submitters were invited to provide their suggestions for refinement or changes to the proposed Stormwater Bylaw 2026.

Feedback from consultation survey: Is there anything you think needs refinement or should be changed in the draft Stormwater Bylaw 2026?		
17 Submissions		
	%	Number of responses
Yes	59%	10
No comment	41%	7

Table Four: Summary of general suggestions for refinement or amendments to the draft bylaw by theme from 6 written submissions

Theme	Example Quotes	Response
1. Plain language & proportional	"Use simple language" "Have some sense, tone it down"	Where possible, simple language has been used in the draft bylaw and implementation material will provide further clarification in simple terms.
2. Prioritise stormwater	"Road flooded in front of house in recent downpour" "Perhaps fewer roads of importance and more water protection."	Outside scope of bylaw
3. Cultural provisions	Support: "Engagement with Māori Land owners" Oppose: Resistance to cultural provisions	Clause 4.2(d) has been updated for greater clarity
4. Governance uncertainty	"Who knows until the 'Waters Done Well' entity makes up it's own rules and charges."	Outside scope of bylaw

Table Five: Summary of specific suggestions for refinement or amendment to the draft bylaw from four organisations with detailed written submissions (Western Bay of Plenty District Council, Port of Tauranga Limited, Enviro NZ Services Limited and Bay of Plenty Regional Council).

Theme	Outline of Suggestion	Example Quotes	Response/Rationale
1. Clarity and certainty of drafting	Improve definitions, remove ambiguity, define key terms more clearly, and ensure provisions can be consistently interpreted and applied. Raised by Port of Tauranga, Enviro NZ and Bay of Plenty Regional Council.	"The term 'near' is very vague." (Enviro NZ) clause 11.4(a) "The reference of 'relevant sections' of the Natural Resources Plan is ambiguous." (Port of Tauranga)	Where possible and consistent with the intent of the bylaw, updates suggested by submitters have been made in the draft bylaw for deliberation and adoption. For example, Bay of Plenty Regional Council noted reference to "permanent stormwater discharge consent" rather than "comprehensive stormwater consents" – updated clause 4.1(b). Another example was inclusion of an additional clarification in the definition of "private stormwater network", suggested by Port of Tauranga. An example where a request was not included in update – clause 11.4(a) terminology 'near' is used in Local Government (Water Services) Act 2025. Terminology such as 'relevant sections' is used to provide for changes to third party documents over the life of the bylaw and may be clarified in implementation material which can be updated more easily.
2. Legislative and regulatory alignment	Align the bylaw with the Local Government (Water Services) Act 2025, resource consent requirements, comprehensive stormwater consents, national standards, and regional planning instruments.	"The water service provider may establish standards and controls for the stormwater network through guidelines, conditions of Resource Consent..." (WBOPDC proposed amendment to clause 7.1) "Clause 11 [should] better align with the requirements and intent of the Local Government (Water Services) Act 2025... appears to exclude overland flow paths" (WBOPDC)	Where possible and consistent, updates have been made in the draft bylaw for deliberation and adoption. Some suggestions from submitters have not been made due to duplication (clause 7.1 – conditions of Resource Consent reflected in Infrastructure Development Code) or inaccuracies (clause 11 – had missed that definitions of "component" and "stormwater network" include overland flow paths.
3. Liability and responsibility	Narrow provisions that may impose obligations on persons who are not responsible for, or able to control,	"The implications and expectations for a general member of the public are	Definition of "Person" has been clarified and amendments made to narrow the

	stormwater discharges or network impacts. Clause 6.3 was identified as a source of this concern.	unclear." (WBOPDC regarding clause 6.3) "These clauses may make a person unduly liable for something over which they have no control." (Enviro NZ)	obligation under clause 6.3 to only notification.
4. Stormwater network protection	Strengthen protection of stormwater assets through recognition of overland flow paths, network capacity considerations, inspection powers, and protection of critical infrastructure.	"Explicitly recognise overland flow paths as part of the stormwater network." (WBOPDC) "Provide the water service provider with access to the completed works and supporting documentation to enable inspections." (BOPRC proposed new clause 8.2(b))	Where possible and consistent, updates have been made in the draft bylaw for deliberation and adoption. As noted above - existing definitions of "component" and "stormwater network" include overland flow paths. As clause 9.1 provides a broad ability to inspect networks Bay of Plenty Regional Council's 8.2(b) suggestion was not included.
5. Discharge and water quality controls	Clarify the standards that apply to discharges, refine references to Regional Natural Resources Plan requirements, and ensure contaminant controls are practical and enforceable.	"Recommending clarification of what water quality standards need to be met." (Port of Tauranga) "Preventing the discharges of unauthorised contaminants to the public stormwater network." (Port of Tauranga proposed amendment to clause 4.2(a))	Submitter suggestions have been dealt with on a case-by-case basis. For example, references to the Regional Natural Resources Plan have been updated in the draft bylaw, but reference to "unauthorised contaminants" has not been added to the bylaw purpose in clause 4.2(a). On the suggestion of Bay of Plenty Regional Council, clause 6.1(a) now includes "or relevant national standard". This is consistent with the approach that as water quality standards are set by third parties, they will be clarified in implementation material which can be updated more easily than the bylaw itself.
6. Pollution prevention plans	Improve Pollution Prevention Plan provisions, including certification processes, qualification requirements for plan preparation, and clearer high-risk facility requirements.	"Regional Council recommends changing the wording of 10.1 from 'approval' to 'certification'." (BOPRC) "Enable TCC to require a suitably qualified and experienced person to prepare the plan." (BOPRC)	Pollution Prevention Plan suggestions were reviewed and compliance costs weighed against potential benefits or gains in compliance and have not proceeded.

7. Tangata whenua and kaitiakitanga	Clarify the role, triggers, scope, and application of tangata whenua involvement and references to the active exercising of kaitiakitanga.	"The meaning of 'the active exercising of Kaitiakitanga' needs to be clarified." (Enviro NZ) "The nature of tangata whenua involvement is not clear." (BOPRC)	Consideration of these submissions have led to amendment of Clause 4.2(d) to help with clarification, however it is intended to be broad to enable application to activity-specific plans in a way that is appropriate to the plan (if at all). If additional clarification is necessary, further guidance will be provided in implementation material such as the Pollution Prevention Plan Guide.
8. Implementation and compliance	Improve the workability of the bylaw through clearer approval pathways, reasonable compliance timeframes, clearer information requirements, and certainty for regulated parties.	"Any management options, treatment or works shall be implemented in a reasonably practicable timeframe." (Port of Tauranga regarding clause 14.1) "It is unclear whether this is a completely separate approval process." (Enviro NZ regarding clause 7.4)	Submitter suggestions have been dealt with on a case-by-case basis and may be clarified in implementation material. For example, clause 7.4 remains unaltered to be flexible between processes that may exist while stormwater is handled within Council processes and processes that may apply when it is dealt with by the separate water organisation. Note that the timeframes in clause 14.1 notices remain unchanged from the existing bylaw.
9. Stormwater management best practice	Promote best-practice stormwater management through water sensitive design, treatment trains, stronger pollution prevention measures, and improved protection of receiving environments.	"Water sensitive design is a key goal in Tauranga Taurikura and the Infrastructure Development Code." (BOPRC)	Already aligned with the intent of the bylaw.

DRAFT STORMWATER BYLAW 2026



First adopted	2010	Minute reference	
Revisions/amendments	28 September 2015	Minute reference	
	[TBC] 2026	<i>Change to Local Government (Water Services) Act 2025</i>	
Review date	This bylaw is to be reviewed 10 years after date of last review		
Relevant legislation	This bylaw is made under section 258(1)(c) of the Local Government (Water Services) Act 2025		

1. TITLE

- 1.1 This bylaw is the Tauranga City Council Stormwater Bylaw 2026.

2. COMMENCEMENT

- 2.1 This bylaw comes into force on 1 December 2026. [TBC]

3. APPLICATION AND INTERPRETATION

- 3.1 Unless otherwise stated, this bylaw shall apply to the whole of the city.
- 3.2 Words which refer to the singular include the plural and the plural includes the singular.
- 3.3 Reference to any act, regulation or plan or provision of any act, regulation or plan includes any amendment to that act, regulation or plan or any act, regulation or plan passed in substitution for it.
- 3.4 Notes in italics are for information only and are not part of this bylaw.

4. PURPOSE

- 4.1 The purpose of this bylaw is to support the development, operation and maintenance of a public stormwater network that:
- (a) aligns with Tauranga Taurikura, a city that values, protects and enhances our environment,
 - (b) complies with the conditions of the any permanent stormwater discharge consent held by Tauranga City Council's ~~comprehensive stormwater consents~~, and
 - (c) aligns with Tauranga Matarauui, a city where people feel safe, connected and healthy.

4.2 This bylaw supports this purpose through:

- (a) preventing or minimising the discharge of contaminants into the public stormwater network
- (b) requiring the use of the public stormwater network for the drainage of stormwater only
- (c) protecting the public stormwater network, including the land, structures and infrastructure associated with that network, from damage, misuse, interference and nuisance

(d) imposing requirements for activity-specific plans to:

(i) ~~to~~ support compliance with consent conditions, and/or

(ii) include consequences for non-compliance, ~~which may include and/or~~

~~(i)(iii)~~ involveing tangata whenua in the active exercising of kaitiakitanga.

5. DEFINITIONS

Term	Definition
Component	means any physical or natural element that forms part of a stormwater network or contributes to stormwater management. This includes, but is not limited to: dam, weir, overland flow path, stormwater management device, stopbank, headworks, treatment device, drainage reserve land, ecological device, erosion and scour control structure, stormwater inlet or outlet structure, stormwater pipe, drain cover, stormwater pump system.
Contaminant	is as defined by the Resource Management Act 1991. At the date of this bylaw, a contaminant includes any substance (including gases, odorous compounds, liquids, solids, and micro-organisms) or energy (excluding noise) or heat, that either by itself or in combination with the same, similar, or other substances, energy, or heat: a. When discharged into water, changes or is likely to change the physical, chemical, or biological condition of water; or b. When discharged onto or into land or into air, changes or is likely to change the physical, chemical or biological condition of the land or air onto or into which it is discharged
Discharge	is as defined by the Resource Management Act 1991 and means to emit, deposit, and allow to escape
Infrastructure Development Code	often referred to as the "IDC", means the technical and procedural code that sets the standards for land and infrastructure development in Tauranga to ensure functional, safe and sustainable infrastructure.
Management options	mean a process or procedure for preventing or minimising the discharge of contaminants to the public stormwater network to protect the water service provider's infrastructural assets

Term	Definition
Occupier	is as defined by the Resource Management Act 1991. At the date of this bylaw, occupier means the inhabitant occupier of any property. In relation to any land (including any premises and any coastal marine area) this includes any agent, employee, or other person acting or apparently acting in the general management or control of the land, or any plant or machinery on that land
Owner	in relation to any land or premises means any person for the time being entitled to the rent of the land or premises or who would be so entitled if the land or premises were let to a tenant whether on his/her own account or as the agent of a trustee for any other person and includes any person registered and the proprietor of the land or premises
Person	Means an individual, includes a corporation sole, and also a body corporate, and an of persons, whether corporate or unincorporated <u>body</u>
Pollution Prevention Plan	means a plan approved by the water services provider which identifies actual or potential risks relating to the discharge of contaminants from a specific site or operation, and the management strategies implemented or proposed to mitigate against these risks. The plan identifies the mechanisms to reduce the potential for breaching the minimum water quality standards as specified in this bylaw or the Regional Natural Resources Plan
Private stormwater network	means all privately owned components of a stormwater network <u>located</u> on private land up to the point of service connection with the public stormwater network, including any pipe, gutter, catchpits, subsoil drains, treatment devices, rainwater tanks and any stormwater management device. <u>Privately owned components of a stormwater network that does not connect to the public stormwater network are excluded.</u>
Public stormwater network	means all components of the Tauranga City stormwater network owned by the water services provider, including any or all of the following: a. Pipes, drains, drainage channels, catch pits, manholes, lateral connections, stormwater management devices, land drainage work or treatment facility, vested in or under the control of the water service provider, which serves more than one freehold lot; Any drain, kerb, drainage channels, land drainage works or treatment facilities within a legal road reserve or other public places; and Any drain, drainage channel, land drainage work or treatment facility declared to be a public drain under section 462 of The Local Government Act 1974.
Regional Natural Resources Plan	means the relevant sections of the Bay of Plenty Regional Council's Regional Natural Resources Plan
Stormwater	means surface water run-off resulting from rainfall

Term	Definition
Stormwater management devices	has the same meaning as in the Tauranga City Plan with the addition of secondary flow paths. At the date of this bylaw, this means a device or facility used to reduce stormwater runoff volume, flow and/or contaminant loads prior to discharge. This includes but is not limited to: a. rain gardens and swales; b. permeable paving with below ground storage; c. rainwater tank; d. infiltration trenches; e. sand filters; f. green roofs; g. wetlands; h. ponds; i. proprietary treatment devices; j. soakholes and soakpits; and k. secondary flow paths.
Stormwater network	is as defined in the Local Government (Water Services) Act 2025. At the date of this bylaw, this means (a) the water services infrastructure and processes that are used to provide a stormwater service; and are owned by, or operated by, for, or on behalf of, a water services provider, and (b) includes any of the following that receives stormwater from, or conveys stormwater to, the infrastructure referred to in paragraph (a): an overland flow path, green water services infrastructure, a watercourse; and (c) may include overland flow paths and watercourses that cross over or beneath private land.
Unauthorised discharge	means a discharge that is not permitted by a rule in the Regional Natural Resources Plan or authorised by a resource consent.
Water Service Provider	is as defined in the Local Government (Water Services) Act 2025. At the date of this bylaw, this includes a territorial authority that has not transferred to a water organisation all of the authority's responsibility for providing water services, in relation to the water services for which the authority continues to have responsibility; or a water organisation to which a territorial authority or a regional council has transferred responsibility for providing water services, in relation to the responsibility transferred.

These definitions apply unless the context requires otherwise.

6. MINIMUM PROTECTING WATER QUALITY STANDARDS

- 6.1 A person must prevent the discharge of contaminants, either directly or indirectly, into any part of the stormwater network unless the discharge;
- (a) Is permitted by a rule in the Regional Natural Resources Plan or a relevant national standard; or
 - (b) Is authorised by a resource consent.
- 6.2 A person must take all reasonable steps to store, handle, transport and use materials in a way that protects the public stormwater network from the unauthorised discharge of contaminants.
- 6.3 Any ~~person~~ who becomes aware of, or suspects, an unauthorised discharge or imminent unauthorised discharge of contaminants into the public stormwater network must ~~immediately take all reasonable steps to stop the discharge or prevent it from continuing and must~~ notify the water service provider as soon as reasonably practicable.

7. SAFE AND EFFICIENT NETWORK DEVELOPMENT AND CONNECTIONS

- 7.1 The water service provider may specify standards and controls for the stormwater network by issuing guidelines or through inclusion in the Infrastructure Development Code for:
- (a) The maintenance and construction of works that may affect the public stormwater network;
 - (b) The operation of both private and public stormwater networks.
- For guidance, refer to Chapter DS-5 (Stormwater Design Standards) of the Infrastructure Development Code for further details and relevant restrictions.*
- 7.2 Any stormwater network components that are vested in the water service provider must:
- (a) be of a type, design, location and performance that enables the water service provider to comply with any permanent stormwater discharge consent held by Tauranga City Councils or the water service provider's ~~comprehensive stormwater consents~~; and
 - (b) comply with the Infrastructure Development Code on the date they are vested in the water service provider, unless a valid departure agreement has been made with the water service provider. The water service provider may inspect any stormwater network components to ensure compliance with the Infrastructure Development Code prior to the components being vested in the water service provider.
- For guidance, refer to Chapter GEN-6 (Departures) of the Infrastructure Development Code for further details and relevant restrictions.*
- 7.3 A person must obtain written approval from the water service provider before:
- (a) making any new connection to the public stormwater network; or
 - (b) undertaking work to:

- i. make substantial or structural changes to premises that would affect the flow rate through an existing connection to the public stormwater network (for example, where a substantial area of ground soakage will be sealed), or
 - ii. construct stormwater network components to be vested in the water service provider, or
 - iii. alter or modify any part of the public stormwater network, including connections between private stormwater networks and the public stormwater network.
- 7.4 In accordance with s150 of the Local Government (Water Services) Act 2025, the approval process referred to in clause 7.3 to regulate connections to the public stormwater network requires the following three steps:
 - (a) the applicant must provide sufficient information in a form agreed by the water service provider to enable the water service provider to understand the proposed activity and be satisfied as to whether or not the stormwater network has capacity for the proposed activity; and
 - (b) the applicant must provide detailed engineering plans to the water service provider to enable the water service provider to be satisfied that the proposed activity can be implemented; and
 - (c) the applicant must provide the water service provider with access to the completed works and supporting documentation to enable the water service provider to undertake inspections that must satisfy the water service provider as to whether the work has been completed to an acceptable standard and in accordance with the approvals granted under steps (a) and (b).
- 8. TREATMENT OR WORKS TO BE UNDERTAKEN**
 - 8.1 The water service provider may require the owner or occupier to implement management options, treatment or works that comply with the Infrastructure Development Code in order to prevent the unauthorised discharge of contaminants into the public stormwater network or otherwise protect the network from damage or alteration.
 - 8.2 Any management options, treatment or works shall be implemented in a reasonable timeframe stipulated by the water service provider and shall be undertaken and / or maintained at the owner or occupier's expense.
 - 8.3 The water service provider may recover from the owner or occupier the costs, including the costs associated with additional inspections and monitoring of discharges from a property into the public stormwater network, when:
 - (a) the owner or occupier does not implement the management options, treatment or works required by the water service provider in the timeframe stipulated by the water service provider, and
 - (b) the lack of implementation is suspected in the unauthorised discharge of contaminants to the public stormwater network.

9. INSPECTIONS AND MONITORING DISCHARGES

- 9.1 The water service provider may inspect, and monitor discharges from, private and public stormwater networks in order to ensure compliance with this bylaw.

10. POLLUTION PREVENTION PLANS

- 10.1 Where a site is deemed to be a high risk facility under Schedule 4 of the Regional Natural Resources Plan and discharges directly or indirectly to the public stormwater network, the occupier of the site may be required to prepare a Pollution Prevention Plan and submit the plan to the water service provider for approval.

- 10.2 The Pollution Prevention Plan must include:

- (a) A suitably scaled drawing showing the site layout, boundaries, all private stormwater and wastewater drainage including the point of connection to the public stormwater networks, relevant buildings and outdoor spaces (including their use); and
- (b) A site assessment identifying all actual and potential sources of stormwater pollution; and
- (c) Methods in place to control contamination of the public stormwater network; and
- (d) Methods and timeframes proposed to control contamination of the public stormwater network; and
- (e) A description of the maintenance procedures in place and proposed; and
- (f) Spill prevention and spill response procedures.

If another plan has been prepared which addresses these issues, it may be used in place of a Pollution Prevention Plan.

- 10.3 Within three months of being requested to do so, the occupier must provide a Pollution Prevention Plan to the water service provider for review and approval. Failure to provide a Pollution Prevention Plan within the three months of the request is a breach of this bylaw and may result in additional site inspections by the water service provider at the cost of the occupier and/or other enforcement action.
- 10.4 Once the Pollution Prevention Plan has been approved by the water service provider, the occupier must comply with all provisions, including timeframes specified, of the Pollution Prevention Plan.
- 10.5 The occupier must review the Pollution Prevention Plan every three years and provide it to the water service provider for review and approval.
- 10.6 Notwithstanding Clause 10.4, the water service provider may require that any Pollution Prevention Plan be revised where there have been significant changes in the facility concerned or its operational procedures.

11. NETWORK PROTECTION

- 11.1 A person must not cause, or allow to be caused, any damage to any component of the public stormwater network.
- 11.2 A person must not modify, interfere with or remove component of the public stormwater network without the prior approval of the water service provider.

11.3 Any person who knows of damage to the public stormwater network must report it to the water service provider immediately.

11.4 Network proximity:

- (a) In accordance with section 307 of the Local Government (Water Services) Act 2025, any building work over or near the public stormwater network requires approval from the water service provider; and
- (b) Where building work is within the proximate distances from the public stormwater network specified in Infrastructure Development Code, it must comply with the Infrastructure Development Code to protect the public stormwater network. Any variation from the Infrastructure Development Code for a structure on, over, or in proximity to the public stormwater network must be approved by the water service provider.

For guidance, refer to T553 and T554 of T500 Stormwater in Chapter SD-1 (Standard Drawings) and Chapter GEN-6 (Departures) of the Infrastructure Development Code for further details and relevant restrictions.

12. OFFENCES AND BREACHES

12.1 Every person breaches this bylaw and commits an offence who:

- (a) Does, or allows anything to be done, which is contrary to this bylaw or any part of it; or
- (b) Fails to do, or allows anything to remain undone, which ought to be done by that person within the time and in the manner required by this bylaw or any part of it; or
- (c) Does anything which this bylaw prohibits; or
- (d) Fails to comply with any notice given to that person under this bylaw or any part of it or any condition of a licence granted by the water service provider; or
- (e) Obstructs or hinders any water service provider officer or other water service provider appointed person in performing any duty or in exercising any power under this bylaw

12.2 For the purposes of section 269 of the Local Government (Water Services) Act 2025, the following offences are identified as infringement offences:

- (a) Carrying out building work over or near stormwater infrastructure without approval (s307).
- (b) Negligently disposing of or discharging materials or substances into stormwater network (s320).
- (c) Connecting to or disconnecting from, or discharging materials or substances into, stormwater network without authorisation (s322).
- (d) Carrying out work on or in relation to the stormwater network without authorisation (s324).
- (e) Breach of duty causing serious risk (s326).

- (f) Failure to comply with water services bylaw relating to equipment or device causing specified serious risk (s327).
- (g) Failure to notify of notifiable risk/hazard causing serious risk (s328).
- (h) Breach of bylaw relating to undertaking specified classes of work near, under, or above stormwater network (s330).
- (i) Failure to comply with direction given by compliance officer (s331).
- (j) Failure to comply with compliance order or court order (s332).

13. FEES

- 13.1 The water service provider may in accordance with section 150 of the Local Government Act 2002 (modified as necessary) prescribe fees or charges payable for any certificate, licence, approval, permit or consent form or inspection made by the water service provider under this bylaw.
- 13.2 The fee for each infringement offence listed in clause 12.2 is \$1000 for an individual and \$3000 for a body corporate.

14. NOTICES AND ORDERS

- 14.1 The water service provider may give notice to any person in breach of this bylaw to carry out any remedial action in order to comply with the bylaw and every such notice shall state the time within which the remedial action is to be carried out, and may be extended from time to time.
- 14.2 The chief executive of the water service provider may serve a compliance order in accordance with section 297 of the Local Government (Water Services) Act 2025.

15. PENALTIES

- 15.1 Subject to anything to the contrary, every person who commits an offence against this bylaw shall be subject to the penalties set out in the Local Government (Water Services) Act 2025.
- 15.2 The water service provider, or an authorised agent appointed by it, may remove or alter any work or thing that is or has been constructed in breach of this bylaw.
- 15.3 The water service provider may recover the costs of removing or altering the work or thing that is in breach of this bylaw from the person who committed the breach. This does not relieve that person of liability for the breach.

16. DISPENSING POWERS

- 16.1 The water service provider may waive full compliance with any provision of this bylaw in a case where the water service provider is of the opinion that full compliance would needlessly cause harm, loss or inconvenience to any person or business without any corresponding benefit to the community. –The water service provider may in its discretion impose conditions of any such waiver.

EXPLANATORY NOTE

Consistency with principles of responsible regulation

Tauranga City Council provided the following documents relating to its review of this secondary legislation, and its process for developing it, for consistency with the principles of responsible regulation under the Regulatory Standards Act 2025:

- a consistency accountability statement on [11 August] 2026.
- a summary of underpinning analysis on [11 August] 2026.

Copies of these documents can be found at—

- [insert]
- [insert]

Tauranga City Council considers that a statement from the maker under section 14(1)(b) of the Regulatory Standards Act 2025 is not required for this secondary legislation.



Consistency Accountability Statement

Tauranga City Council Stormwater Bylaw 2026

Date finalised – [insert date adopted by Council]

Statement of Review

I confirm that Tauranga City Council has assessed the above secondary legislation, and the process for developing it, for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025.

This assessment identified no inconsistencies with the principles of responsible regulation.

[insert signature once bylaw adopted]

Marty Grenfell

Chief Executive

Tauranga City Council





Summary of Underpinning Analysis:

Tauranga City Council Stormwater Bylaw 2026

Date finalised – [insert]

CONTEXT FOR THE PROPOSED BYLAW

The draft Stormwater Bylaw 2026 is intended to replace the Stormwater (Pollution Prevention) Bylaw 2015, apply across Tauranga, and be made under section 258(1)(c) of the Local Government (Water Services) Act 2025.

The review responds to new legislative settings under the Local Government (Water Services) Act 2025 and operational experience with pollution prevention, use of the stormwater network, stormwater infrastructure quality, and cost recovery.

The draft Stormwater bylaw supports the development, operation and maintenance of the public stormwater network. It aims to prevent or minimise contaminant discharges into the network, require the network to be used for stormwater drainage only, protect public stormwater assets from damage, misuse, interference and nuisance, and enable requirements for activity-specific plans where justified.

Public consultation was undertaken between 4 May 2026 and 5 June 2026. The consultation material sought views on whether to adopt the draft Stormwater Bylaw, whether the proposed changes struck the right balance between environmental protection and practical requirements, likely impacts, and any refinements sought. 17 submissions were received and hearings were held on 1 July 2026 for submitters wishing to speak.

Overall assessment

On the material reviewed, no inconsistency with the principles of responsible regulation have been identified.

Good law-making: 9(i)

The importance of consulting, to the extent that is reasonably practicable, the persons or representatives of the persons that the responsible agency considers will be directly and materially affected by the legislation

Inconsistency identified?

No

Summary of agency analysis

The process included early targeted engagement in 2025 with internal staff, tangata whenua representatives and some businesses that had previously interacted with Council about Pollution Prevention Plans. Formal consultation was then carried out from 4 May 2026 to 5 June 2026 using direct emails to key stakeholders, the Let's Talk website and the Kōrero Mai newsletter.

The consultation material asked submitters to comment on overall support for the draft Stormwater bylaw, the balance between environmental protection and practical requirements, expected impacts, and suggested refinements. A hearing was held on 1 July 2026 for those who wished to speak. This supports a conclusion that consultation was reasonably practicable and targeted to those most likely to be directly



affected, including businesses, developers, property owners, occupiers, tangata whenua interests and infrastructure stakeholders.

The degree of community feedback was limited, which is consistent with the technical nature of the bylaw. The information available still shows a structured opportunity for affected parties to comment before deliberations.

Good law-making: 9(j)

The importance of carefully evaluating—

- the issue concerned; and
- the effectiveness of any relevant existing legislation and common law; and
- whether the public interest requires that the issue be addressed; and
- any options (including non-legislative options) that are reasonably available for addressing the issue; and
- who is likely to benefit, and who is likely to suffer a detriment, from the legislation

Inconsistency identified?

No

Summary of agency analysis

The issue is clearly identified as the need to manage contaminant discharges, protect the public stormwater network, clarify construction and vesting requirements, and support compliance with stormwater discharge consent conditions and public health and environmental responsibilities. The Statement of Proposal links stormwater runoff to contaminants such as chemicals, litter and sediment entering waterways, affecting water quality and ecosystems.

The material records two options that were presented to council: adopt the updated bylaw, or retain the current bylaw. Adoption is recommended because it strengthens pollution prevention, better manages the public stormwater network, responds to stakeholder feedback, supports compliance with obligations, improves cost recovery for non-compliance, and keeps the review within statutory timeframes. Retaining the current bylaw would delay improvements and the statutory review.

During the research phase options to encourage pollution prevention and quality stormwater asset development through education and awareness campaigns were also considered alongside the options presented to council. Information gathered through research and key stakeholder engagement indicated that those options alone were unlikely to address the issues to a high enough standard for desired network and environmental outcomes.

Likely beneficiaries include the wider community, the environment, users of the stormwater network, and Council or the future water service provider. Potential detriments fall mainly on occupiers, businesses, developers or property owners who need approvals, undertake works near the network, manage higher-risk sites, comply with Pollution Prevention Plans, or meet cost recovery obligations following non-compliance.

Good law-making: 9(k)

The importance of the responsible agency identifying and developing effective arrangements for implementing the legislation

Inconsistency identified?

No

Summary of agency analysis

The bylaw includes practical implementation mechanisms: approval for new connections and works affecting the public stormwater network, a three-step approval process for connections, standards and controls through guidelines or the Infrastructure Development Code, inspections and monitoring, Pollution Prevention Plans for high-risk facilities, notices, compliance orders, infringement offences and dispensing powers.

The material acknowledges implementation risk, including that bylaws under the Local Government (Water Services) Act 2025 are new and untested, and that the bylaw could be perceived negatively by businesses and the wider community because it imposes compliance requirements. The draft adoption report proposes managing that risk through engagement, consultation and an education approach to enforcement where reasonable.



Implementation preparations include a communications plan, website content, internal guidance, delegations, fees and charges settings, and compliance procedures being confirmed.

Good law-making: 9(l)

Legislation should be expected to produce benefits that exceed the costs of the legislation to the public or persons	
Inconsistency identified?	No
Summary of agency analysis	
The available material supports a qualitative benefits-over-costs assessment. Expected benefits include clearer stormwater responsibilities, reduced contamination risk, protection of network assets, stronger ability to require treatment or works, improved compliance with discharge consent conditions, better climate resilience and clearer cost recovery where non-compliance creates additional inspection or monitoring costs. Costs are likely to fall unevenly. Most residents may experience little direct impact, while businesses, developers, owners and occupiers may face costs where works, connections, high-risk activities, Pollution Prevention Plans, or non-compliance are involved. The draft adoption report notes no immediate financial implications from adoption, while future fees may apply through the fees and charges process. The available evidence does not include a quantified cost-benefit assessment. For a local bylaw of this type, the qualitative analysis is appropriate and reports have explained why expected public, environmental and infrastructure benefits justify targeted compliance costs.	

Good law-making: 9(m)

Legislation should be the most effective, efficient, and proportionate response to the issue concerned that is available	
Inconsistency identified?	No
Summary of agency analysis	
The proposed bylaw uses a proportionate regulatory design. General obligations are framed around preventing contaminants, using reasonable steps, requiring approvals for activities affecting the public network, and targeting higher-risk sites for Pollution Prevention Plans. The bylaw also allows waiver of full compliance where it would needlessly cause harm, loss or inconvenience without corresponding community benefit. The approach is more targeted than relying only on education or voluntary compliance because it gives the water service provider enforceable tools to manage discharges, network damage, unauthorised works, inspections and cost recovery. It is also less blunt than a uniform permitting regime for all stormwater activity because many controls are triggered by connection, works, high-risk facilities, non-compliance, or proximity to public network assets. The draft material shows amendments were made after submissions to clarify obligations, including concerns about the reach of notification and reasonable-steps duties. This supports proportionality, obligations remain clear and enforceable without capturing people too broadly.	

Rule of Law: 9(a)(i)

The law should be clear and accessible	
Inconsistency identified?	No
Summary of agency analysis	
The draft bylaw has a clear title, commencement clause, city-wide application clause, purpose clause, definitions, and topic-based structure covering water quality, network development and connections, treatment or works, inspections, Pollution Prevention Plans, network protection, offences, fees, notices and orders, penalties and dispensing powers. The draft uses defined terms from relevant legislation, including the Resource Management Act 1991 and Local Government (Water Services) Act 2025. The Statement of Proposal explains the key changes in plain language and links technical requirements to practical reasons.	

3



Rule of Law: 9(a)(ii)

The law should not adversely affect rights and liberties, or impose obligations, retrospectively	
Inconsistency identified?	No
Summary of agency analysis	
The draft bylaw is stated to come into force on a future date to be confirmed. The obligations are prospective. They regulate future discharges, works, connections, approvals, Pollution Prevention Plans, inspections, notices and enforcement action.	
No retrospective liability or retrospective fee setting is apparent from the material reviewed. Existing high-risk sites may be required to prepare or review Pollution Prevention Plans after a request, but the obligation operates forward from the request and is linked to current or future risk management.	

Rule of Law: 9(a)(iii)

Every person is equal before the law	
Inconsistency identified?	No
Summary of agency analysis	
The bylaw applies to the whole city and uses general categories such as person, owner, occupier, applicant and water service provider. Differences in obligations are linked to relevant risk or activity characteristics, such as connecting to the public network, undertaking works near infrastructure, discharging contaminants, owning or occupying a high-risk facility, or failing to comply with required treatment or works.	
The material does not show differential treatment based on irrelevant personal characteristics. The targeted approach is tied to the risk each person or activity creates for the public stormwater network and receiving environment.	

Rule of Law: 9(a)(iv)

There should be an independent impartial judiciary	
Inconsistency identified?	Not applicable
Summary of agency analysis	
The bylaw does not affect the independence or impartiality of the judiciary. Offences, infringement provisions, compliance orders and penalties are linked to statutory mechanisms under the Local Government (Water Services) Act 2025 and ordinary legal processes.	

Rule of Law: 9(a)(v)

Issues of legal right and liability should be resolved by the application of law, rather than the exercise of administrative discretion	
Inconsistency identified?	No
Summary of agency analysis	
The proposed bylaw necessarily gives the water service provider administrative powers to approve connections, specify standards or controls, require treatment or works, inspect and monitor, approve Pollution Prevention Plans, issue notices, recover costs and waive full compliance. These powers are common in bylaws, but they must be bounded by clear criteria and statutory authority.	
The draft includes limiting criteria for administrative powers, tying them to the application of law. For example, works and management options are linked to preventing unauthorised discharge or protecting the network from damage or alteration, Pollution Prevention Plans are tied to high-risk facilities under Schedule 4 of the Regional Natural Resources Plan, and waivers require an opinion that full compliance would needlessly cause harm, loss or inconvenience without corresponding community benefit.	



Liberties: 9(b)

Legislation should not unduly diminish a person's liberty, personal security, freedom of choice or action, or rights to own, use, and dispose of property, except as is necessary to provide for, or protect, any such liberty, freedom, or right of another person	
Inconsistency identified?	No
Summary of agency analysis	
The proposed bylaw will limit some freedom of action and property use. For example, people may need approval before connecting to, modifying or working near the public stormwater network; owners or occupiers may need to implement management options, treatment or works; occupiers of high-risk facilities may need a Pollution Prevention Plan; and people may face enforcement or cost recovery for non-compliance.	
Those limits are connected to protecting other rights and interests, including public health, environmental protection, public infrastructure, other network users, and the ability of Council or the water service provider to comply with stormwater consent conditions. The provisions are risk-based rather than universal and include concepts of reasonableness, high-risk status, approval processes and waivers.	

Taking of property: 9(c)

Legislation should not take or severely impair, or authorise the taking or severe impairment of, property without the consent of the owner unless –	
• there is a good justification for the taking or severe impairment; and • fair compensation for the taking or severe impairment is provided to the owner; and • the compensation is provided, to the extent practicable, by or on behalf of the persons who obtain the benefit of the taking or severe impairment	
Inconsistency identified?	No
Summary of agency analysis	
The material reviewed does not indicate that the proposed bylaw takes property. It regulates use of private and public stormwater networks, connections, works, proximity to public assets, contamination risks, and compliance with technical standards.	
Some provisions may constrain property development or use, especially works over or near the public stormwater network or requirements to implement treatment or works. These are regulatory controls rather than acquisition or severe impairment of property. The justification is network protection, public safety, environmental protection and compliance with statutory water services responsibilities.	

Taxes, fees and levies: 9(d)

The importance of maintaining consistency with section 22(a) of the Constitution Act 1986 (Parliamentary control of taxation)	
Inconsistency identified?	No
Summary of agency analysis	
The bylaw provides for fees or charges for certificates, licences, approvals, permits, consent forms or inspections in accordance with section 150 of the Local Government Act 2002, modified as necessary. It also identifies infringement fees for specified offences.	
The material does not suggest the bylaw imposes a tax. Fees and infringement amounts are tied to statutory authority rather than revenue raising.	

Taxes, fees and levies: 9(e)

Legislation should impose, or authorise the imposition of, a fee for goods or services only if the amount of the fee bears a proper relation to the cost of providing the good or service to which it relates	
Inconsistency identified?	No
Summary of agency analysis	



There are no immediate financial implications associated with adopting the bylaw, although future fees may apply through the fees and charges process. The bylaw also permits recovery of additional inspection and monitoring costs where required management options, treatment or works are not implemented and lack of implementation is suspected in an unauthorised discharge.

This supports a cost-recovery approach targeted at services, approvals, inspections, monitoring and non-compliance-related costs. However, the actual quantum of future fees is not set in the analysis reviewed, other than the stated infringement amounts.

Taxes, fees and levies: 9(f)

Legislation should impose, or authorise the imposition of, a levy to fund an objective or a function only if the amount of the levy is reasonable in relation to both -

- the benefits that the class of payers is likely to derive, or the risks attributable to the class, in connection with the objective or function; and
- the costs of efficiently achieving the objective or providing the function

Inconsistency identified?

Not applicable

Summary of agency analysis

The material reviewed does not indicate that the bylaw imposes or authorises a levy. The relevant financial mechanisms are fees, charges, infringement fees and cost recovery for inspection, monitoring, removal or alteration of non-compliant works.

Role of courts: 9(g)

Legislation should preserve the courts' constitutional role of ascertaining the meaning of legislation

Inconsistency identified?

No

Summary of agency analysis

Nothing in the bylaw removes or restricts the courts' role in interpreting legislation or resolving disputes. The bylaw uses statutory offence, infringement, compliance order and penalty frameworks. The explanatory material should avoid implying that Council's interpretation is conclusive where legal rights are at issue.

Role of courts: 9(h)

Legislation should make rights and liberties, or obligations, dependent on administrative power only if the power is sufficiently defined and subject to appropriate review

Inconsistency identified?

No

Summary of agency analysis

Several obligations depend on administrative decisions by the water service provider, including approvals, specified standards, required works, Pollution Prevention Plan approval and revision, notices, cost recovery, and dispensing powers. The powers are directed to identifiable purposes: preventing unauthorised discharge, protecting the network, ensuring capacity, meeting technical standards, or avoiding needless harm where compliance has no corresponding community benefit.

Standard review processes will apply.



11.11 Deliberations and Adoption Report for Trade Waste Bylaw Review 2026

File Number: A21012951

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

BACKGROUND

1. The report accompanying this agenda item, 'Deliberations and Adoption Report for Trade Waste Bylaw Review 2026', will be circulated separately prior to the meeting.

11.12 Code of Conduct Policy Changes

File Number: A20424775

Author: Sarah Holmes, Team Leader: Governance & CCO Support Services

Authoriser: Christine Jones, General Manager: Strategy, Partnerships & Growth

PURPOSE OF THE REPORT

1. To amend the Code of Conduct to align with current legislative requirements, Council practice, and disclosure processes relating to elected members' interests.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Code of Conduct Policy Changes".
- (b) Approves the following amendments to the Code of Conduct, as shown in tracked changes in Attachment 1:
 - (i) Update clause 9.1 to reference the digital interests register form completed by elected members and to link the website page where interests are summarised.
 - (ii) Remove 9.2 Regulatory Register, as this is incorporated in the publicly available interests register completed by elected members.
 - (iii) Amend clause 9.3 to align the gift and hospitality disclosure threshold with section 54F of the Local Government Act 2002 (\$500).
 - (iv) Remove Appendix C, as the example has been replaced with an online form.
 - (v) Update references to the contracting rule to replace the \$25,000 limit with the newly legislated \$100,000 limit.
 - (vi) Reflect that declarations of interest by elected members will be conducted six-monthly, as per Audit New Zealand recommendation.

EXECUTIVE SUMMARY

2. This report proposes several administrative amendments to the Code of Conduct to ensure it remains consistent with current legislative requirements, Council policy, and governance practices relating to elected members' interests and conduct.
3. The proposed amendments update references to the elected members' interests register, remove provisions relating to separate gift and regulatory registers that are no longer maintained, align the gift and hospitality disclosure threshold with section 54F of the Local Government Act 2002, update the contracting rule threshold to reflect recent legislative change, and provide for interests' declarations to be completed six-monthly in accordance with Audit New Zealand recommendations.
4. The amendments do not introduce any new obligations for elected members. Instead, they ensure the Code accurately reflects current statutory requirements, Council processes, and established governance practices, providing greater clarity and reducing the risk of confusion or duplication.

BACKGROUND

5. On 7 October 2025, Council considered updates to the Code of Conduct and resolved to retain the 2020 Code. Since then, legislative changes have created discrepancies between current legislation and the Council's Code of Conduct.
6. As a result, there is a misalignment between the Code of Conduct, current policy, practice, and legislative requirements.
7. In addition, while the minimum legislative requirement is annual, Audit New Zealand has recommended that elected members complete a declaration of interests at least six-monthly.

Interests Register - Gifts

8. Section 54F of the LGA requires elected members to disclose, in their return of pecuniary interests, any gift or hospitality received with a value exceeding \$500.
9. The Council's Code of Conduct currently includes a separate requirement for members to disclose gifts valued at \$50 or more to the Chief Executive for inclusion in a publicly available gift register. This provision reflects a historic process that is no longer in operation.

Interests Register - Contracts

10. The Local Authorities (Members' Interests) Act 1968 was updated in June 2026 to increase the contract value in which an elected member can enter with their local authority from \$25,000 to \$100,000 in a financial year.

Interests Register – Regulatory Conflicts

11. The current Code of Conduct refers to a separate Regulatory Register for recording situations where an elected member has involvement in, or a relationship with, a person or organisation that may be engaged in a regulatory matter before Council.
12. In practice, these disclosures are now captured through the elected members' interests register, proposed to be completed six-monthly, and published on Council's website. Maintaining a separate Regulatory Register duplicates existing disclosure requirements and creates unnecessary administrative complexity.

STATUTORY CONTEXT

13. Section 54F of the LGA requires elected members to disclose gifts and hospitality with a value exceeding \$500 in their six-monthly return of pecuniary interests.
14. The Elected Members Expenses and Resources Policy, adopted in March 2026, aligns with the LGA and states that each gift received by the elected member must be recorded in the elected member's pecuniary interest register if:
 - (a) The gift has an estimated value of \$500; or
 - (b) The combined value of all gifts from the donor is more than \$500.
15. The Regulatory Systems (Internal Affairs) Amendment Bill amended section 3 of the Local Authorities (Members' Interests) Act 1968 to increase the disqualifying contract value threshold from \$25,000 to \$100,000.
16. Schedule 7 of the LGA states that an amendment of the code of conduct or the adoption of a new code of conduct requires, in every case, a vote in support of the amendment of not less than 75% of the members present.
17. Amending the Code of Conduct as recommended will align Council with statutory requirements and established disclosure processes.

STRATEGIC ALIGNMENT

18. This amendment supports the Council's commitment to good governance, transparency, and public trust. Aligning the Code of Conduct with legislative requirements ensures clarity for elected members and supports consistent and effective governance practices.

OPTIONS ANALYSIS

Option 1: Amend the Code of Conduct (recommended)

19. This option aligns the Code with legislation and current practice, reduces confusion, and supports transparency.

Option 2: Retain the current Code of Conduct

20. This option would maintain an outdated Code of Conduct that doesn't align with current legislation, and is not recommended.

LEGAL IMPLICATIONS / RISKS

21. There are no adverse legal implications arising from the proposed amendment.
22. The change reduces governance risk by removing inconsistency between the Code of Conduct, the Local Government Act 2002, and the Elected Members Expenses and Resources Policy.
23. If the Code of Conduct is not amended, there is a risk of ongoing confusion about disclosure obligations and the potential perception of non-compliance with Council policy.

TE AO MĀORI APPROACH

24. The proposed amendment is administrative in nature and does not have direct impacts on Māori.

CONSULTATION / ENGAGEMENT

25. No consultation or engagement has been undertaken. The amendment is administrative in nature and aligns the Code of Conduct with legislative requirements and current practice.

SIGNIFICANCE

26. 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.
27. 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.
28. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the proposal is of low significance.

ENGAGEMENT

29. 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

30. Subject to Council approval, the following actions will be taken:
 - (a) Update the Code of Conduct as resolved.

- (b) Reflect any changes on council's website.
- (c) Ensure internal guidance and templates reflect the updated Code of Conduct wording.

ATTACHMENTS

1. **Code of Conduct - Tracked Changes - A20936017**  



Tauranga City Council

Code of Conduct

Adopted on the 14 July 2020

Reconfirmed on 7 October 2025 (CO/25/25/5)

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1. Introduction

The Code of Conduct (the Code) sets out the standards of behaviour expected from elected members in the exercise of their duties. Its purpose is to:

- Enhance the effectiveness of the local authority and the provision of good local government of the community, city, district or region;
- Promote effective decision-making and community engagement;
- Enhance the credibility and accountability of the local authority to its communities; and
- Develop a culture of mutual trust, respect and tolerance between the members of the local authority and between the members and management.

This purpose is given effect through the values, roles, responsibilities and specific behaviours agreed in the code.

Before the Mayor and Councillors can take office they must make a declaration in accordance with s 14 of the LGA 2002 to:

"I, (name of Mayor or Councillor), declare that I will faithfully and impartially, and according to the best of my skill and judgment, execute and perform, in the best interests of Tauranga City, the powers, authorities, and duties vested in, or imposed upon, me as [mayor or member] of the Tauranga City Council by virtue of the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, or any other Act"

2. Scope

The Code has been adopted in accordance with clause 15(1) of Schedule 7 of the Local Government Act 2002 (LGA 2002) and applies to all members. The Code is designed to deal with the behaviour of members towards:

- Each other;
- The Chief Executive and staff;
- The media; and
- The general public.

It is also concerned with the disclosure of information that members receive in their capacity as elected members and information which impacts on the ability of the local authority to give effect to its statutory responsibilities.

The Code can only be amended (or substituted by a replacement Code) by a vote of at least 75 per cent of members present at a meeting when amendment to the Code is being considered. The Code should be read in conjunction with the Council's Standing Orders.

3. Values

The Code is designed to give effect to the following values:

1. **Public interest:** members will serve the best interests of the people within their community, district or region and discharge their duties conscientiously, to the best of their ability.
2. **Public trust:** members, in order to foster community confidence and trust in their Council, will work together constructively in an accountable and transparent manner;

3. **Ethical behaviour:** members will act with honesty and integrity at all times and respect the impartiality and integrity of officials;
4. **Objectivity:** members will make decisions on merit; including appointments, awarding contracts, and recommending individuals for rewards or benefits.
5. **Respect for others:** members will treat people, including other members, with respect and courtesy, regardless of their race, age, religion, gender, sexual orientation, or disability.
6. **Duty to uphold the law:** members will comply with all legislative requirements applying to their role, abide by the Code of Conduct and act in accordance with the trust placed in them by the public.
7. **Equitable contribution:** members will take all reasonable steps to fulfil the duties and responsibilities of office, including attending meetings and workshops, preparing for meetings, attending civic events, and participating in relevant training seminars.
8. **Leadership:** members will actively promote and support these principles and ensure they are reflected in the way in which the Council operates, including a regular review and assessment of the Council's collective performance.¹
9. **Free speech:** members will respect the diversity of thought and opinion that are part of a healthy democracy.
10. **Transparency:** members will conduct the business of Council in an open, transparent and democratically accountable manner.

These values complement, and work in conjunction with, the principles of s14 of the LGA 2002 and the governance principles of s39 of the LGA 2002.

4. Role and responsibilities

The Code of Conduct is designed to strengthen the good governance of your city, district or region. Good governance requires that the complementary roles of the governing body and the administration are understood and respected. These roles involve:

4.1 Members

The role of the governing body includes:

- Representing the interests of the people of the city, district or region;
- Developing and adopting plans, policies and budgets;
- Monitoring the performance of the Council against stated goals and objectives set out in its long term plan;
- Providing prudent stewardship of the Council's resources;
- Employing and monitoring the performance of the Chief Executive; and
- Ensuring the Council fulfils its responsibilities to be a 'good employer' and meets the requirements of the Health and Safety at Work Act 2015.

4.2 Chief Executive

The Chief Executive is appointed by the Council in accordance with section 42 of the LGA 2002. The Chief Executive is responsible for implementing and managing the Council's policies and objectives within the budgetary constraints established by the Council. In terms of section 42 of the LGA the responsibilities of the Chief Executive are:

- implementing the decisions of the Council
- providing advice to the Council

¹ See Code of Conduct Guide for examples.

- ensuring that all responsibilities, duties and powers delegated to the Chief Executive or to any person employed by the Chief Executive, or imposed or conferred by any Act, regulation or bylaw are properly performed or exercised
- managing the activities of the local authority effectively and efficiently
- maintaining systems to enable effective planning and accurate reporting of the financial and service performance of the local authority
- providing leadership for the staff of the local authority
- employing staff on behalf of the local authority (including negotiation of the terms of employment for the staff of the local authority).

The Chief Executive is the only person *directly* employed by the Council itself. All concerns about the performance of an individual member of staff must, in the first instance, be referred to the Chief Executive.

5. Relationships

This section of the Code sets out agreed standards of behaviour between members; members and staff; and members and the public. Any failure by a member to comply with the provisions of this section can represent a breach of the Code.

5.1 Relationships between members

Given the importance of relationships to the effective performance of the Council, members will conduct their dealings with each other in a manner that:

- Maintains public confidence;
- Is open, honest and courteous;
- Is focused on issues rather than personalities;
- Avoids abuse of meeting procedures, such as a pattern of unnecessary notices of motion and/or repetitious points of order; and
- Avoids aggressive, bullying or offensive conduct, including the use of disrespectful or malicious language.

Please note, nothing in this section of the Code is intended to limit robust debate.

5.2 Relationships with staff

An important element of good governance involves the relationship between a Council, its chief executive and its staff. Members will respect arrangements put in place to facilitate this relationship, and:

- Raise any concerns about employees, officers or contracted officials with the Chief Executive;
- Raise any concerns about the performance or behaviour of the Chief Executive with the Mayor/Chair or the chairperson of the Chief Executive Performance Review Committee (however described);
- Make themselves aware of the obligations that the Council and the Chief Executive have as employers and observe these requirements at all times, such as the duty to be a good employer;
- Treat all employees with courtesy and respect and not publicly criticise any employee; and
- Observe any protocols put in place by the Chief Executive concerning contact between members and employees.

Please note, elected members should be aware that failure to observe this portion of the Code may compromise the Council's obligations to be a good employer and consequently expose the Council to civil litigation or affect the risk assessment of Council's management and governance control processes undertaken as part of the Council's annual audit.

5.3 Relationship with the public

Given the vital role that democratic local government plays in our communities it is important that Councils have the respect and trust of their citizens. To facilitate trust and respect in their Council members will:

- Ensure their interactions with citizens are fair, honest and respectful;
- Be available to listen and respond openly and honestly to citizens' concerns;
- Represent the views of citizens and organisations accurately, regardless of the member's own opinions of the matters raised; and
- Ensure their interactions with citizens and communities uphold the reputation of the local authority.

6. Media and social media

The media play an important role in the operation and efficacy of our local democracy. In order to fulfil this role, the media needs access to accurate and timely information about the affairs of Council.

Any failure by a member to comply with the provisions of this section can represent a breach of the Code.

1. In dealing with the media elected members must clarify whether they are communicating a view endorsed by their council or committee or are expressing a personal view.
2. Members are free to express a personal view to the media or social media at any time, provided the following rules are observed:
 - Comments shall be consistent with the Code;
 - Comments must not purposefully misrepresent the views of the Council or the views of other members;
 - Social media pages controlled by members and used for making observations relevant to their role as an elected member should be open and transparent, except where abusive or inflammatory content is being posted; and
 - Social media posts about other members, council staff or the public must be consistent with section five of this Code. (See **Appendix A** for guidelines on the personal use of social media).
3. The following members can speak on behalf of the Council:
 - The Mayor is the first point of contact for the official view of the Council on any issue. Where the Mayor is absent any matters will be referred to the Deputy Mayor or relevant committee chairperson;
 - The Mayor may refer any matter to the relevant committee chairperson or to the relevant chairperson(s)
 - The chairperson may comment on behalf of the committee in relation to matters where decision making, public consultation or advocacy is a responsibility of the committee;
 - No other member may comment on behalf of the Council without having first obtained the approval of the Mayor, or on behalf of a committee without first having obtained the approval of the committee chairperson.

7. Information

Access to information is critical to the trust in which a local authority is held and its overall performance. A failure to comply with the provisions below can represent a breach of the Code.

7.1 Confidential information

In the course of their duties members will receive information, whether in reports or through briefings or debate, that is confidential. This will generally be information that is either commercially sensitive or is personal to a particular individual or organisation. Accordingly, members agree not to use or disclose confidential information for any purpose other than the purpose for which the information was supplied to the member.

7.2 Information received in capacity as an elected member

Occasionally members will receive information from external parties which is pertinent to the ability of their Council to properly perform its statutory duties. Where this occurs, and the information does not contravene the privacy of natural persons, the member will disclose such information to other members and/or the chief executive as soon as practicable.

8. Conflicts of Interest

Elected members will maintain a clear separation between their personal interests and their duties as elected members in order to ensure that they are free from bias (whether real or perceived). Members therefore must familiarise themselves with the provisions of the Local Authorities (Members' Interests) Act 1968 (LAMIA).

Members will not participate in any Council discussion or vote on any matter in which they have a pecuniary (financial) interest, other than an interest in common with the general public. This rule also applies where the member's spouse/partner has a pecuniary interest, such as through a contract with the Council. Members shall make a declaration of interest as soon as practicable after becoming aware of any such interests.

If a member is in any doubt whether or not a particular course of action (including a decision to take no action) raises a conflict of interest, then the member should seek guidance from the Chief Executive *immediately*. Members may also contact the Office of the Auditor-General for guidance whether they have a pecuniary interest, and if so, may seek an exemption to allow that member to participate or vote on a particular issue in which they may have a pecuniary interest. The latter must be done before the discussion or vote.

Non-pecuniary conflicts of interest, or the perception of a conflict of interest, may impair (or be seen to impair) a member's ability to act faithfully, impartially and in the best interests of Tauranga City. Non-pecuniary conflicts of interest are to be declared at the beginning of any meeting, or at the first opportunity in a decision-making process.

Non-pecuniary interest is any interest the member may have in an issue that does not involve money. A common term for this is "bias". In order to determine if bias exists or not members need to ask:

"Is there a real danger of bias on the part of the member of the decision-making body, in the sense that he or she might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?"

The question is not limited to actual bias but relates to the appearance or possibility of bias reflecting the principle that justice should not only be done but should be seen to be done. Whether or not members believe they are not biased is irrelevant.

Members focus should be on the nature of the conflicting interest or relationship and the risk it could pose for the decision-making process. The most common risks of non-pecuniary bias are where:

- Members' statements or conduct indicate that they have predetermined the decision before hearing all relevant information (that is, members have a "closed mind"); and
- Members have a close relationship or involvement with an individual or organisation affected by the decision.

Refer to Appendix B for further information and refer also to the [Guidance for members about the Local Authorities \(Members' Interests\) Act 1968](#) from the Office of the Auditor General.

Please note: Failure to observe the requirements of LAMIA could potentially invalidate a decision made, or the action taken, by the Council. Failure to observe these requirements could also leave the elected member open to prosecution (see **Appendix B**). In the event of a conviction elected members can be ousted from office.

9. Register of Interests

9.1 Annual Declaration of Interest

Members shall, at least annually, make a declaration of interest using the ~~form in~~ **Appendix C** digital form provided by Governance staff. These declarations are recorded every six months in a public Register of Interests maintained by the Council. The declaration must include information on the nature and extent of any interest, including:

- (a) Any employment, trade or profession carried on by the member or the member's spouse/partner for profit or gain;
- (b) Any company, trust, partnership etc for which the member or their spouse/partner is a director, business partner or trustee;
- (c) A description of any land in which the member has a beneficial interest within the jurisdiction of the local authority; and
- (d) A description of any land owned by the local authority in which the member or their spouse/partner is:
 - A tenant; or
 - The land is tenanted by a firm in which the member or spouse/partner is a business partner; a company of which the member or spouse/partner is a director; or a trust of which the member or spouse/partner is a trustee.
- (e) Non-pecuniary interests, for example, patron of an organisation, Membership of a Community/Sporting Committee.
- (f) Any other matters which the public might reasonably regard as likely to influence the member's actions during the course of their duties as a member (if the member is in any doubt on this, the member should seek guidance from the Chief Executive).

Please note, where a member's circumstances change they must ensure that their declaration of interest is updated as soon as practicable.

9.2 Regulatory Register

~~In addition to the declaration of interests as set out in 9.1, members shall complete the Regulatory Register where there is potential for members to be seen to be influencing a council regulatory and/or compliance outcome.~~

~~The Regulatory Register requires a declaration of any potential conflict of interest, actual or perceived, where members have a close relationship or involvement with, or are advocating for and on behalf of, an individual, organisation or company affected by a decision of the Council in its regulatory and compliance roles.~~

~~The Regulatory Register:~~

- ~~• promotes greater transparency for the public and staff working in the regulatory and compliance areas of Council;~~
- ~~• provides protection for elected members from perceived conflicts of interest;~~
- ~~• provides protection for staff from perceived pressure and interference in regulatory and compliance decisions.~~

~~For clarity, the Regulatory Register is not required to be completed where members are making routine inquiries on behalf of their constituents e.g. elected members queries or where members are undertaking discussions and meetings of a general nature with developers or businesses.~~

9.109.2 Gift Register

~~Where a gift to the value of \$500 or more is accepted by a member, that member must immediately disclose this to the Chief Executive for inclusion in the publicly available gift register together with the details of the party and circumstances in the publicly available interests return, to explain~~ing how the gift came to be provided to and accepted by the member.

10. Ethical behaviour

Members will seek to promote the highest standards of ethical conduct. Accordingly members will:

- Claim only for legitimate expenses as determined by the Remuneration Authority and any lawful policy of the Council developed in accordance with that determination;
- Not influence, or attempt to influence, any Council employee, officer or member in order to benefit their own, or their families', personal or business interests;
- Only use the Council's resources (such as facilities, staff, equipment and supplies) in the course of their duties and not in connection with any election campaign or personal interests; and
- Not solicit, demand, or request any gift, reward or benefit by virtue of their position. Refer to clause 9.3.

Any failure by members to comply with the provisions set out in this section represents a breach of the code.

11. Creating a supportive and inclusive environment

In accordance with the purpose of the Code, members agree to take all reasonable steps in order to participate in activities scheduled to promote a culture of mutual trust, respect and tolerance. These include:

- Attending post-election induction programmes organised by the Council for the purpose of facilitating agreement on the Council's vision, goals and objectives and the manner and operating style by which members will work.
- Taking part in any assessment or evaluation of the Council's performance and operating style during the triennium.
- Taking all reasonable steps to acquire the required skills and knowledge to effectively fulfil their Declaration of Office (the Oath) and contribute to the good governance of the city, district or region.

12. Dress code

It is expected that members will dress in a manner that does not bring discredit to the Council.

13. Undischarged bankrupt

In accordance with clause 15(5) of Schedule 7 of the LGA 2002, any member who is an undischarged bankrupt shall notify the Chief Executive prior to the inaugural meeting or as soon as practicable after being declared bankrupt.

14. Breaches of the Code

Members must comply with the provisions of the code (LGA 2002, schedule 7, cl. 15(4)). Any member, or the Chief Executive, who believes that the Code has been breached by the behaviour of a member may make a complaint to that effect. All complaints will be considered in a manner that is consistent with the following principles.

14.1 Principles

The following principles will guide any processes for investigating and determining whether or not a breach under the Code has occurred:

- (a) That the approach for investigating and assessing a complaint will be proportionate to the apparent seriousness of the alleged breach;
- (b) That the processes of complaint, investigation, advice and decision-making will be kept separate as appropriate to the nature and complexity of the alleged breach; and
- (c) That the concepts of natural justice and fairness will apply in the determination of any complaints made under the Code. This includes, conditional on the nature of an alleged breach, that directly affected parties:
 - Have a right to know that an investigation process is underway;
 - Are given due notice and are provided with an opportunity to be heard;
 - Have confidence that any hearing will be impartial;
 - Have a right to seek appropriate advice and be represented; and
 - Have their privacy respected.

14.2 Complaints

All complaints made under the code must be made in writing and forwarded to the Chief Executive. On receipt of a complaint the Chief Executive will forward the complaint to an independent investigator, drawn from a pool of names or agency agreed in advance.²

² On behalf of the Council the Chief Executive will, shortly after the start of a triennium, prepare a list of investigators for this purpose of undertaking a preliminary assessment.

Please note, only members and the Chief Executive (including the Chief Executive acting on behalf of staff) may make a complaint under the Code.

14.2.1 Complaint referred to Independent Investigator

Where the Chief Executive has forwarded a complaint to an independent investigator, the independent investigator will conduct a preliminary assessment to determine whether the issue is sufficiently serious to be referred, with recommendations if necessary, to the Council or the Code of Conduct Committee (if established with delegated authority to deal with complaints) for assessing and ruling on complaints.

The process, following receipt of a complaint, will follow the steps outlined in **Appendix DC**.

Refer also to **Appendix DE** – Complaints Procedure Flow Diagram.

14.3 Materiality

An alleged breach under the Code is material if, in the opinion of the independent investigator, it would bring the Council into disrepute or, if not addressed, adversely affect the reputation of a member.

An alleged breach under this Code is non-material if, in the opinion of the independent investigator, any adverse effects are minor and no investigation or referral is warranted.

15. Penalties and actions

Where a complaint is determined to be material the Chief Executive will report to the Council that the complaint is found to be material and a decision will be made by the Council on whether the Council hears the complaint or is referred to the Code of Conduct Committee established to consider complaints, the nature of any penalty or action will depend on the seriousness of the breach.

15.1 Material breaches

In the case of material breaches of the Code, the Council, or the Code of Conduct Committee established to consider complaints, may require one of the following:

1. A letter of censure to the member;
2. A request (made either privately or publicly) for an apology;
3. Removal of certain Council-funded privileges (such as attendance at conferences);
4. Removal of responsibilities, such as committee chair, deputy committee chair or portfolio holder;
5. Restricted entry to Council offices, such as no access to staff areas (where restrictions may not previously have existed);
6. Limitation on any dealings with Council staff other than the Chief Executive or identified senior manager;
7. A vote of no confidence in the member;
8. Suspension from committees or other bodies to which the member has been appointed; or
9. Invitation to the member to consider resigning from the Council.

The Council or Code of Conduct Committee (with delegated authority) may decide that instead of a penalty, one or more of the following may be required:

- Attend a relevant training course; and/or
- Work with a mentor for a period of time; and/or

- Participate in voluntary mediation (if the complaint involves a conflict between two members); and/or
- Tender an apology.

The process is based on the presumption that the outcome of a complaints process will be made public unless there are grounds, such as those set out in the Local Government Official Information and Meetings Act 1987 (LGOIMA), for not doing so.

15.2 Statutory breaches

In cases where a breach of the Code is found to involve regulatory or legislative requirements, the complaint will be referred to the relevant agency. For example:

- Breaches relating to members' interests (where members may be liable for prosecution by the Auditor-General under LAMIA);
- Breaches which result in the Council suffering financial loss or damage (where the Auditor-General may make a report on the loss or damage under s.44 LGA 2002 which may result in the member having to make good the loss or damage); or
- Breaches relating to the commission of a criminal offence which will be referred to the Police (which may leave the elected member liable for criminal prosecution).

16. Review

Once adopted, the Code continues in force until amended by the Council. The Code can be amended at any time but cannot be revoked unless the Council replaces it with another Code. Amendments to the Code require a resolution supported by 75 per cent of the members of the Council present at the Council meeting at which the amendment is considered.

Councils are encouraged to formally review their existing Code and either amend or re-adopt it as soon as practicable after the beginning of each triennium in order to ensure that all members have the opportunity to provide their views on the Code's provisions.

Appendix A: Guidelines on the personal use of social media

There's a big difference in speaking "on behalf of Council" and speaking "about" the Council. While your rights to free speech are respected, please remember that citizens and colleagues have access to what you post. The following principles are designed to help you when engaging in **personal or unofficial online** communications that may also refer to your Council.

1. **Adhere to the Code of Conduct and other applicable policies.** Council policies and legislation, such as LGOIMA and the Privacy Act 1993, apply in any public setting where you may be making reference to the Council or its activities, including the disclosure of any information online.
2. **You are responsible for your actions.** Anything you post that can potentially damage the Council's image will ultimately be your responsibility. You are encouraged to participate in the social media but in so doing you must exercise sound judgment and common sense and clarify whether you are speaking personally or on behalf of the Council.
3. **Be an "advocate" for compliments and criticism.** Even if you are not an official online spokesperson for the Council, you are one of its most important advocates for monitoring the social media landscape. If you come across positive or negative remarks about the Council or its activities online that you believe are important you are encouraged to share them with the governing body.
4. **Let the subject matter experts respond to negative posts.** Should you come across negative or critical posts about the Council or its activities you should consider referring the posts to the Council's authorised spokesperson, unless that is a role you hold, in which case consider liaising with your communications staff before responding.
5. **Take care mixing your political (Council) and personal lives.** Elected members need to take extra care when participating in social media. The public may find it difficult to separate personal and Council personas. Commenting online in any forum, particularly if your opinion is at odds with what Council is doing, can bring you into conflict with the Code should it not be clear that they are your personal views.
6. **Never post sensitive and confidential information** provided by the Council, such as confidential items, public excluded reports and/or commercially sensitive information. Such disclosure will contravene the requirements of the Code.
7. **Elected Members' social media pages should be open and transparent.** When commenting on matters related to the local authority no members should represent themselves falsely via aliases or differing account names or block. Neither should they block any post on any form of social media that they have control over unless there is clear evidence that the posts are actively abusive. Blocking constructive debate or feedback can be seen as bringing the whole Council into disrepute.

Appendix B: Legislation bearing on the role and conduct of elected members

This is a summary of the legislative requirements that have some bearing on the duties and conduct of elected members. The full statutes can be found at www.legislation.govt.nz/

The Local Authorities (Members' Interests) Act 1968

The Local Authorities (Members' Interests) Act 1968 (LAMIA) provides rules about members discussing and voting on matters in which they have a pecuniary interest and about contracts between members and the Council.

The two specific rules in the LAMIA are that members cannot:

- (a) Enter into contracts with their local authority worth more than \$~~25~~100,000 (including GST) in a financial year unless the Auditor-General approves the contracts (referred to as the contracting rule). Breach of this rule results in automatic disqualification from office; and
- (b) Participate in matters before the Council in which they have a pecuniary interest, other than an interest in common with the public (referred to as the participation rule). Breach of this rule is a criminal offence and conviction results in automatic disqualification from office

A pecuniary interest is one that involves money. This could be direct or indirect.

A pecuniary interest is likely to exist if a matter under consideration could reasonably give rise to an expectation of a gain or loss of money for a member personally (or for their spouse/partner or a company in which they have an interest). In relation to pecuniary interests the LAMIA applies to both contracting and participating in decision-making processes.

With regard to pecuniary or financial interests, a person is deemed to be "concerned or interested" in a contract or interested "directly or indirectly" in a decision when:

- A person, or spouse/partner, is "concerned or interested" in the contract or where they have a pecuniary interest in the decision; or
- A person, or their spouse/partner, is involved in a company that is "concerned or interested" in the contract or where the company has a pecuniary interest in the decision.

There can also be additional situations where a person is potentially "concerned or interested" in a contract or have a pecuniary interest in a decision, such as where a contract is between an elected member's family trust and the Council

Determining whether a pecuniary interest exists

Elected members are often faced with the question of whether or not they have a pecuniary interest in a decision and if so whether they should participate in discussion on that decision and vote. When determining if this is the case or not the following test is applied:

“...whether, if the matter were dealt with in a particular way, discussing or voting on that matter could reasonably give rise to an expectation of a gain or loss of money for the member concerned.” (OAG, 2001)

In deciding whether you have a pecuniary interest, members should consider the following factors:

- What is the nature of the decision being made?
- Do I have a financial interest in that decision - do I have a reasonable expectation of gain or loss of money by making that decision?
- Is my financial interest one that is in common with the public?
- Do any of the exceptions in the LAMIA apply to me?
- Could I apply to the Auditor-General for approval to participate?

Members may seek assistance from the Mayor/Chair or other person, to determine if they should discuss or vote on an issue, but ultimately it is their own judgment as to whether or not they have pecuniary interest in the decision. Any member who is uncertain as to whether they have a pecuniary interest is advised to seek legal advice. Where uncertainty exists members may adopt a least-risk approach which is to not participate in discussions or vote on any decisions.

Members who do have a pecuniary interest will declare the pecuniary interest to the meeting and not participate in the discussion or voting. The declaration and abstention need to be recorded in the meeting minutes. (Further requirements are set out in the Council's Standing Orders.)

Further guidance is provided in the booklet “Guidance for members of local authorities about the Local Authorities (Members' Interests) Act 1968” which has been provided to elected members. It is important that you pay attention to the contents of this booklet as this is one of the few areas of the Council's business where staff do not set out to provide pro-active advice and members are personally liable for compliance with the provisions of this Act.

The contracting rule

A member is disqualified from office if he or she is “concerned or interested” in contracts with their Council if the total payments made, or to be made, by or on behalf of the Council exceed \$~~100~~25,000 in any financial year. The \$~~100~~25,000 limit includes GST. The limit relates to the value of all payments made for all contracts in which you are interested during the financial year. It does not apply separately to each contract, nor is it just the amount of the profit the contractor expects to make or the portion of the payments to be personally received by you.

The Auditor-General can give prior approval, and in limited cases, retrospective approval for contracts that would otherwise disqualify you under the Act. It is an offence under the Act for a person to act as a member of the Council (or committee of the Council) while disqualified.

Non-pecuniary conflicts of interest

In addition to the issue of pecuniary interests, rules and common law govern conflicts of interest more generally. Non-pecuniary interest is any interest the member may have in an

issue that does not involve money. A common term for this is "bias". In order to determine if bias exists or not members need to ask:

"Is there a real danger of bias on the part of the member of the decision-making body, in the sense that he or she might unfairly regard with favour (or disfavour) the case of a party to the issue under consideration?"

The question is not limited to actual bias but relates to the appearance or possibility of bias reflecting the principle that justice should not only be done but should be seen to be done. Whether or not members believe they are not biased is irrelevant.

Members focus should be on the nature of the conflicting interest or relationship and the risk it could pose for the decision-making process. The most common risks of non-pecuniary bias are where:

- Members' statements or conduct indicate that they have predetermined the decision before hearing all relevant information (that is, members have a "closed mind"); and
- Members have a close relationship or involvement with an individual or organisation affected by the decision.

In determining whether or not they might be perceived as biased, members must also take into account the context and circumstance of the issue or question under consideration. For example, if a member has stood on a platform and been voted into office on the promise of implementing that platform, then voters would have every expectation that the member would give effect to that promise, however he/she must still be seen to be open to considering new information (this may not apply to decisions made in quasi-judicial settings, such as an RMA hearing).

[The Guidance on Member's Interest](#) provided by Office of the Auditor General provides advice and information on this issue. If a member thinks they may have an "interest" in any matter before the Council or a Committee then discuss the issue with your lawyer (at no cost to the Council), the Mayor, the Committee Chair or the Chief Executive before the meeting. While this will not relieve you of your obligations under the LAMIA it will provide you with some independent guidance. The Council has adopted the recommendation of the Office of the Auditor General and has asked all elected members to make a written declaration of their personal and financial interests that may at times conflict with their role as an elected member. This information will be kept in a "Register of Interests" and this is made available for public inspection upon request. Members are responsible for keeping their written declarations up to date at all times. Members will be reminded on an annual basis to update their declaration.

Local Government Official Information and Meetings Act 1987

The Local Government Official Information and Meetings Act 1987 (LGOIMA) sets out a list of meetings procedures and requirements that apply to local authorities and local/community boards. Of particular importance for the roles and conduct of elected members is the fact that the chairperson has the responsibility to maintain order at meetings, but all elected members should accept a personal responsibility to maintain acceptable standards of address and debate. No elected member should:

- Create a disturbance or a distraction while another Councillor is speaking;
- Be disrespectful when they refer to each other or other people; or
- Use offensive language about the Council, other members, any employee of the Council or any member of the public.

See Standing Orders for more detail.

Under LGOIMA the authority to make decisions on whether information should be released is delegated to the Chief Executive. Information contained in the open section of any agenda is already in the public domain. Any information marked "public excluded" or "confidential" should not be released or discussed outside the meeting concerned. If, as an elected member, you are asked to provide that information to a third party you should refer the request to either the Chief Executive or to the General Manager responsible for the report. Should an elected member release confidential information and should the Council suffer any loss as a result, the member may become personally liable for the Council's loss if it can be shown that the member was not acting in good faith.

Secret Commissions Act 1910

Under this Act it is unlawful for an elected member (or officer) to advise anyone to enter into a contract with a third person and receive a gift or reward from that third person as a result, or to present false receipts to Council.

If convicted of any offence under this Act a person can be imprisoned for up to two years, and/or fines up to \$1000. A conviction would therefore trigger the ouster provisions of the LGA 2002 and result in the removal of the member from office.

Prosecutions made for offences under this Act require the approval of the Attorney-General who has the power to decide whether any such prosecution shall be dealt with as an indictable offence or as one punishable on summary conviction. An indictable offence penalty for individuals includes up to two years imprisonment or a fine of up to \$1,000.00. A conviction would also have the consequences of loss of office in terms of Clause 1 of Schedule 7 of the Local Government Act 2002. For a summary offence the penalties include a period of up to 3 months imprisonment or a fine of up to \$100.00.

Crimes Act 1961

Under this Act it is unlawful for an elected member (or officer) to:

- Accept or solicit for themselves (or anyone else) any gift or reward for acting or not acting in relation to the business of Council; and
- Use information gained in the course of their duties for their, or another person's, monetary gain or advantage.

Elected members convicted of these offences will automatically cease to be members.

Elected members are deemed to be "officials" for the purposes of this Act and are subject to the penalties if found to be in breach of them. A conviction would also have the consequences of loss of office in terms of Clause 1 of Schedule 7 of the Local Government Act 2002 (which disqualifies a Member who is convicted of an offence punishable by a term of imprisonment of two years or more).

Financial Markets Conduct Act 2013

Financial Markets Conduct Act 2013 (previously the Securities Act 1978) essentially places elected members in the same position as company directors whenever Council offers stock to the public. Elected members may be personally liable if investment documents such as a prospectus contain untrue statements and may be liable for criminal prosecution if the requirements of the Act are not met.

The Local Government Act 2002

The Local Government Act 2002 (LGA 2002) sets out the general powers of local government, its purpose and operating principles, and details the personal liability of members.

Although having qualified privilege, elected members can be held personally accountable for losses incurred by a local authority where, following a report from the Auditor General under s44 LGA 2002, it is found that one of the following applies:

- (a) Money belonging to, or administered by, a local authority has been unlawfully expended; or
- (b) An asset has been unlawfully sold or otherwise disposed of by the local authority; or
- (c) A liability has been unlawfully incurred by the local authority; or
- (d) A local authority has intentionally or negligently failed to enforce the collection of money it is lawfully entitled to receive.

Members will not be personally liable where they can prove that the act or failure to act resulting in the loss occurred as a result of one of the following:

- (a) Without the member's knowledge;
- (b) With the member's knowledge but against the member's protest made at or before the time when the loss occurred;
- (c) Contrary to the manner in which the member voted on the issue; and
- (d) In circumstances where, although being a party to the act or failure to act, the member acted in good faith and relied on reports, statements, financial data, or other information from professional or expert advisers, namely staff or external experts on the matters.

In certain situation members will also be responsible for paying the costs of proceedings (s47 LGA 2002).

Protected Disclosures Act 2000 (Whistle-Blower Protection)

The Protected Disclosures Act 2000 was amended in May 2009 to provide protection to elected members. Under the Act the definition of an employee of a public sector organisation (PSO) includes elected members of the governing body of an organisation. Under the Act an employee who discloses information about a serious wrongdoing by the PSO is protected from civil or criminal liability that might arise from such a disclosure and from retaliatory action against the employee.

Serious wrongdoing under the Act includes unlawful or irregular use of funds or resources, conduct that has serious risks to public health and safety; conduct that has serious risk to the maintenance of law; conduct that constitutes an offence; and oppressive, improper discriminatory conduct, gross negligence or gross mismanagement by a public official. Protection under the Act applies where an employee has information about a serious wrongdoing; a reasonable belief that the information is true or likely to be true; the employee wishes to have the matter investigated; and desires protection under the Act. The Act requires disclosure by an employee to follow the internal procedures of the PSO.

The Council is required to establish internal procedures to address the receipt of and dealing with information about serious wrongdoing in or by the Council. The Council adopted a [Protected Disclosures Policy](#) on 22 February 2007, updated on 7 December 2015, and it is available on the Council's website

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Appendix C: Register of interests form

Member name:
Spouse/partner name:
Part A: Member's declared employment, trade or profession and any company, trust or partnership for which the member is a director, business partner or trustee
Part B: Spouse/partner declared employment, trade or profession and any company, trust or partnership for which the member is a director, business partner or trustee
Part C: Address of any land in which a beneficial interest is held within the Council boundaries by the member and their spouse/partner

~~Part D: Address of any land owned by the Council that is tenanted by the member or their spouse/partner, or to a firm or organisation in which the member or their spouse/partner is a director or trustee~~

~~Part E: Non-pecuniary interests e.g. Patron of an organisation, Membership of a Community/Sporting Committee~~

~~Part F: Any other matters to declare that the public might reasonably regard as likely to influence the members actions~~

~~I declare that the above disclosures are a true and complete record of my interests and the interests of my spouse/partner in accordance with section 9 of the Code of Conduct.~~

~~Signature: _____ Date: _____~~

Appendix DC: Process where a complaint is referred to an independent investigator

Step 1: Chief Executive receives complaint

On receipt of a complaint under the Code, the Chief Executive will refer the complaint to an investigator selected from a list agreed at the start of the triennium. The Chief Executive will also:

- Inform the complainant that the complaint has been referred to the independent investigator and the name of the investigator, and refer them to the process for dealing with complaints as set out in the Code; and
- Inform the respondent that a complaint has been made against them, the name of the investigator and remind them of the process for dealing with complaints as set out in the Code.

Step 2: Investigator makes preliminary assessment

On receipt of a complaint the investigator will assess whether:

1. The complaint is trivial or frivolous and should be dismissed;
2. The complaint is outside the scope of the Code and should be re-directed to another agency or institutional process;
3. The complaint is minor or non-material; or
4. The complaint is material and a full assessment is required.

In making the assessment the investigator may make whatever initial inquiry is necessary to determine their recommendations, including interviewing relevant parties, which are then forwarded to the Council's Chief Executive.

Step 3: Actions where a complaint is found to be trivial or frivolous

If the subject of a complaint is found to be trivial or frivolous the investigator will inform the Chief Executive. On receiving the investigator's preliminary assessment the Chief Executive will inform the complainant, respondent and other members (if there are no grounds for confidentiality) of the investigator's decision.

Step 4: Actions where a complaint involves a potential legislative breach

In cases where the investigator finds that the complaint involves a potential legislative breach and outside the scope of the Code, the investigator will inform the Chief Executive. On receiving the investigator's preliminary assessment the Chief Executive will forward the complaint to the relevant agency and inform the complainant, the respondent and members.

Step 5: Actions where a complaint is found to be non-material

If the subject of a complaint is found to be non-material, but more than trivial or frivolous, the investigator will inform the Chief Executive. On receiving the investigator's preliminary assessment the Chief Executive may choose to implement any recommendations from the investigator to either

- (a) dismiss the complaint with no further action taken
- (b) uphold the complaint but rule that, as it is minor and non-material, no action is required
- (c) uphold the complaint, noting it is minor and non-material, and make a non-binding recommendation with a course of action appropriate to the breach, such as:
 - That the respondent is referred to the Mayor for guidance; and/or
 - That the respondent attends appropriate courses or programmes to increase their knowledge and understanding of the matters resulting in the complaint.

The Chief Executive will advise both the complainant and the respondent of the investigator's decision and any recommendations, neither of which are open to challenge. Any recommendations made in response to a non-material breach are non-binding on the respondent and the Council.

Step 6: Actions where a complaint is found to be material

If the subject of a complaint is found to be material, the investigator will inform the Chief Executive, who will inform the complainant and respondent. At this point the Chief Executive will report to the Council that the complaint is found to be material and a decision will be made on whether the Council hears the complaint, or it is referred to an adjudicative body (the Code of Conduct Committee). The investigator will then undertake an investigation appropriate to the scale of the breach and prepare a report for the Council or the Code of Conduct Committee on the seriousness of the breach. In preparing that report, the investigator may:

- Consult with the complainant, respondent and any directly affected parties; and/or
- Undertake a hearing with relevant parties; and/or
- Refer to any relevant documents or information.

The Chief Executive will send a copy of the investigator's findings to the complainant and the respondent(s) inviting them to reply in writing as to whether or not they agree to the findings and whether they wish to make a written submission for consideration by the Council or Committee with delegated responsibility to consider complaints and determine penalties.

On receipt of the investigator's report, the Chief Executive will prepare a report, including the investigator's full report and any submissions from affected parties, for the relevant Council body charged with assessing and ruling on material complaints, which will meet to consider the findings and determine whether or not a penalty, or some other form of action, will be imposed.

Step 7: Process for considering the investigator's report

The investigator's report will be considered by the Council or adjudicative body established for considering reports on Code of Conduct complaints, or any other body that the Council may resolve, noting that the process will meet the principles set out in section 15.1 of the Code.

The Council, or adjudicative body, will consider the Chief Executive's report in open meeting, except where the alleged breach concerns matters that justify, in accordance with LGOIMA, the exclusion of the public. Before making any decision on a specific complaint, the relevant body may ask the investigator to provide a briefing on their findings and invite the complainant and/or respondent to speak to any submissions that they might have made.

Members with an interest in the proceedings, including the complainant and the respondent, should not take part in these proceedings in a decision-making capacity.

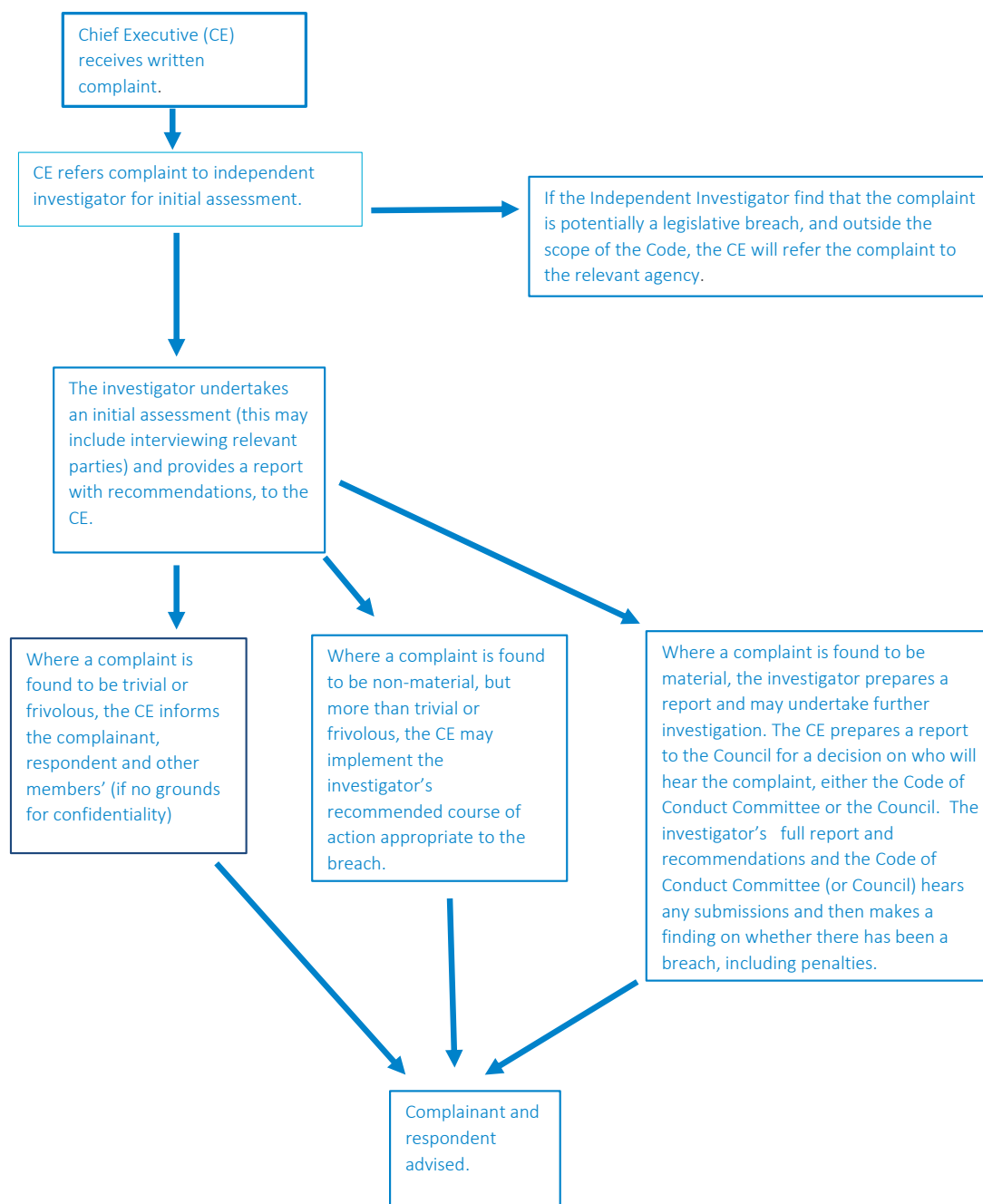
The Council, or adjudicative body, will decide whether a material breach of the Code has occurred and what, if any, penalty or action should occur in response to the breach. The form of penalty that might be applied will depend on the nature of the breach and may include actions set out in clause 15.1 of the Code.

The report, including recommendations from the adjudicative body, should that body have no formal delegations, will be heard and accepted by the Council in open session, unless grounds for excluding the public exist, without debate.

The respondent and complainant will be informed in writing of the decision.

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Appendix ED: Complaints Procedure – Flow Diagram



11.13 Temporary Road Closures for Events

File Number: A21012994

Author: Caroline Irvin, Governance Advisor

Authoriser: Sarah Holmes, Team Leader: Governance & CCO Support Services

BACKGROUND

1. The report accompanying this agenda item, 'Temporary Road Closures for Events', will be circulated separately prior to the meeting.

11.14 Status Updates on actions from prior Council meetings**File Number:** A20875501**Author:** Caroline Irvin, Governance Advisor**Authoriser:** Sarah Holmes, Team Leader: Governance & CCO Support Services**Please note that this report contains confidential attachments.**

Public Excluded Attachment	Reason why Public Excluded
Item 11.14 - Status Updates on actions from prior Council meetings - Attachment 2 - Public Excluded Actions from Council Meetings as at 1 September 2026	s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public.

PURPOSE OF THE REPORT

1. This report provides a status update on actions requested during previous Council meetings.

RECOMMENDATIONS

That the Council:

- (a) Receives the report "Status Updates on actions from prior Council meetings".
- (b) Attachment 2 is to remain in the public excluded section to avoid prejudice to measures protecting the health or safety of members of the public
- (c) **Attachment 2** can be transferred into the open not to be released

BACKGROUND

2. This is a recurring report provided to every second Council meeting. The next report will be to the 10 November 2026 meeting.
3. The attached update includes all open actions and actions completed since the last report on 2 June 2026.
4. Once reported, completed actions are archived and made available to Elected Members in their Stellar library.²⁹

DISCUSSION

5. A summary of outstanding and recently closed actions, as at 14 August 2026, is provided in the following table:

Status of actions	No. actions
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²⁹ Stellar pathway for completed Council actions: *Council and Committees (Agendas and Minutes -> Council -> Actions Requested by Council -> 'Closed actions from Council'.*

Closed (completed since the last report – <i>includes one action in the public excluded agenda</i>)	20
Pending (waiting on something)	4
In progress (including 1 action in public excluded)	8
To be actioned	0
Total actions included in this report	32

ATTACHMENTS

1. Actions from prior Council meetings as at 1 September 2026 - A20999512  
2. Public Excluded Actions from Council Meetings as at 1 September 2026 - A20999596 - Public Excluded

Council				Actions status update as at: 14 August 2026			
Status updates due from GMs:eod Friday, 14 August 2026 (for 1 September meeting)							
Meeting Date	Agenda Ref.	Report Name	Action required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
21 Jul 2026	11.3	Te Manawataki o Te Papa Limited – Director Recruitment	That staff follow up on tangata whenua involvement on the Te Manawataki o Te Papa Limited Board.	10/08: This is an action for follow-up by Marty Grenfell and Kim Wallace, Te Manawataki o Te Papa Limited Chair. It's likely that staff will present a paper to the Council at the end of the 2026 calendar year to seek approval for a vacancy for a director/tangata whenua representative on this board. Recruitment would be deferred to the 2027 annual board recruitment process.	In progress		Christine Jones
21 Jul 2026	11.3	Te Manawataki o Te Papa Limited – Director Recruitment	That staff organise a briefing workshop with the Te Manawataki o Te Papa Limited Board to clarify accountability for each of the major projects that have been assigned to the organisation.	10/08: This is an action for follow-up by Marty Grenfell with Kim Wallace, Te Manawataki o Te Papa Limited Chair. Kim to have this accountability conversation on the agenda as part of the CCO's next meeting with the elected members.	In progress		Christine Jones
21 Jul 2026	11.3	Te Manawataki o Te Papa Limited – Director Recruitment	That, subject to diary availability, Mayor Mahé Drysdale was requested to be involved in the recruitment of the new Board Director.	10/08: Mayor Mahé Drysdale is a member of the Te Manawataki o Te Papa Limited Appointment Panel. The Panel's shortlisting (31 August) and interviews (18 September) have been organised and confirmed in panel members' diaries. Currently, the recruitment is live with the expression of interest period closing on 21 August.	Closed		Christine Jones
23 Jun 2026	11.9	International Air Travel - Sister City Delegation	That delegates report back on the trade, business and investment leads that are generated from the visit/trip.	10/08: All attendees are currently on the trip and will be asked to provide a report on their return. Mayor, Deputy Mayor and Cr Taylor to report back to Council upon return from business trip.	Pending		Christine Jones
2 Jun 2026	11.1	Status update on actions from prior Council meetings	That staff come back to the Annual Plan with updated figures for savings targets.	Update 3 Aug 2026: The Annual Plan has been adopted	Closed		Craig Rice
2 Jun 2026	11.2	Draft Annual Plan 2026/27 at June 2026	That staff provide the quarterly financial reporting including the vacancy rate to date actuals and anticipated remainder of the year compared to the turn factor in the draft Annual Plan.	Update 4 Aug 2026: Quarterly report sent to EM's on 17 July, including current vacancy numbers. A further update with staff numbers and salary data was provided in the August City Delivery financials pack. This action can be closed.	Closed		Craig Rice
2 Jun 2026	11.2	Draft Annual Plan 2026/27 at June 2026	That staff provide demonstration at an infrastructure project level of what value for money achievements and or process change have been made since	Update 17 July 2026: Salary budgets were included in the final AP report, including staff numbers.	Closed		Craig Rice

Meeting Date	Agenda Ref.	Report Name	Action required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
2 Jun 2026	11.2	Draft Annual Plan 2026/27 at June 2026	That staff report back in relation to the 2026-27 capital programme, a workshop is set to review value for money achievements and opportunities of 3 (or so) infrastructure projects over \$20m (excluding TMoTP and PEI) with the intention of making capital savings for 2026-27 without reducing delivery or scope.	04.08 Reneke spoke with the acting Mayor and EM's and the content for the workshop has been updated as follows: the workshop will cover: •Process currently followed for steering and governing projects, including project management framework and stage gates •How this process differs for NZTA-co-funded projects •We will pick any three large-ish, uncommitted projects and show how we've gone through the process. This is vaguer than the \$20mIn but the intent is the same. •As the original intent included VFM/innovation, we will make sure that the projects chosen have some examples	In progress		Reneke van Soest
2 Jun 2026	11.2	Draft Annual Plan 2026/27 at June 2026	That staff report back to Council with options for incorporating priority stormwater projects (including Darraghs Road and two in Welcome Bay) into the FY27 capital programme prior to annual plan sign-off.	July 2026: this has been completed and the 3 projects are in the AP and LTP for implementation.	Closed		Reneke van Soest
2 Jun 2026	3.5	Kiri Randall and Oliver Marriner - Submitters - Funeral Homes	That staff establish a closer working relationship between Council and funeral homes to improve future engagement and decision-making.	Staff have been in regular contact with Kiri and will be involving Funeral Home providers in review of Cemetery operating model.	Closed		Reneke van Soest
2 Jun 2026	3.5	Kiri Randall and Oliver Marriner - Submitters - Funeral Homes	That staff seek customer feedback from funeral homes regarding their working relationship with the cemetery.	Staff have been in regular contact with Kiri and will be involving Funeral Home providers in review of Cemetery operating model.	Closed		Reneke van Soest
2 Jun 2026	3.5	Kiri Randall and Oliver Marriner - Submitters - Funeral Homes	That staff share modelling and cost information with funeral homes and work with them to review payment terms for cemetery and cremation services.	Staff have shared information and are considering alternative payment options case by case.	Closed		Reneke van Soest
26 May 2026	11.2	Tauranga City Council / Tangata Whenua Relationship Review Report	That a project plan for the implementation of the themes and issues identified in the Tangata Whenua/ Tauranga City Council Review be prepared and circulated to Elected Members for comment and information.	Consultant appointed to progress the Review recommendations. First task for the consultant is preparation of a Project Plan. Project Plan circulated in Council Catchup 9 July 2026	Closed	9 Jul 2026	Christine Jones

Meeting Date	Agenda Ref.	Report Name	Action required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
12 May 2026	3.1	Public Forum - Mr Anthony Ririnui - Submission on the Draft Annual Plan 2026/27, on behalf of Ngāti Hē Hapū Trust and the Maungatapu Marae community.	That staff advise Elected Members if anything has been done in terms of progressing the requests from the Ngāti Hē Hapū Trust and the Maungatapu Marae community's submission to the Annual Plan 2025/26.	Reneke has sent a response to EM's via email responding to this on 18/06/2026 Update here Inc Date	Closed		Reneke van Soest
12 May 2026	11.6	January Weather Event - Recovery Progress Report	Put all future updates in the report in red font.	We are providing elected members with weekly updates, and this may alleviate the requirement for "future updates in red font". If the requirement remains, we will comply when the next report is due in June. Update here	Closed		Charlie Rahiri
12 May 2026	11.6	January Weather Event - Recovery Progress Report	That staff provide Elected Members with the expenses broken down by vendor and set out money being spent on remediation in future reporting.	Completed 25 May 2026. A confidential – detailed financial breakdown circulated to Elected members. Update here	Closed	25 May 2026	Charlie Rahiri
12 May 2026	11.1	11.10: Appointment of Tangata Whenua Members to SmartGrowth Leadership Group	That staff provide elected members with a breakdown of the SmartGrowth budget	UPDATE 25 May 2026: Kathryn Sharplin has provided a verbal update to the Deputy Mayor. Documents still to be provided Update - Email sent 26 May C Jones to Elected Members with information on costs to TCC for SmartGrowth contribution 2024/25, 2025/26 and the budget for 2026/27. Further question received by email responded to 27 May.	Closed	27 May 2026	Christine Jones
21 Apr 2026	3.1	Public Forum - Kathy Webb - Neighbourhood Support	That staff report back on which fund Neighbourhood Support previously received money from and advise them of the funding application process for the following year.	Confirming that they have received funding from a number of sources since 2021 including Community Grant, Match Fund and Tauranga Western Bay Community Event Fund. They will be advised of processes for the upcoming year. Update here	Closed	27 Apr 2026	Sarah Omundsen
21 Apr 2026	11.1	Draft 2026-27 Annual Plan update at April 2026	that staff consider the agenda papers provided to try to ensure 1 set of papers per Council meetings	Communication to Senior Leadership Group to clarify the need for 1 set of papers per Council meeting. GM's will closely monitor and make decisions as to whether it is appropriate to authorise or defer to subsequent meetings any items submitted post publishing of initial agenda. Update here	Closed	28 Apr 2026	Christine Jones
21 Apr 2026	11.1	Draft 2026-27 Annual Plan update at April 2026	That staff provide the number of funded positions and how many are still to be filled and, the FTE number of budgeted roles including vacancies	Update 30 April 2026: People & Culture are reviewing establishment information. Update 17 July 2026: Salary budgets were included in the final AP report, including staff numbers	Closed		Craig Rice

Meeting Date	Agenda Ref.	Report Name	Action required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
21 Apr 2026	11.1	Draft 2026-27 Annual Plan update at April 2026	That staff provide a reconciliation on the staff numbers and cost in time for the next Council meeting	Update 30 April 2026: To be included in 2 June Annual Plan Update to be circulated well in advance of the meeting. Update 17 July 2026: Salary budgets were included in the final AP report, including staff numbers	Closed		Craig Rice
21 Apr 2026	11.2	Draft User Fees and Charges Schedule	That staff amend the wording of the first question in the statement of proposal.	Update 28 Apr 2026: The wording has been amended as per direction received at the 21 April 2026 Council meeting and approved by Craig Rice as per Council resolution. Consultation on User Fees and Charges is now live. Update here	Closed	28 Apr 2026	Craig Rice Christine Jones
21 Apr 2026	11.5	CCOs Bay Venues & TBOP Funding requests	That staff, while considering how the airport activity funding can be utilised, consider how support for Mount Maunganui can be funded.	Update 25 May 2026: This is an ongoing piece of work that is underway. Update here Inc Date	In progress		Craig Rice
21 Apr 2026	11.5	CCOs Bay Venues & TBOP Funding requests	That staff consider the management of the digital visitor kiosk situated in Wharf st and whether it could be managed by Tourism Bay of Plenty.	Tourism Bay of Plenty (TBOP) are currently exploring options with a technician from TenFour Group to assess how this could be achieved. Feedback is awaited. The Wharf Street digital kiosk is now operational again following the identification of a fault, with TenFour having replaced several components. This is currently underway, asset ownership of this type is currently under discussion at a staff level	In progress		Reneke van Soest
24 Mar 2026	11.4	LWDW - Financial Implications	That as part of the LTP development, the CEO brings a paper to Council prior to December 2026 with a proposal to fund and mitigate the stranded overheads estimated at \$9-\$10 million recognising that rates capping is on its way.	Update 30 April 2026: Internal project team underway led by Gareth Greene Update 3 Aug 2026: This is ongoing with discussions with the Water Organisation regarding the cost of shared services.	In progress		Craig Rice
10 Feb 2026	11.1 Supplementary Agenda	Draft Annual Plan 26/27	That Staff look at OPEX savings before any levels of service changes	Update 30 April 2026: Opex and funding adjustments included in 24 March paper with decision to not budget further savings but to request the CE to find further cost reduction during the year of \$4.6m Update here Inc the Date	In progress		Craig Rice
16 Dec 2025	11.5	Memorial Park Aquatic Centre Steering Group & timeline	Publish a list of working groups and steering groups and name the elected members on each group	Schedule provided at 24 Feb 2026 Forward Agenda meeting. Agreed that Elected Members will discuss and then provide direction to staff as to next steps. Update here inc the date	Pending		Christine Jones

Meeting Date	Agenda Ref.	Report Name	Action required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
16 Sept 2025	11.3	Mount Parking Management Plan - Consultation Summary and Options	Staff to contact staff from Bay of Plenty Regional Council raising the idea of a hop-on-hop-off bus in the Mount Maunganui area for who it might be considered by discussed at the Joint Transport Committee.	On hold - Awaiting first 2026 meeting of Joint Transport Committee.(20 February 2026) TCC and BOPRC are looking at options to have this included in the upcoming bus network review.	Pending		Reneke van Soest
14 Jul 2025	11.1	Netball Relocation to Baypark	That staff provide EMs with the cost of signalisation or a right hand turn into Trumans Lane.	Detailed design and cost management underway. Report back to City Delivery Committee in Apr/May 2026. Update 30 April 2026: Report is going to Council on 12th May. Report was presented at the May Council Meeting which provided the relevant information Update here Inc Date	Closed		Reneke van Soest
28 Apr 2025	11.10	Haumaru (Cameron Road Courts) Ownership and Operation	A further report to be provided for Council to consider a wider context and whether Council should own and lease properties or whether these should be managed by one of the CCOs.	Asset ownership workshop was scheduled for 16 October, but postponed due to unavailability of Mayor, some Councillors, and CE. Replacement date to be confirmed. The Leasing team are awaiting the outcome of this workshop before deciding the appropriate course of action in relation to Haumaru Courts Leases. Where ownership of the asset sits will determine if Leases are required (if TCC Owned) or Not Required (If BVL Owned). If TCC owned then we will either need to have a new Lease drawn up with BVL or add this asset to the pre agreed BVL Asset Management Agreement. If the asset is owned by BVL then we do not need to have a lease drawn up as they will self manage the property – they however would need to have a lease drawn up with the Emergency Management Centre for use of the Mezzanine. At this stage it is understood that ownership of the property currently sits with TCC. Update 20 May 2026: This is being woven into a broader piece of work around aligning assets to delivery models. Workshops being scheduled with Exec and EMs during SAugust or September 2026. Update 29 June 2026: The previous update from 20 May still stands. A meeting with the Mayor has been scheduled to take place on Wed, 1 July 2026. Update 7 August 2026: After a discussion with the mayor and briefing was held in early August. Staff will now bring a Council	Pending		Craig Rice

Meeting Date	Agenda Ref.	Report Name	Action required	Status Update (incl anticipated / actual completion date)	Status Summary	Date Closed	GM / CE Responsible
5 Aug 2025	11.1	Status update on actions from Council meetings	That staff provide information from other Councils as to how they track ownership of community assets in relation to Bay Venues	Original briefing postponed, and paper that was prepared has been parked. Update 30 April 2026: New report to Council being prepared. Update 7 August 2026: After a discussion with the mayor and briefing was held in early August that covered this action in part. Staff will not bring a Council paper on September 22 proposing to consult with the community whether BVL should be re-patriated back to TCC.	In progress		Craig Rice
3 Mar 2025	3.2	Public Forum: Brian Cavit and Sandra Johnston on behalf of the Wairakei Community Centre Trust	The Community Development Team worked with Non-Government Organisations to facilitate support for areas. An update would be provided	Council staff have met three times with representatives of Wairakei Community Centre Trust and other organisations including CAB and TECT to better understand the needs of the Pāpāmoa East Community, the aspirations of the trust and	Closed		Sarah Omundsen

12 DISCUSSION OF LATE ITEMS

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
13.1 - Public Excluded Minutes of the Council meeting held on 21 July 2026	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public s7(2)(g) - The withholding of the information is necessary to maintain legal professional privilege s7(2)(h) - The withholding of the information is necessary to enable Council to carry out, without prejudice or disadvantage, commercial activities s7(2)(i) - The withholding of the information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	s48(1)(a) - 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
13.2 - Public Excluded Minutes of the Council meeting held on 6 August 2026	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - 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
13.3 - LWDW - Water Organisation Name and Identity	s7(2)(b)(ii) - The withholding of the information is necessary to protect information where the making available of the information would be likely	s48(1)(a) - the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure

	unreasonably to prejudice the commercial position of the person who supplied or who is the subject of the information	of information for which good reason for withholding would exist under section 6 or section 7
13.4 - Appointment of Hearings Panel for Proposed Private Plan Change 40 (Mount Maunganui Golf Club Incorporated Rezoning)	s7(2)(a) - The withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a) - 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
Confidential Attachment 2 - 11.14 - Status Updates on actions from prior Council meetings	s7(2)(d) - The withholding of the information is necessary to avoid prejudice to measures protecting the health or safety of members of the public	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

14 CLOSING KARAKIA