



# **AGENDA**

## **Council Workshop meeting Thursday, 4 June 2026**

**I hereby give notice that a Council Workshop meeting will be held on:**

**Date: Thursday, 4 June 2026**

**Time: 10:30 am**

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

**Marty Grenfell  
Chief Executive**



## Order of Business

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1.1	2027-2037 Long-term Plan - Workshop 2.....	4

## 1 BUSINESS

### 1.1 2027-2037 Long-term Plan - Workshop 2

**File Number:** A20338348

**Author:** Josh Logan, Team Leader: Policy & Corporate Planning

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

**Presenter(s):** Christine Jones, General Manager: Strategy, Partnerships & Growth;  
Craig Rice, Chief Financial and Operations Officer

**External presenter(s):** NA

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## Workshop information

### Purpose of workshop

1. The three key areas which staff wish to focus the discussion of the workshop on will be:
  - The financial framing and envelopes for the Long-term Plan 2027-2037 (**Attachment 1**)
  - Confirm the Executive's assessment of the list of Long-term Plan list of issues (**Attachments 2 and 3**) in regard to:
    - To continue or not
    - Scale and effort
    - If it is to come to Council by way of workshop or council paper
    - When it is broadly scheduled to occur
  - What do the Mayor and Councillors want to change in the current capital programme prioritisation methodology? (**Attachment 4**)

### Executive summary

2. The Long-term Plan (LTP) is the most significant planning and decision-making process for the mayor and councillors for their term of council. It sets out what Tauranga City Council will do over the next 10 years and how we'll pay for it. This includes everything from major infrastructure projects to the services we provide every day.
3. A new LTP is developed and adopted every three years by the mayor and councillors, in the middle year of the normal local government election cycle. Each plan must include a financial strategy that shows how we'll manage our finances over the long term.
4. The next LTP is due for adoption by 30 June 2027.
5. To help steer the discussion on the day the attachments to this report provide the mayor and councillors some background information.









## Background information

6. As part of the 2027-2037 Long-term plan (LTP) development there are currently eight scheduled workshops starting in May 2026 going to December 2026. This will be complimented with topic specific workshops and reports mainly focused on matters in the issues list endorsed by Council.
7. This is the second workshop in the development of the LTP.
8. The first workshop was held on 7 May 2026. The workshop material can be found at:  
[https://infocouncil.tauranga.govt.nz/Open/2026/05/CWS\\_20260507\\_AGN\\_2994\\_AT.PDF](https://infocouncil.tauranga.govt.nz/Open/2026/05/CWS_20260507_AGN_2994_AT.PDF)
9. This report continues on from the reports to Council from 18 November 2025 and 21 April 2026 which outlined the high-level process that an LTP takes over its creation. These reports can be found at:  
**18 November 2025**  
[https://infocouncil.tauranga.govt.nz/Open/2025/11/CO\\_20251118\\_AGN\\_2765\\_AT.PDF](https://infocouncil.tauranga.govt.nz/Open/2025/11/CO_20251118_AGN_2765_AT.PDF)  
**21 April 2026**  
[https://infocouncil.tauranga.govt.nz/Open/2026/04/CO\\_20260421\\_AGN\\_2897\\_AT.PDF](https://infocouncil.tauranga.govt.nz/Open/2026/04/CO_20260421_AGN_2897_AT.PDF)
10. As a result of those reports, Council has approved the community outcomes, underpinning principles, and priorities for the 2027-2037 LTP, and has endorsed an initial list of issues to be considered through the development of the LTP. Noting that the list is also the focus of discussion today as well.

## Next Steps

11. If Mayor and Councillors confirm the Executive's assessment of the list of Long-term Plan list of issues staff will bring back a paper on 23 June to gain council's endorsement of the final list.
12. The next workshop is scheduled for Thursday 2 July 2026. Currently the scheduled topic is the review of the non-financial performance framework.

## Attachments

1. **Financial Strategy Implications for Capital Programme - A20350674**  
2. **LTP Workshop - 4-6-26 - LTP issues list - A20338231**  
3. **LTP Workshop - 4-6-26 - Process and non-specific issues list - A20338232**  
4. **Prioritisation Framework LTP 2027-37 - A20347827**  

# Financial Strategy Implications for the Capital programme

Workshop 4 June 2026



Tauranga City

# Financial Strategy and Capex

## The Financial Strategy for the LTP

- What Council aims to achieve in the next ten years and how it is going to pay for it.

## Considering and mitigating risks and the impacts of changes

- Global and local geopolitical and economy, environment, demand, Government reform

## Infrastructure to support growth

- Uncertainties affect timing of payment and cost of debt
- Determining priority for growth infrastructure investment discussed at growth workshop

## Wider costs to the community

- The LTP will exclude three waters but be aligned with the water entity fees and charges, debt and capital delivery
- Infrastructure Funding and Financing agreement (IFF) is a commitment to draw down \$177m for agreed projects - \$70m remaining to draw down



# Direction Sought

## Financial Framing

- Assumed average rates increase per annum for 10 years 4% and 6%? Or higher?
  - Impact on rates increase of new capital and what can be sustained under a rates cap regime
  - Requirement of LGFA bespoke covenant includes Council having a balanced budget otherwise 280% Debt:Revenue limit including headroom
- Sustainable debt levels need to take into account:
  - Headroom for unexpected events/risks
  - Implications for rates of higher debt over time
  - Affordability for community including other local debt IFF, waters organisation

## Make up of capital programme - either

- a) Maximising subsidised projects early (mainly transport, memorial pool and CWEM) to ensure maximum external funding in early years (scenarios 1 and 2)

or

- a) Maintaining a steady programme with agreed proportions (%) across roading and community all years, eg forego NZTA revenue to deliver community projects that are not subsidised. (scenario 3).



## Principles for Capital Prioritisation

- Value for money
  - Make the most of available subsidies - some with completion timeframes
  - Drawdown on IFF funding as soon as possible (benefit of revenue vs cost incurred if not drawn down)
  - Phase major projects to manage disruption of the city
  - Keep a consistent level of investment across outcomes -resourcing levels and delivery efficiency
- Affordability of debt over time for the community (consider waters, TCC and IFF)
- Look after what we have – maintenance and renewals
- Maintain *desired* balance of outcomes achieved through mix of:
  - small local projects and major projects to meet roading, community, waste and other outcomes
  - To be considered as part of the prioritisation framework
- Support population growth
  - Ensure growth is aligned with infrastructure delivery and prioritise closing the infrastructure deficit
  - Key focus for growth is intensification and operative greenfield areas (including Tauriko West).



## Capital Capacity Influenced by Subsidies

- Capital subsidies in the early years of the LTP make a big difference to the capacity of the capital programme
  - because subsidies mean we fund less of the capex programme from borrowing and revenue is higher helping our key borrowing metric of debt to revenue ratio
- The main limiting factor in the size of programme is the amount of rates increase that arises as a result of additional depreciation and interest.
  - 4% rates cap will be hard to achieve with a significant capex programme (scenario 1 below).
- IFF drawdown for transport projects of **\$70m** is available for the early years of the LTP.
  - IFF is recorded as a grant so TCC shows an increase in revenue and no debt movement.
  - Debt is paid by the community (billed by Council but not Council debt or revenue)
- NZTA can deliver regular subsidy – but only current three years confirmed (if projects delivered to timeframes).
- Significant TECT subsidies also assumed throughout 10 years with some delivery timeframes.



## Impact of Subsidies on our Financials

Transportation projects with significant subsidy over 10 Years:

- **Cameron Rd Stage 2**
  - Total cost \$94m
  - Subsidy – IFF \$19m
  - IAF \$54m
- **Turret Rd -15th Ave**
  - Total cost \$127m
  - NZTA \$68m
  - IFF \$48m
- **Connecting Mount Maunganui**
  - Total cost \$207m
  - NZTA \$tbc

Subsidies for Community Facilities

- **Memorial Park Pool**
  - Total Cost \$93m
  - TECT \$16m
- **Civic Whare Exhibition Centre and Museum (CWEM)**
  - Total Cost \$35m
  - TECT \$8m
- **Arena Expansion**
  - Total Cost \$28m
  - TECT \$13m



## **We have considered 3 scenarios reflecting prioritising subsidised projects versus maintaining a balanced and consistent programme**

(Detail of scenarios to be provided and discussed)

### **1. Maximise approved subsidised projects in early years**

- Not achievable within 4% rates cap

### **1. Prioritise subsidised projects but stage major transport**

- Transport focused with depreciation and interest below 4% rates cap

### **3. Defer some subsidised projects to later years - more community-centric**

- With depreciation and interest below 4% rates cap



## Scenario 1 – Financial Implications

### Capex

Total 10 years \$3.2b  
 Years 1-3 \$1b

### Subsidy Revenue

Total 10 years \$710m  
 Years 1-3 \$360m

### Debt

2027/28 \$1,735m 233% D:R  
 2036/37 \$2,133m 332% D:R

### Rates

Interest & depreciation increase average 5.5%  
 Total rates increase likely circa 8%-9%

Big Rocks Summary - Scenario 1	Total	Total	Total	Total
	FY28-30	FY28-30	FY28-34*	FY28-34*
	(\$m)	%	(\$m)	%
Renewals (excl Waters)	176	18%	403	18%
Marine Precinct	6	1%	6	0%
Total Transport (excl Renewals)	473	48%	875	40%
Total City Centre (excl Renewals)	182	18%	272	12%
Total Spaces & Places (excl Renewals)	118	12%	460	21%
Digital Services	10	1%	46	2%
Waste Facilities Redevelopment	20	2%	60	3%
Other	9	1%	93	4%
<b>TOTAL</b>	<b>993</b>		<b>2213</b>	

\*totals through to end of current LTP period FY34 only

## Scenario not financially sustainable

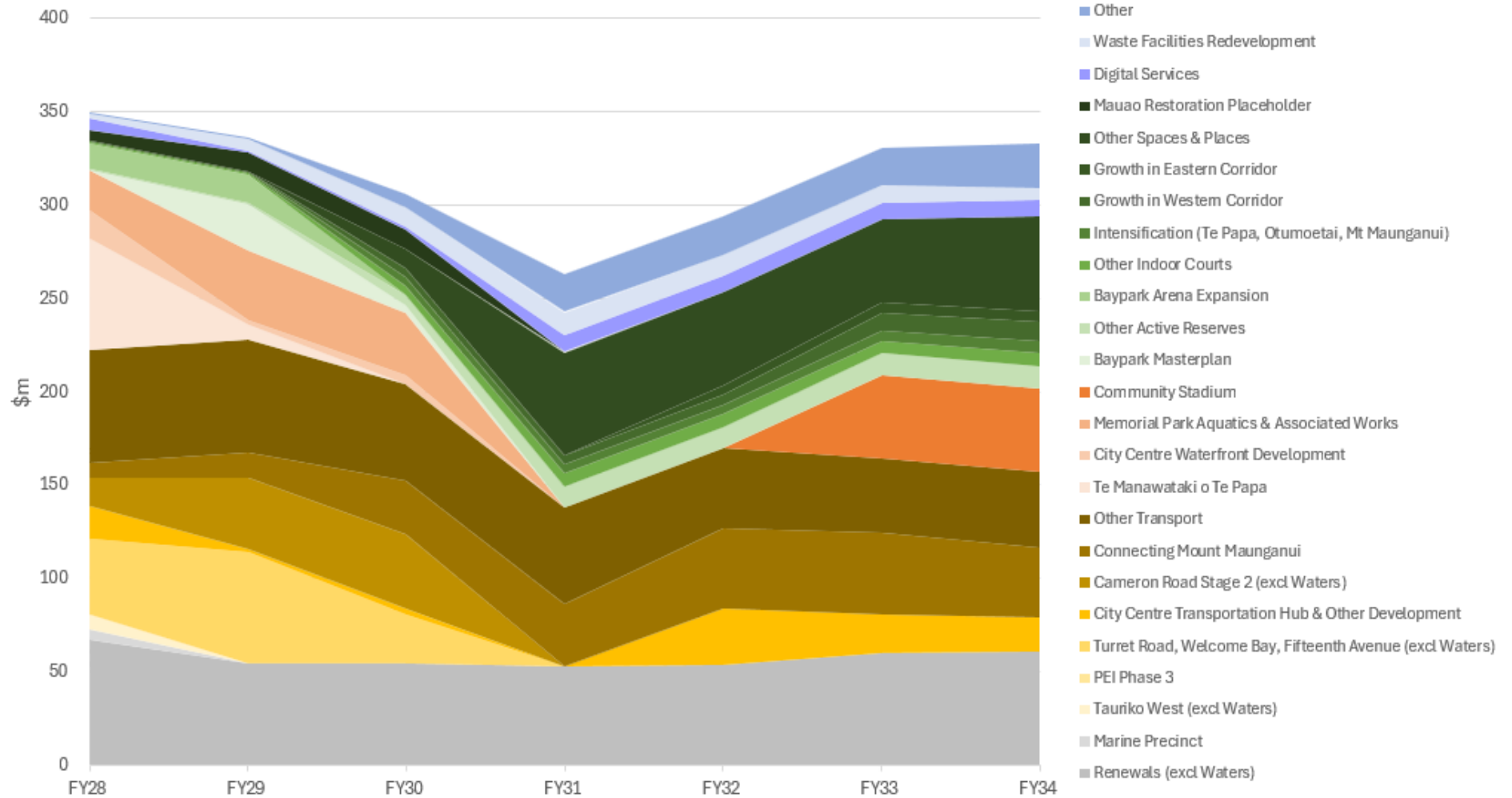


# Scenario 1 - Capex

Big Rocks	FY28	FY29	FY30	FY31	FY32	FY33	FY34
	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)
Renewals (excl Waters)	67	54	54	53	53	60	61
Marine Precinct	6	0	0	0	0	0	0
Tauriko West (excl Waters)	8	0	0	0	0	0	0
PEI Phase 3	0	0	0	0	0	0	0
Turret Road, Welcome Bay, Fifteenth Avenue (excl Waters)	40	60	27	0	0	0	0
City Centre Transportation Hub & Other Development	18	1	2	0	30	20	18
Cameron Road Stage 2 (excl Waters)	15	38	40	1	0	0	0
Connecting Mount Maunganui	8	13	28	33	43	44	37
Other Transport	60	61	52	51	43	40	41
Te Manawataki o Te Papa	60	7	0	0	0	0	0
City Centre Waterfront Development	15	3	5	0	0	0	0
Memorial Park Aquatics & Associated Works	22	37	34	0	0	0	0
Community Stadium	0	0	0	0	0	45	45
Baypark Masterplan	0	25	4	0	0	0	0
Other Active Reserves	1	1	5	12	12	12	12
Baypark Arena Expansion	13	15	0	0	0	0	0
Other Indoor Courts	1	1	5	7	7	7	8
Intensification (Te Papa, Otumoetai, Mt Maunganui)	1	1	5	5	5	5	6
Growth in Western Corridor	0	0	5	5	5	10	11
Growth in Eastern Corridor	0	0	0	0	5	5	6
Other Spaces & Places	0	0	10	55	50	45	51
Mauao Restoration Placeholder	5	10	10	0	0	0	0
Digital Services	7	1	2	9	9	9	9
Waste Facilities Redevelopment	3	7	11	13	12	10	7
Other	1	1	7	20	20	20	24
	350	337	306	263	294	331	333



**Scenario 1 - 4% Rates Capping, Maximised Delivery**



## Scenario 1 - Assumptions

- Tauriko West – assumed \$25m contingency savings in FY28
- Turret Rd – 15<sup>th</sup> Ave delivered by FY30
- Cameron Rd Stage 2 also practically complete by FY30
- Connecting Mount Maunganui - \$105m NZTA subsidy assumed but risk this may not be achieved within ten years
- Memorial Park Aquatics – reduced project scope \$93m over LTP period
- Active reserves, indoor courts and other Spaces & Places programmes (including intensification and growth related projects) full but phased in delivery over LTP
- Baypark Masterplan delayed by one year
- Mauao restoration placeholder of \$25m over years 1-3 (in addition to \$6m in FY27)
- Waste Facilities Redevelopment capex increase from \$34m to \$60m to match indicative business case assumptions (and \$13m govt subsidy removed).



## Scenario 2 – Financial Implications

### Capex

Total 10 years \$2.5b  
 Years 1-3 \$740m

### Subsidy Revenue

Total 10 years \$694m  
 Years 1-3 \$226m

Debt 2027/28 \$1,735m 233% D:R  
 2036/37 \$1,779m 275% D:R

### Rates

Interest and depreciation increase average 4.0%  
 Total rates increase likely circa 5%-6%

Big Rocks Summary - Scenario 2	Total FY28-30 (\$m)	Total FY28-30 %	Total FY28-34* (\$m)	Total FY28-34* %
Renewals (excl Waters)	176	24%	403	23%
Marine Precinct	6	1%	6	0%
Total Transport (excl Renewals)	278	38%	802	46%
Total City Centre (excl Renewals)	170	23%	265	15%
Total Spaces & Places (excl Renewals)	95	13%	158	9%
Digital Services	9	1%	13	1%
Waste Facilities Redevelopment	0	0%	60	3%
Other	7	1%	27	2%
<b>TOTAL</b>	<b>740</b>		<b>1731</b>	

\*totals through to end of current LTP period FY34 only

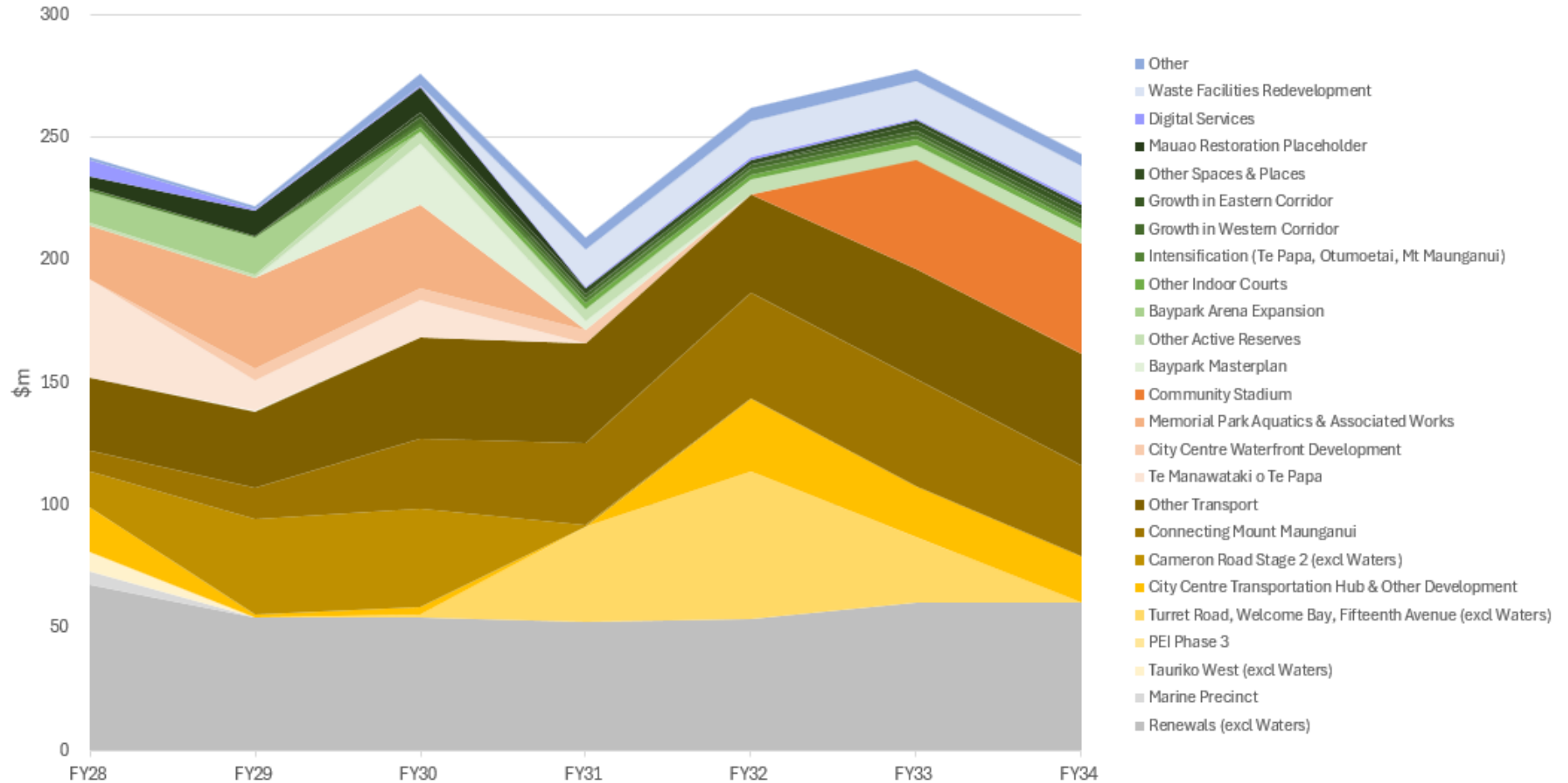


## Scenario 2 - Capex

Big Rocks	FY28	FY29	FY30	FY31	FY32	FY33	FY34
	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)
<b>Renewals (excl Waters)</b>	67	54	54	53	53	60	61
Marine Precinct	6	0	0	0	0	0	0
Tauriko West (excl Waters)	8	0	0	0	0	0	0
PEI Phase 3	0	0	0	0	0	0	0
Turret Road, Welcome Bay, Fifteenth Avenue (excl Waters)	0	0	2	39	60	27	0
City Centre Transportation Hub & Other Development	18	1	2	0	30	20	18
Cameron Road Stage 2 (excl Waters)	15	38	40	1	0	0	0
Connecting Mount Maunganui	8	13	28	33	43	44	37
Other Transport	30	31	42	41	40	45	45
Te Manawataki o Te Papa	40	13	15	0	0	0	0
City Centre Waterfront Development	0	5	5	5	0	0	0
Memorial Park Aquatics & Associated Works	22	37	34	0	0	0	0
Community Stadium	0	0	0	0	0	45	45
Baypark Masterplan	0	0	25	4	0	0	0
Other Active Reserves	1	1	5	5	6	6	6
Baypark Arena Expansion	13	15	0	0	0	0	0
Other Indoor Courts	0	0	2	2	2	2	2
Intensification (Te Papa, Otumoetai, Mt Maunganui)	1	1	2	2	2	2	2
Growth in Western Corridor	0	0	2	2	2	2	2
Growth in Eastern Corridor	0	0	0	0	0	2	2
Other Spaces & Places	0	0	2	2	2	2	2
Mauao Restoration Placeholder	5	10	10	0	0	0	0
Digital Services	7	1	1	1	1	1	1
Waste Facilities Redevelopment	0	0	0	15	15	15	15
Other	1	1	5	5	5	5	5
	<b>242</b>	<b>222</b>	<b>276</b>	<b>209</b>	<b>262</b>	<b>278</b>	<b>243</b>



Scenario 2 - 4% Rates Capping, Staged Major Transport Projects, Transport Centric



## Scenario 2 - Assumptions

- Tauriko West – assumed \$25m contingency savings in FY28
- Turret Rd – 15<sup>th</sup> Ave delayed completion from FY30 to FY33
- Cameron Rd Stage 2 practically complete by FY30 (to prevent loss of time-critical IAF funding)
- Connecting Mount Maunganui - \$105m NZTA subsidy assumed but risk this may not be achieved within ten years
- Memorial Park Aquatics – reduced project scope \$93m over LTP period
- Other Transport initiatives of ~\$70m deferred
- TMoTP and City Centre Waterfront projects delayed and scope reduced
- Active reserves, indoor courts and other Spaces & Places programmes (incl intensification and growth related projects) deferred delivery and reduced scope over LTP (~\$300m)
- Baypark Masterplan delayed by two years
- Mauao restoration placeholder of \$25m over years 1-3 (in addition to \$6m in FY27)
- Digital programme and Other projects across the balance of the organisation deferred/reduced by ~\$100m
- Waste Facilities Redevelopment capex increase from \$34m to \$60m to match indicative business case assumptions (and \$13m govt subsidy removed), delayed delivery.



## Scenario 3 – Financial Implications

Community centric model to be finalised





Tauranga City Council

# LTP list of issues

June 2026

**Key**

Strategic Reviews	Growth Related Issues	Funding and Financing	LOS and Options	Major Projects	LTP Mechanics & Systems

Tranche 1	Tranche 2	Tranche 3
May - July	August - October	Nov - Feb

Emerging LTP issues

#	# at 7 May workshop	Issue	Category	Comment	Exec Assessment	Scale effort still to do for LTP development	Workshop or Paper	Tranche	WS dates
1	4	City Regional Deal		Any impacts on LTP arising from City Regional Deal. Likely Council report that shows how the LTP aligns and gives effect to the Deal.	Continue	Small	Paper	1	
2	-	Marine Precinct development		Proposals for development of wharf structures per the agreement, procurement etc Upcoming Council report - decisions will be made in advance of LTP and implications will flow into the LTP.	Continue	Small	Paper	1	
3	3	Infrastructure capacity to provide for projected growth		Review of approach and capacity to provide for capex to enable greenfield and intensification growth.	Proceed	Medium	WS	1	26-May
4	27	Review of Depreciation		Review of alignment of asset management, project budgeting and depreciation to those listed for the LTP (Action from 24 April Council Meeting)	Proceed	Medium	WS	1	
5	28	Zero Base Budget - how will it be scoped & what is the approach		(Action from 24 April Council Meeting)	Proceed	Very Large	WS	1	
6	29	Transport: - Workshop 1 - held - Workshop 2 Investment Approach and Pipeline		Workshop 1 - Transport Forward Planning; held 30 April 2026 Workshop 2: Outlining the Transport Strategic programme aligned with SG, UFTI, TSP and TCC objectives.	Proceed	Medium	WS	1	29-May
7	5	User Fees and Charges Comprehensive Review		Project put on hold at Council meeting 10 February 2026. Will start the project again at the completion of the Revenue and Financing Policy as part of the LTP.	Continue	Small (predominantly done)	Paper	2	
8	9	Waste Network Infrastructure and Services – via a Business Case process		Consider transfer stations, green waste, organics and kerbside.	Continue	Large	WS	2	
9	10	Sport and Recreation Investment Prioritisation, including a potential extension to the Arena at Baypark		Completed. Funding decisions still required for Badminton.	Continue	Small	WS	2	30-Apr
10	22	Incentivising development in the city centre (including as a sub-topic, the City Centre Development Incentive Fund)		Review of incentive opportunities, including a review of the level and purpose of the CCDIF fund (Resolution 31 March City Future meeting). Paper already provided to Elected Members - further direction required.	Continue	Small	WS	2	
11	2	Natural Hazard Management and Council's future approach		Consider fresh information over recent years on wider suite of natural hazards. Include consideration of existing stormwater reactive reserve fund. Seek direction on prioritisation of future response approach.	Proceed	Large	WS	2	
12	-	Sub-regional Parks		What is the future ownership and funding of sub-regional parks	Proceed	Small	WS	2	
13	1	Strategic review of potential for shared services and consolidated back-office functions. As well as a review of organisation form and operating model in the context of the establishment of the Water Organisation and other reforms. Also links to CCO strategic review.		To be considered as further clarity on future local government reforms becomes available. Includes shared service centre for multiple councils and consolidate back offices with CCO's. Understand the business needs, opportunities, costs and arrangements in a post-waters world and recognising other local government reforms underway. Cross link to separate issue topic - strategic review of the operations of BVL, asset ownership, and options for future service delivery.	Proceed	Very Large	WS	2	
14	11	Future of Baycourt - Maintain, upgrade or replace and timing		Baycourt needs some work done, and there is currently some budget in the TMOtP project for this. The bigger question is how long the life of Baycourt is in its current form and whether a replacement gets planned for in 10-15-20 years.	Proceed	Medium	WS	2	
15	12, 13, 14	Network of Community Centres including: - Future Papamoa Community Centre - Cruise ship welcoming centre at Coronation Park & community centre combined facility		Information on priority areas in the city (other than Papamoa) with needs for community centre facilities. Options for a Papamoa Community Centre (Resolution 31 March City Future meeting).	Proceed	Medium	Paper	2	
16	24	Review public education programmes		Review with a view to ensuring they remain an appropriate service.	Proceed	Small	Paper	2	
17	30	Activites with accumulated deficits (e.g. building services and others)		Linked to user fees review (item 8). Need to consider transferring accumulated debts to ratepayer-funded loans (in the same way as unrecoverable DCs under-collection)	Proceed	Small	Paper	2	
18	16	Events Venues Network Plan - includes Adams Centre upgrades		LTP discussion about the quality and quantity of indoor and outdoor event "venues" across the city	Proceed	Large	WS	2	

Emerging LTP issues

#	# at 7 May work shop	Issue	Category	Comment	Exec Assessment	Scale effort still to do for LTP development	Workshop or Paper	Tranche	WS dates
19	-	Tsunami Evacuation Pathways capex	●●	Resolution May 2025 - bring back recommendations for capex as part of LTP process	Proceed	Small	Paper	2	
20	-	Targeted rate for stormwater operations	●	To charge stormwater operational costs as a targeted rate to fund WO will require a targeted rate to be consulted on	Proceed	Large - legal issues	WS	2	
21	-	Stormwater reactive reserve (note the use of current reactive reserve - part of decisions for transition but may affect LTP)	●	A decision on the reactive reserve currently held in stormwater and future annual funding for flood/ and related weather event/risk response related to stormwater.	Proceed	Medium	WS	2	
22	-	Airport Structure and Financing	●●●	A number of airport issues to be canvassed	Proceed	Large	WS	2	
23	-	SH2 Bethlehem - revocation from NZTA to TCC	●●●	Revocation of SH29 will have significant financial implications for TCC in terms of maintenance costs and depreciation	Proceed	Medium	Paper?	2	
24	-	Appetite for investment in Tauranga Mataranui - Inclusive city strategy elements	●●	Strategy stocktake has identified that staff are seeking 'extent of appetite' direction for a number of matters in the Mataranui area e.g. accessibility, safety, welcoming communities, homelessness, historic village.	Proceed	Medium	Paper?	2	
25	-	Strategic Cohesiveness Review - CCO options and structures	●●●	Looking at opportunities for improvement in delivery and/or cost efficiencies areas from a Council group, Council organisation and CCO lens.	Proceed	Large	WS	2	
26	-	Cycling and walking gap analysis	●	Council request to understand current level of service gaps for the Cycling and pedestrian network - Linked to TSP but asset based assessment.	Proceed	Medium	WS	2	
27	-	Affordable housing	●●	EMs have indicated this is a focus area for them but not specifically what they have in mind. May link to the use of Elder Housing sale proceeds	Proceed	?	WS	2	
28	-	Time of use charging / road pricing	●●	To determine whether council plans to budget to investigate this topic as per recent legislation to enable this	Proceed	Small	Paper	2	
29	-	Future of DC remission funds for papakainga and social housing	●●	Does council intend to continue these schemes (current funding confirmed to the end of the 2026/27 year only - was to be revisited through LTP)? How will they be funded? Potential link to use of elder housing funds.	Proceed	Small	Paper	2	
30	-	Strategic use of IFF levies / targeted rates etc	●●	Could be used to fund DC under-collection or to address funding gaps for growth related infrastructure	Proceed	Small	WS	2	
31	-	Review DC under-collection	●●	Review DC under-collection and decide how to fund	Proceed	Medium	Paper	2	
32	-	Maungatapu marae (and potentially other sites) - infrastructure support	●	Consideration of infrastructure support on private land. See Ngati Hei 'submission' to 2026/27 Annual Plan, and Public Forum presentation by Anthony Rinui at Council meeting of 12 May 2026.	Proceed	Small	Paper	2	
33	6	Reviewing the financial arrangements with Western Bay of Plenty District Council	●	Linked to the user fees conversation. Broader issue subseeded 'Simplifying Local Government' and Cross Boundary good faith discussions for growth adjoining or close to boundaries	Do not proceed			2	
34	15	Cross-harbour ferry	●	Issue has been looked at a number of times previously and required substantial investment. NZTA FAR subsidy unlikely, and BOPRC has not supported. Relative to other public transport investments, this is likely to be of lower priority. Executive recommendation : Conscious decision to not include in 2027 - 2037 LTP. Put on a list of investments not proceeding due to funding constraints	Do not proceed	Small	Paper	2	
35	19	Roading Reseals Policy	●	Requested at City Futures 25 November 2025. Keep as is (fit for purpose) but with an option that communities could get asphalt if they pay the difference ahead of the works. Executive Recommend - Do not proceed. Recently reviewed and given fiscal constraints decision is unlikely to be different from decision recently made	Do not proceed	Medium	Paper	2	
36	8	Community Stadium on the Domain	●	In the last LTP council approved the community stadium Stage 1, commencing construction in 2033/34 at a total cost of \$90 million. Executive recommendation : Conscious decision to not include in 2027 - 2037 LTP. Put on a list of investments not proceeding due to funding constraints	Do not proceed.	Small	Paper	2	
37	-	Possible new Ohauti link road connection to Pukemapu Rd/Oropi Rd	●●●	Staff investigation underway as per EM direction through last AP process.	Continue	Small	Paper	3	

Emerging LTP issues

#	# at 7 May work shop	Issue	Category	Comment	Exec Assessment	Scale effort still to do for LTP development	Workshop or Paper	Tranche	WS dates
38	-	Cross-boundary growth pays for growth		Council resolution for good faith discussions with WBOPDC on cross boundary growth issues. Assess implications for LTP and Financial Strategy	Continue	Medium	Paper	3	
39	18	Papamoa Targeted Rates to fund growth costs – Issues and Options Paper (DC debt)		Request from the Council meeting 24 February 2025.	Proceed	Small	Paper	3	
40	20	Elder housing sale proceeds		Balance and future use of funds.	Proceed	Small	Part of Financial Strategy	3	
41	21	Commercial / Industrial rates approach		Review of approach to charging rates to commercial and industrial properties.	Proceed	Medium	WS	3	
42	25	Ongoing funding for 'city brand' implementation		What is the level of investment for the first 3 years of the LTP. How is this project going to be managed - TBOP?	Proceed	Small	Paper	3	
43	-	Western Corridor ring road		Limited work underway, some EM interest in the project, especially the TBE to SH36 section being delivered sooner rather than later	Proceed	Small	Paper	3	
44	-	PEI surplus land / TK14 negotiations		Determine use or divestment approach and cost / revenue budgets to include in LTP. Linked to TK14 negotiations and potential for some of the land to be acquired by TK14 as part of compensation for active reserve and road corridors	Proceed	Medium	WS	3	
45	-	DC Policy methodology - city wide and local		Especially issues to do with citywide v local contributions and timing of payment, reserve and community infrastructure DCs and city centre DC charges. (City centre incentive item dealt with separately) Staff level discussions underway with DIA as to how the TCC citywide and local DC's transition provision in new legislations could work.	Do not proceed - await legislation	Large	Paper	3	

#	Issue - Recommend to be deleted or merged with another action	Category	Comment	Workshop or Paper	Delete.	WS dates
26	AI and Automation and new technology		Removed - this should flow through the zero based budget approach and activity area plans development. Incorporated in the LTP development - not a stand alone paper		Delete	
7	Review of services to third parties including assessment of full cost recovery (including fair share of overheads)		Identify services provided to external parties which currently are or should be charged for. Do charges provide full cost recovery (including fair share of overheads)? Are increases to charges required? (examples include TTOC and call centre.) Removed from list as this should be part of zero based budgeting approach. Any matters arising will be reported to EMs through budget / activity plan. Stand alone issues paper not required.		Delete	
23	Review current approach to natural vegetation management		Various ideas, each of which involve significant establishment costs or other risks and impacts. Removed from list - will be addressed through zero based budget and activity area plan. Any issues arising reported to EM's. Stand alone issue paper not required.		Delete	
17	Stormwater quality management and the roading network		Quality impacts of water-sensitive solutions versus cost impact on roading projects (capex and ongoing opex). TCC position on quality of stormwater from roads This matter needs to be addressed at a staff level between the Water Organisation and TCC. Remove from the list for now.		Delete	
-	Appetite for investment in localised spatial planning		Raised through strategy stocktake that direction on 'extent of appetite' is desired. Address through Activity Area Plan		Delete	
-	Strategic review of Mainstreets		To form a view on whether a review of TCC's current Mainstreet model should proceed. To provide direction for scoping and delivery of a review of TCC's current Mainstreet model. Four-person elected member working group undertook an initial review and decided to put that review on hold because the timing (in regard to potential local government reform) was not ideal.		Delete	

## LTP process and non-issue-specific matters

#	Issue	Category	Comment	Exec Assessment	Scale effort for LTP development	Workshop or Paper	Tranche	WS dates
	Capex Prioritisation Process		EM's have requested to review and refine the capex prioritisation process. Includes definitions for renewal and committed.	Proceed	Small	WS	One	4-Jun
	Capex cost estimation method		Methodology for risk based estimations of capex projects (including contingency and risk)	Proceed	Medium	Paper	One	
	Asset Management Plans - Transport - Community Facilities		Present AMPs, renewal programme, approach to managing network assets	Proceed	Medium	WS	One	
	Forecasting assumptions		Need to get sign-off of EMs as this underpins elements of the LTP	Proceed	Small	Paper	One	
	Revenue and funding policy (linked, but precursor to user fees)		Setting the expected 'bands' for different funding types - high interest from elected members	Proceed	Medium	WS	Two	
	Activity plans, incl KPIs		Activity-by-activity show-and-tell. Likely that many may include 'zero based budgeting' type questions of elected members about what is in and out of scope for the activity	Proceed	Large	WS	Two	
	Infrastructure strategy		30-year outline budgets for Transport, Spaces & Places, others (Libraries,etc)	Proceed	Large	WS	Two	
	Financial strategy		Pulling all the strands together into one coherent whole	Proceed	Large	WS	Two	
	Consultation document		The earlier we get their guidance on acceptable contents the better. Note that it will be audited against the requirements in the Act so a 'six-pager' isn't going to fly	Proceed	Medium	WS	Three	
	Engagement strategy		Also critical to know how they want us to engage	Proceed	Medium	WS	Three	

# Prioritisation Methodology



Tauranga City

## Prioritisation

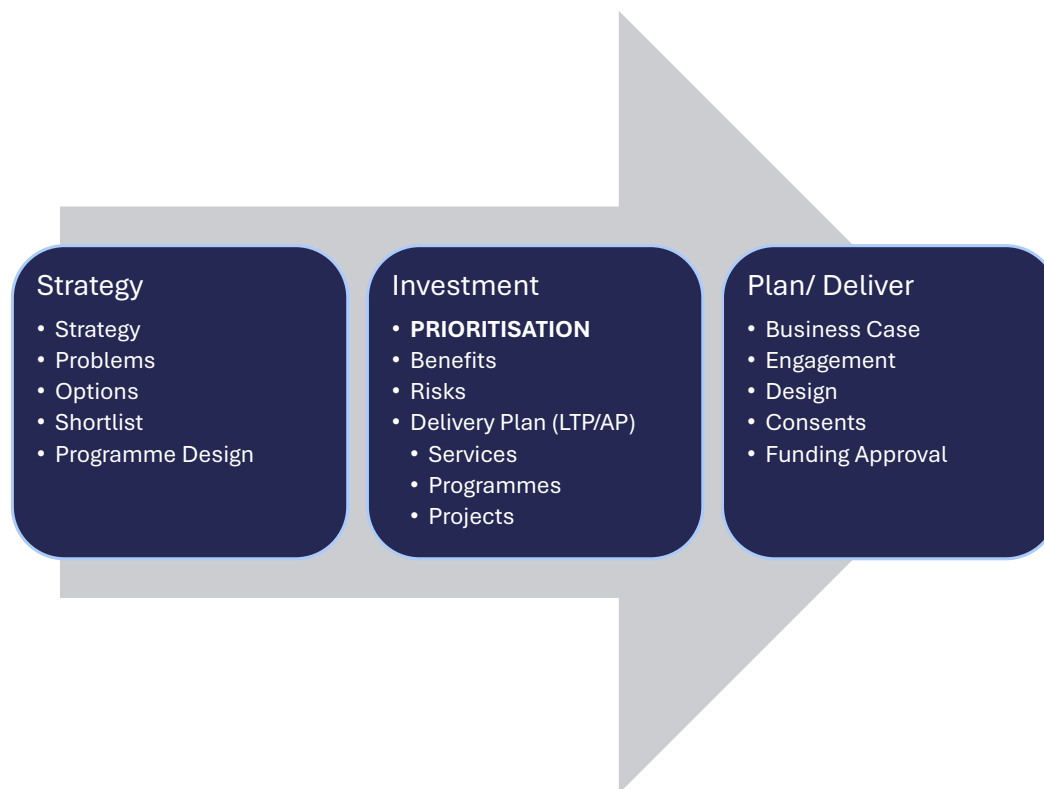
- Prioritisation is the pivot point between strategy and investment

It ensures:

- Maximum value from limited funding
- Deliverable, affordable programmes
- Credible funding cases

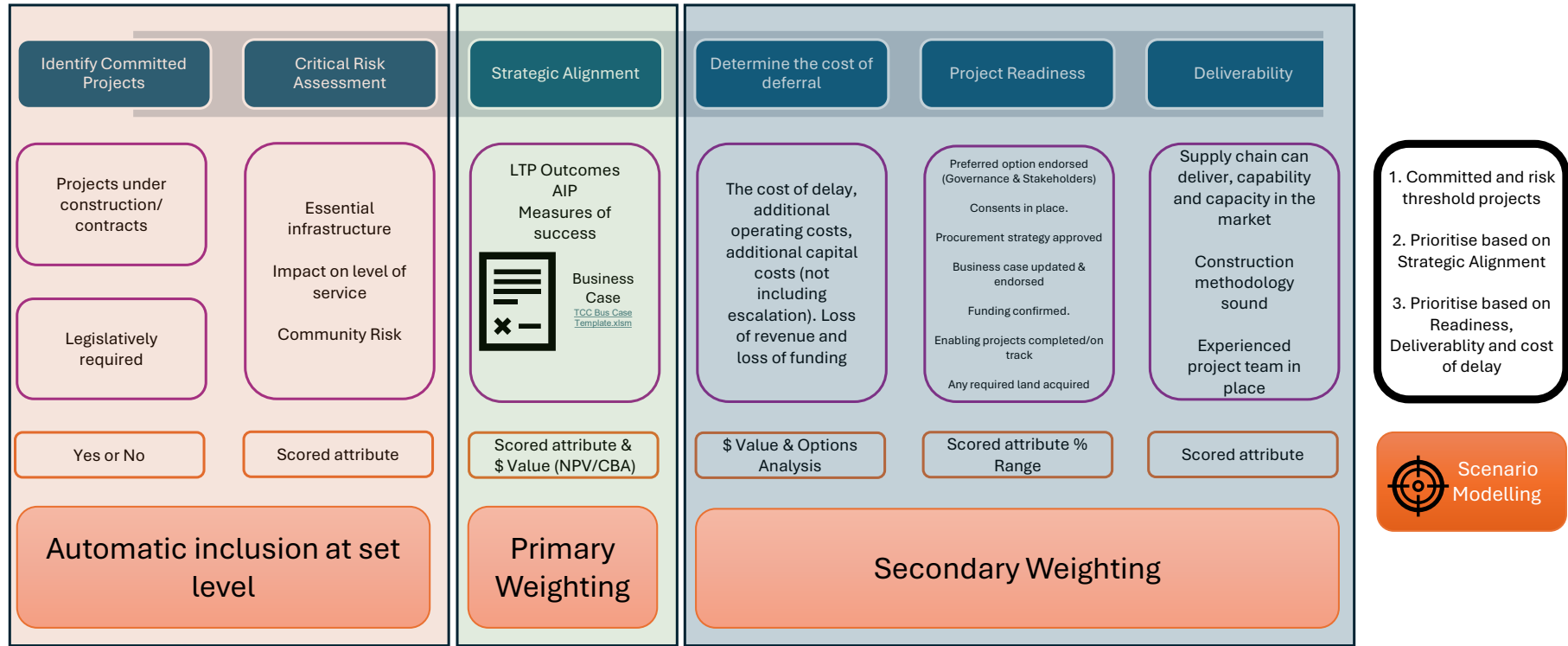
Without it, programmes:

- Overcommit
- Underperform
- Lose funder confidence



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# From Prioritising in the AP Process 2027...



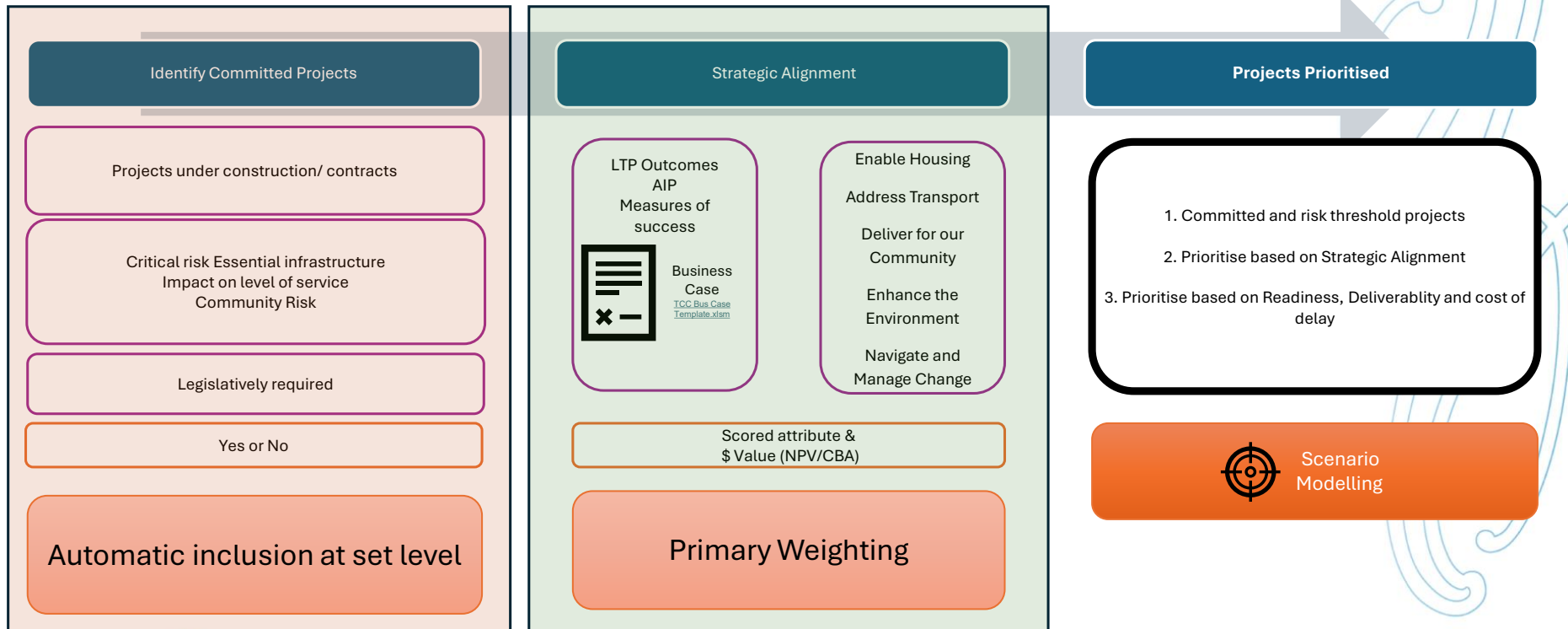
Inflight Projects

Used in LTP Planning

Used in Annual Planning

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# To Prioritising Projects in the LTP Process



**Inflight Projects**      **Used in LTP Planning**

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## Qualifier 1: Identifying Committed Projects

Identify Committed Projects

Initial classification of projects to determine if further assessment is required against the remaining categories.

Projects under construction and or in contract are those projects which either have a signed a contract for a phase and or physical works.

Projects under construction/ contract

It does not include projects that are going out to tender or are currently out to tender. If there is budget outside of risk and contingency that is not committed to, then this should be recorded.

Legislatively required

Legislatively required are projects that are; Required to fulfill the conditions of a resource consent or required to fulfil a binding contractual arrangement.

Also includes Critical risk Essential infrastructure that significantly impacts on level of service & Community Risk

Yes or No

NB: Committed projects and Critical Risk Projects will be subject to internal review depending on whether any risks to time, scope or cost have arisen.

Automatic inclusion if Yes

The Water's capital programme has been included in the WSDP to DIA & signed off by Council and therefore excluded from this process

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# Qualifier 3: Strategically Aligning Remaining Projects

Strategic Alignment

Assessed against LTP outcomes, key priority areas identified in LTP and Action and Investment Plans. The primary measure of strategic alignment is against the 5 outcome areas.

LTP Outcomes Measures of success

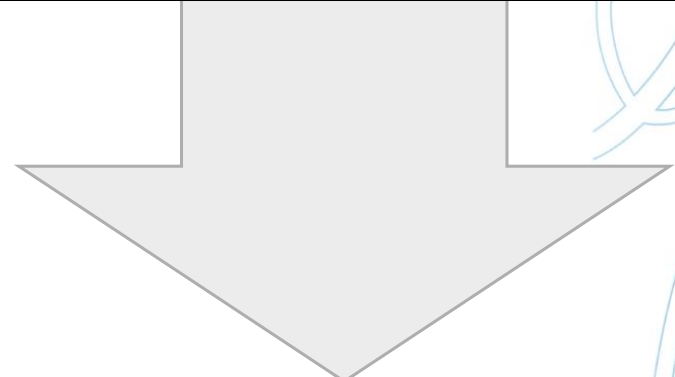
Business Case  
TCC Bus Case Template.xlsm

This scoring can be subjective, requires moderation. The significance and engagement policy can be used to assess the scale of the effect. At this level, funding could be assigned at a portfolio level and even at a programme level and projects prioritised within these envelopes

Scored attribute & \$ Value (NPV/CBA)

Primary Weighting

Current AP Uses These



Enable Housing	Address Transport	Deliver for our Community	Enhance the Environment	Navigate and Manage Change
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These were draft priorities for the coming LTP

Major (Positive)Effect on outcome	3
Moderate (Positive)Effect on outcome	2
Minor (Positive)Effect on outcome	1
No effect on outcome	0
Detrimental to outcome	-1

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Proposed LTP could use these

# Strategic alignment test – Based on weighted priorities

**Prioritised projects**

There are 5 strategic levers that would impact how the projects are ranked and could be used to generate different scenarios.

Assessed under LTP methodology

Currently the AP uses our (TCC/LTP) outcomes, and different weightings are applied to how the overall strategic score is calculated.

Critical risks assessed and agreed

For example the 5 outcomes could be ranked in order of priority, or specific AIP's or priority areas could be given more weighting

Weighting applied to Strategic Priority scores

- Planned updates :
- a) Critical risk projects reviewed against evolving risk approach
  - b) Utilise Council priorities instead of Outcomes

Delivering for our people

## Outcomes



**Tauranga Matarauuni**  
– An inclusive city  
Tauranga is a city that celebrates our past, is connected in our present and invested in our future. Where people of all ages, beliefs, abilities and backgrounds thrive.



**Tauranga Taurikura**  
– A city that values and protects our environment  
Tauranga is a city that prioritises our natural environment and outdoor lifestyle, and actively works to protect and enhance it.



**Tauranga Tātai Whenua**  
– A well-planned city that is easy to move around  
Tauranga is a city that is well planned and easy to live in with thriving centres, affordable homes, resilient infrastructure, community amenities and sustainable transport choices.



**Tauranga a te kura**  
– A city that supports business and education  
Tauranga is a city that attracts and supports a range of business and educational opportunities, creating jobs and a skilled workforce.



**Tauranga [name to be confirmed]**  
– A vibrant city  
Tauranga is a city that champions events and experiences that enhance vibrancy, connects communities, builds identity and delivers cultural, social and economic benefits for its people.

<b>Enable Housing</b>	<b>Address Transport</b>	<b>Deliver for our Community</b>	<b>Enhance the Environment</b>	<b>Navigate and Manage Change</b>
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- 1. What are the weighting parameters moving forward?**
- 2. Do we weigh them equally or prioritise some over others?**
- 3. Do we “allocate” a level of funding to each Outcome?**

