



MINUTES

**Extraordinary Council meeting
Tuesday, 11 March 2025**

Order of Business

1	Opening karaka.....	3
2	Apologies	3
3	Acceptance of late items	3
4	Confidential business to be transferred into the open.....	3
5	Change to the order of business	3
6	Declaration of conflicts of interest	3
7	Business.....	3
	7.1 Draft Budget and Rating Policy for the Annual Plan Consultation.....	4
8	Discussion of late items	6
9	Closing karakia	6

**MINUTES OF TAURANGA CITY COUNCIL
EXTRAORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL, GROUND FLOOR MEETING ROOMS 1 & 1B, 306
CAMERON ROAD, TAURANGA
ON TUESDAY, 11 MARCH 2025 AT 10:00AM**

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

IN ATTENDANCE: Marty Grenfell (Chief Executive), Paul Davidson (Chief Financial Officer), Barbara Dempsey (General Manager: Community Services), Nic Johansson (General Manager: Infrastructure), Christine Jones (General Manager: Strategy, Growth & Governance), Alastair McNeill (General Manager: Corporate Services), Sarah Omundsen (General Manager: Regulatory & Compliance), Gareth Wallis (General Manager: City Development & Partnerships), Jim Taylor (Manager: Rating Policy & Revenue), Kathryn Sharplin (Manager: Finance), Tracey Hughes (Financial Insights and Reporting Manager), Clare Sullivan (Team Leader: Governance Services), Caroline Irvin (Governance Advisor).

Timestamps are included beside each of the items and relate to the recording of the meeting held on 11 March 2025 at [Council Website](#).

1 OPENING KARAKA

Cr Steve Morris opened the meeting with a karakia.

2 APOLOGIES

Nil

3 ACCEPTANCE OF LATE ITEMS

Nil

4 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

5 CHANGE TO THE ORDER OF BUSINESS

Nil

6 DECLARATION OF CONFLICTS OF INTEREST

Nil

7 BUSINESS

TIMESTAMP 13:09

7.1 Draft Budget and Rating Policy for the Annual Plan Consultation

Staff Paul Davidson, Chief Financial Officer
Kathryn Sharplin, Manager: Finance
Jim Taylor, Manager: Rating Policy & Revenue
Tracey Hughes, Financial Insights and Reporting Manager

Changes to recommendations:

- The Mayor moved a motion with changes to the recommendations in the report noting that staff and elected members were continuing to look for savings, to smooth out the allocation of the general rates between residential, commercial and industrial and to establish a working group to undertake a review of operational costs and service levels.

A MOTION WAS PROPOSED

Moved: Mayor Mahé Drysdale

Seconded: Cr Marten Rozeboom

That the Council:

- (a) Receives the report "Draft Budget and Rating Policy for the Annual Plan Consultation".
- (b) In respect of the draft operating budget and rates requirement for consultation:
 - (i) Agrees to an overall rates increase after growth arising from the proposed budget of 12.5% noting that this includes up to \$1.3m of placeholder budget savings to be identified in budgets prior to the adoption of the annual plan,
- (c) Agrees that the additional rates funded savings of \$8.3m (equivalent to 2.5% decrease in rates) to be considered for inclusion in the 2025/26 Annual Plan, with further savings targets pursued through the 2026/27 annual plan and subsequent annual or long term plans.
- (d) In respect of rating policy, agrees to continue with the Long-term Plan decision to move to a fixed proportion of the general rates for each rating category and change the proportions for the residential rating category to 65%, the Commercial rating category to 15% and the industrial rating category to 20% by the 2027/28 rating year.
- (e) Agrees for the 2025/2026 rating year the allocation of the general rates will be:
 - Residential category **66.5%**
 - Commercial category **14.3**
 - Industrial category 19.2%
- (f) Agrees the commercial and industrial rating category general rates allocation of 15% and 20% will be fully phased in by the 2027/2028 rating year.
- (g) Notes that a rates increase of 12.5% is 0.5% higher than the rates limit adopted in the financial strategy of the 2024/34 Long Term Plan however that limit excluded the second Infrastructure Funding and Financing levy of 2.2%.
- (h) Establishes a working group comprising the Mayor, Deputy Mayor, Chief Executive, Chief Financial Officer and councillors to undertake a detailed review of operational costs and service levels. The purpose of the working group is to identify further cost savings to reduce the proposed rates increase. The working group will report back with recommendations prior to the adoption of the Annual Plan 2025/26.

At 11.50am the meeting adjourned.

At 12.23pm the meeting reconvened.

AN AMENDMENT WAS PROPOSED

Moved: Cr Rick Curach

Seconded: Cr Glen Crowther

That the proposed resolution (c) be amended to read:

- (c) Agrees to additional placeholder savings to achieve a 9.9% rate revenue increase be applied to the final 2025/26 Annual Plan.

FOR: Cr Glen Crowther and Cr Rick Curach

AGAINST: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Shuler and Cr Rod Taylor

LOST

RESOLUTION CO/25/4/1

Moved: Mayor Mahé Drysdale

Seconded: Cr Marten Rozeboom

That the Council:

- (a) Receives the report "Draft Budget and Rating Policy for the Annual Plan Consultation".
- (c) Agrees that the additional rates funded savings of \$8.3m (equivalent to 2.5% decrease in rates) to be considered for inclusion in the 2025/26 Annual Plan, with further savings targets pursued through the 2026/27 annual plan and subsequent annual or long term plans.
- (d) In respect of rating policy, agrees to continue with the Long-term Plan decision to move to a fixed proportion of the general rates for each rating category and change the proportions for the residential rating category to 65%, the Commercial rating category to 15% and the industrial rating category to 20% by the 2027/28 rating year.
- (f) Agrees the commercial and industrial rating category general rates allocation of 15% and 20% will be fully phased in by the 2027/2028 rating year.
- (g) Notes that a rates increase of 12.5% is 0.5% higher than the rates limit adopted in the financial strategy of the 2024/34 Long Term Plan however that limit excluded the second Infrastructure Funding and Financing levy of 2.2%.
- (h) Establishes a working group comprising the Mayor, Deputy Mayor, Chief Executive, Chief Financial Officer and councillors to undertake a detailed review of operational costs and service levels. The purpose of the working group is to identify further cost savings to reduce the proposed rates increase. The working group will report back with recommendations prior to the adoption of the Annual Plan 2025/26.

CARRIED

RESOLUTION CO/25/4/2

Moved: Mayor Mahé Drysdale

Seconded: Cr Marten Rozeboom

That the Council:

- (b) In respect of the draft operating budget and rates requirement for consultation:
 - (i) Agrees to an overall rates increase after growth arising from the proposed budget

of 12.5% noting that this includes up to \$1.3m of placeholder budget savings to be identified in budgets prior to the adoption of the annual plan

FOR: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Marten Rozeboom, Cr Kevin Shuler and Cr Rod Taylor

AGAINST: Cr Steve Morris, Cr Glen Crowther and Cr Rick Curach

CARRIED

MOTION

Moved: Mayor Mahé Drysdale

Seconded: Cr Marten Rozeboom

That the Council:

(e) Agrees for the 2025/2026 rating year the allocation of the general rates will be:

- Residential category **66.5%**
- Commercial category **14.3**
- Industrial category 19.2%

FOR: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Marten Rozeboom,

AGAINST: Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Kevin Shuler and Cr Rod Taylor

LOST

RESOLUTION CO/25/4/3

Moved: Mayor Mahé Drysdale

Seconded: Cr Marten Rozeboom

That the Council:

(e) Agrees for the 2025/2026 rating year the allocation of the general rates will be:

- Residential category 66. %
- Commercial category 14.8%
- Industrial category 19.2%

FOR: Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Kevin Shuler and Cr Rod Taylor

AGAINST: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Marten Rozeboom

CARRIED

8 DISCUSSION OF LATE ITEMS

Nil

9 CLOSING KARAKIA

Cr Morris closed the meeting with a karakia

The meeting closed at 12.43 pm.

The minutes of this meeting were confirmed at the Ordinary meeting of the Tauranga City Council held on 24 March 2025.

.....
CHAIRPERSON