AGENDA

Ordinary Council meeting
Tuesday, 21 July 2026

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

Date:	**Tuesday, 21 July 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	Half of the members present, where the number of members (including vacancies) is even; and a majority of the members present, where the number of members (including vacancies) is odd.
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).

Order of Business

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 2 June 2026

File Number: A20520065

Author: Anahera Dinsdale, Governance Advisor

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

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RECOMMENDATIONS

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

ATTACHMENTS

1. **Minutes of the Council meeting held on 2 June 2026**

DRAFT MINUTES

Ordinary Council meeting
Tuesday, 2 June 2026

Order of Business

MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL CHAMBERS, L1, 90 DEVONPORT ROAD, TAURANGA
ON TUESDAY, 2 JUNE 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), Christine Jones (General Manager: Strategy, Partnerships & Growth), Reneke van Soest (General Manager: Operations & Infrastructure), Gareth Green (Head of Mayoral Office), Craig Rice (Online) (COFO), Sarah Omundsen (General Manager: Regulatory & Community Services), Sarah Holmes (Team Leader: Governance & CCO Support Services), Anahera Dinsdale (Governance Advisor).
EXTERNAL:	Ms Jan Gynge, Ms Kim Raubenheimer, Mr Jim Merson, Ms Rosie Stevenson, Mr Dave Lathan, Ms Tracey Robins, Ms Kiri Randal, Mr Oliver Marriner, Mr Mark Blackham, Ms Matire Duncan, Mr Puhirake Ihaka and Ms Kura Martin.

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 2 June 2026 at Tauranga City Council YouTube Channel.

1 OPENING KARAKIA

Cr Hēmi Rolleston paid respects to Sir Hirini Moko-Mead and opened the meeting with a karakia.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Timestamp: 4 minutes and 50 seconds

3.1 Ms Jan Gynges - Speaking to Agenda Items 11.1, 11.2, 11.5

Key Points

- Ms Gynges stated that Tauranga was the only community without confirmed Māori ward representation for future elections and strongly objected to the Mayor's request to defer decisions. She outlined that legislation required Council to decide by November 2026 and potentially hold a referendum by March 2027. She argued Council had not undertaken sufficient public consultation prior to the Mayor's letter and questioned process integrity.

- She noted a Tangata Whenua Committee recommendation (moved by Whitiora McLeod, seconded by Councillor Hautapu Baker) to retain the Māori ward and advocate for deferral to 2028.
- The Mayor clarified the letter followed discussion with Ministers and was linked to wider representation reform (Head Start), noting that if reforms did not proceed, Council would need to comply with legislation and hold a referendum.

Timestamp: 13 minutes and 50 seconds

3.2 Ms Kim Raubenheimer and Mr Jim Merson - Speaking to Real Estate Signs

Key Points

- Noted the scale of signage stock and significant cost impacts of size changes, stating businesses owned large inventories.
- Ms Raubenheimer proposed adopting a flexible maximum (e.g., $2.2m^2$) rather than fixed dimensions, referencing Auckland City Council's bylaws.
- Mr Merson added that commercial properties required larger signage due to visibility and space constraints.

Timestamp: 22 minutes and 40 seconds

3.3 Ms Rosie Stevenson-Ford - Speaking to Real Estate Signs

Key Points

- Ms Stevenson-Ford supported previous presenters, highlighting cost impacts, reuse of materials, and inconsistencies with national standards.
- She reiterated preference for a $2.2m^2$ standard and noted current sizes already align closely across providers.

Timestamp: 26 minutes

3.4 Mr Dave Lathan and Ms Tracey Robins - Speaking to Real Estate Signs

Mr Dave Lathan - Key Points

- Mr Lathan felt that the bylaw consultation process did not comply with Local Government Act Section 82, citing lack of engagement and low submission numbers. He stated industry bodies were not consulted and challenged the safety justification for size restrictions.
- He highlighted environmental impacts (non-recyclable waste) and estimated over $1M cost to the industry. He requested withdrawal of the provisions and fresh consultation.

Ms Tracey Robins - Key Points

- Ms Robins stated smaller signage reduced visibility and could negatively impact property sales. She distinguished temporary real estate signage from permanent commercial signage and questioned the rationale for applying similar restrictions.
- She highlighted costs of replacing hundreds of signs and questioned whether complaints came from the public or competing agents.

Timestamp: 41 minutes and 30 seconds

3.5 Ms Kiri Randal and Mr Oliver Marriner – Submitter 2026/27 Fees and Charges – Funeral Homes

Key Points

- Ms Randal outlined concerns about cemetery and cremation fees and lack of prior engagement. She stated reduced cremation fees would not significantly change behaviour as families compare total costs.
- She highlighted increasing burial costs and affordability challenges, noting families face financial strain. She explained funeral homes carry financial risk due to delayed estate payments and requested reconsideration of payment terms and administrative pricing.

Actions Requested:

That staff:

- Share modelling and cost information with funeral homes and work with them to review payment terms for cemetery and cremation services.
- Seek customer feedback from funeral homes regarding their working relationship with the cemetery.
- Establish a closer working relationship between Council and funeral homes to improve future engagement and decision-making.

3.6 Mr Mark Blackham - Submitter - Natural Burials

Did not attend.

4 ACCEPTANCE OF LATE ITEMS

The following item was proposed for consideration at the meeting – Public Release of Attachment One to “Interim Mitigation Options to Reduce Impact on Adams Ave” report of the 26 May 2026 Council meeting.

The above item was not included in the original agenda because it was not available at the time the agenda was issued, and discussion cannot be delayed until the next scheduled meeting of the Committee because a decision is required in regard to this item.

RESOLUTION CO/26/9/1

Moved: Cr Glen Crowther
Seconded: Deputy Mayor Jen Scoular

That the Council:

(a) Accepts the Late Item "Public Release of Attachment One to "Interim Mitigation Options to Reduce Impact on Adams Ave" report of the 26 May 2026 Council meeting.

CARRIED

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

Nil

7 CONFIRMATION OF MINUTES

Timestamp: 58 minutes

7.1 Minutes of the Council meeting held on 12 May 2026

RESOLUTION CO/26/9/2

Moved: Cr Rod Taylor
Seconded: Cr Hēmi Rolleston

That the Minutes of the Council meeting held on 12 May 2026 be confirmed as a true and correct record.

CARRIED

13.1 Public Excluded Minutes of the Council meeting held on 12 May 2026

RESOLUTION CO/26/9/3

Moved: Cr Glen Crowther
Seconded: Cr Kevin Schuler

That the Public Excluded Minutes of the Council meeting held on 12 May 2026 be confirmed as a true and correct record, subject to the following corrections:

(b) Correct a typo error for 'decision',

(c) Remove multiple references to absence when members have left a meeting.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Nil

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

ACKNOWLEDGEMENTS

The Mayor acknowledged the following recipients of the King's Birthday Honours.

<u>**New Zealand Order of Merit**</u>

Dr Mark Robert Fraundorfer (MNZM) – Mount Maunganui (Tauranga)
Services to health, particularly men's health

Ms Janice Kuka (MNZM) – Tauranga
Services to Māori health – who over the past 40 years has demonstrated commitment and leadership to Māori health and wellbeing.

<u>**Community & service honours**</u>

<u>**King's Service Medal**</u>

Mrs Kathleen Margaret "Kathy" Webb (KSM) – Tauranga

Services to the community – awarded a Kings Service Medal

Over 4 decades – Strengthening many volunteer networks across the City – one of her greatest achievements was co-founding Social Link in 2012 – which still today plays a crucial role connecting people and community groups across the Western Bay.

Mr Ian John Blunt – of Ōmokoroa (KSM)

Services to Fire & Emergency NZ and the community - awarded a Kings Service Medal

Russell George Lowe (ONZM) – Te Puke
Services to horticulture and the kiwifruit industry – notably awarded for his significant kiwifruit innovation which has transformed the global market and ensured the survival of the industry in New Zealand

<u>**Kings Service Order**</u>

Honourable Paul Davison KC – awarded to be a companion of the **Kings Service Order** (KSO)

11 BUSINESS

Timestamp: 1 hour and 6 minutes

11.1 Independent survey of the community

Staff Jeremy Boase, Head of Strategy, Governance & Climate Resilience

RESOLUTION CO/26/9/4

Moved: Cr Kevin Schuler
Seconded: Cr Rod Taylor

That the Council:

(a) Receives the report "Independent survey of the community".

CARRIED

At 10.59am the meeting adjourned.

At 11:12am the meeting resumed in open.

Timestamp: 1 hour and 42 minutes

11.2 Draft Annual Plan 2026/27 at June 2026

Staff Craig Rice, Chief Operating & Financial Officer
Kathryn Sharplin, Head of Finance
Tracy Hughes, Manager: Organisational Financial Performance and Corporate Planning
Susan Braid, Finance Lead Capital Performance and Community Investment

Actions Requested:
That staff:

- Report back to Council with options for incorporating priority stormwater projects (including Daris Road and two in Welcome Bay) into the FY27 capital programme prior to annual plan sign-off.
- Report back in relation to the 2026-27 capital programme, and that 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.
- Provide demonstration at an infrastructure project level of what value for money achievements and or process change have been made since this Council was elected in 2024.
- 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.

The motion was taken in parts.

RESOLUTION CO/26/9/5

Moved: Cr Hēmi Rolleston
Seconded: Cr Steve Morris

That the Council:

(a) Receives the report "Draft Annual Plan 2026/27 at June 2026".

CARRIED

That the Council:

(b) Approves to be incorporated in the Annual Plan for adoption on 23 June 2026:

(i) The Annual Plan 2026/27 financials including a rates requirement (excluding water by meter) of $351 million, which is an increase of 7.4% after growth, with reduction coming from reduced funding of depreciation on Ōtūmoetai Pool to correct an over-estimate of Bay Venues Limited's proposed depreciation rate on that aquatic facility.

For: Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris and Cr Hēmi Rolleston

Against: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Marten Rozeboom, Cr Kevin Schuler and Cr Rod Taylor

EQUAL

The Mayor exercised his casting vote and voted against.

The motion was **lost**.

That the Council:

(b) Approves to be incorporated in the Annual Plan for adoption on 23 June 2026:

(ii) the revised capital programme from **Attachment 3** of $432m.

CARRIED

That the Council:

(b) Approves to be incorporated in the Annual Plan for adoption on 23 June 2026:

(iii) a revised water-by-meter revenue increase assumption of 10.5%

For: Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris, Cr Hēmi Rolleston

Against: Mayor Mahé Drysdale, Cr Rod Taylor, Cr Marten Rozeboom, Cr Kevin Schuler

CARRIED 6/4

That the Council:

(c) Notes additional carry forward budget requirements for capital projects of approximately $18m are anticipated, which would bring the total capital programme for the year to $450m.

(d) Notes the financials do not meet the balanced budget requirement which the Local Government Funding Agency has included as a condition of its bespoke covenant with TCC (which includes growth interest but excludes development contribution revenue).

(e) Notes Council will need to explain to the Board of Local Government Funding Agency the reasons this condition is not met.

CARRIED

That the Council:

(f) Notes that the Sunday closures of Ōtūmoetai pool ($26,000) and Papamoa library ($50,648) and Greerton library ($64,088) deliver rates savings of $140,736 per annum, and directs staff to identify alternative operational savings of an equivalent amount, to allow them to remain open on Sunday.

For: Cr Hēmi Rolleston, Cr Hautapu Baker, Cr Steve Morris, Cr Rick Curach, Deputy Mayor Jen Scoular, Cr Rod Taylor, Cr Glen Crowther

Against: Mayor Mahé Drysdale, Cr Marten Rozeboom, Cr Kevin Schuler

CARRIED 7/3

That the Council:

(g) Notes that Council would like to see greater reduction in Tauranga City Council running costs and during the 2026-27 year, Tauranga City Council will undertake reviews to identify further savings and efficiency changes across all activities; including to bring total personnel (including consultants) costs down, and plan and initiate actions to manage the $9m stranded overheads.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Steve Morris, Cr Hēmi Rolleston, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach

Against: Cr Rod Taylor, Cr Marten Rozeboom, Cr Kevin Schuler

CARRIED 7/3

RESOLUTION CO/26/9/6

Moved: Mayor Mahé Drysdale
Seconded: Cr Marten Rozeboom

(b) Approves to be incorporated in the Annual Plan for adoption on 23 June 2026:

(i) the Annual Plan 2026/27 Financials including a rates requirement of $351m, excluding water by meter, which is an increase of 7.5% after growth of 0.5%.

CARRIED

Attachments

1 11.2 PowerPoint Presentation

At 12.46pm the meeting adjourned.

At 1.15pm the meeting resumed in open.

Timestamp: 3 hours and 48 minutes

11.5 Te Awanui Māori ward

Staff Jeremy Boase, Head of Strategy, Governance & Climate Resilience

External Puhirake Ihaka, Matire Duncan, Kura Martin

Mr Puhirake Ihaka, Ms Matire Duncan and Ms Kura Martin

Key Points

- Ms Duncan, representing Te Rangapū and the Tangata Whenua TCC Committee, presented a detailed case to the Council supporting the retention of the Te Awanui Māori Ward and advocated for a binding public referendum.
- Outlined Te Rangapū's position in favour of retaining the Te Awanui Māori Ward and proceeding with a binding referendum (option 1B), and emphasised that this approach upheld democratic principles, allowed the community to decide, and demonstrated Council leadership. The presentation highlighted the benefits of direct Māori representation, improved civic participation, and alignment with Te Tiriti o Waitangi.
- Ms Duncan critiqued option 1A (Council abolishing the Māori Ward) as undermining community input and damaging to Council andTangata Whenua relationships, and option 1C (community survey) as an unnecessary delay that could create confusion and additional costs without substantive benefit, given the statutory requirement for a referendum.
- Ms Duncan noted that a letter had been sent to the Minister requesting deferral of the referendum to coincide with the 2028 election, which would provide more time for engagement and education efforts. The importance of clear communication and adequate preparation time was emphasised to ensure effective participation.

In response to questions

- Ms Duncan confirmed that Te Rangapū was developing a campaign strategy to increase civic participation among Māori and the wider community and recommended that Council co-design a civic education and engagement plan with Tangata Whenua to explain the purpose of the Māori Ward, correct misinformation, and encourage participation prior to any poll.
- Ms Duncan and colleagues discussed the prevalence of misunderstandings and misrepresentations regarding Māori wards, underscoring the need for targeted education to clarify the role and benefits of the ward and to address misinformation in the community.

MOTION

Moved: Deputy Mayor Jen Scoular
Seconded: Cr Rod Taylor

That the Council:

(a) Receives the report "Te Awanui Māori ward".

Te Awanui Māori ward

(b) Approves

(ii) Option 1B: Hold a binding poll on whether to retain the Te Awanui Māori ward.

Timing of referendum

(c) Approves

(ii) Option 2B: Hold the binding poll as late as possible (before 28 March 2027).

(d) Notes while the above decisions are made in accordance with the Local Electoral Act, it is Council's preference that the legislation is amended such that if Tauranga City Council is approved to proceed as part of a Head Start reform process, a binding poll with regards to the current Tauranga City Council area is not legislatively required. This is in recognition that a poll will have no impact while costing the ratepayer significant expense. Any poll would be undertaken as part of a future representation arrangements discussions and decision process as part of the Head Start reorganisation.

At 1:58pm the meeting adjourned.

At 2:12pm the meeting resumed in open.

An amendment was proposed:

AMENDMENT

Moved: Cr Hautapu Baker
Seconded: Cr Hēmi Rolleston

(e) Supports the recommendation of Te Rangapū Mana Whenua o Tauranga Moana to develop and implement a civic engagement and participation campaign with Te Rangapū to increase civic consciousness and understanding about the Māori Ward, subject to a meaningful poll requirement.

CARRIED

The substantive motion was taken in parts.

RESOLUTION CO/26/9/7

Moved: Deputy Mayor Jen Scoular
Seconded: Cr Rod Taylor

That the Council:

(a) Receives the report "Te Awanui Māori ward".

Timing of referendum

(c) Approves Option 2B: Hold the binding poll as late as possible (before 28 March 2027).

(e) Supports the recommendation of Te Rangapū Mana Whenua o Tauranga Moana to develop and implement a civic engagement and participation campaign with Te Rangapū to increase civic consciousness and understanding about the Māori Ward, subject to a meaningful poll requirement.

Abstained: Cr Hēmi Rolleston

CARRIED

Te Awanui Māori ward

(b) Approves Option 1B: Hold a binding poll on whether to retain the Te Awanui Māori ward.

(d) Notes while the above decisions are made in accordance with the Local Electoral Act, it is Council's preference that the legislation is amended such that if Tauranga City Council is approved to proceed as part of a Head Start reform process, a binding poll with regards to the current Tauranga City Council area is not legislatively required. This is in recognition that a poll will have no impact while costing the ratepayer significant expense. Any poll would be undertaken as part of a future representation arrangements discussions and decision process as part of the Head Start reorganisation.

For: Mayor Mahè Drysdale, Deputy Mayor Scoular, Cr Kevin Schuler, Cr Rod Taylor, Cr Glen Crowther, Cr Hautapu Baker, Cr Steve Morris, Cr Rick Curach

Against: Cr Marten Rozeboom

Abstained: Cr Hēmi Rolleston

CARRIED 8/1

Attachments

1 11.5 presentation Māori ward decisions 2 June

Timestamp: 5 hours and 14 minutes

11.3 Development Contributions Policy 2026/27 - consultation feedback and deliberations

Staff Andrew Mead, Head of City Planning & Growth

RESOLUTION CO/26/9/8

Moved: Cr Steve Morris
Seconded: Cr Rick Curach

That the Council:

(a) Receives the report "Development Contributions Policy 2026/27 - consultation feedback and deliberations".

(b) Approves the responses to external submissions received on the draft Development Contributions Policy 2026/27 (Attachment 1)

(c) Notes that some minor corrections have been made to the Development Contributions Policy since it was notified for consultation and that these will be included in the final Policy for Council adoption.

(d) Notes that the proposed final Development Contributions Policy 2026/27 will be reported to Council in June 2026 for consideration and approval.

CARRIED

Timestamp: 5 hours and 21 minutes

11.9 Remuneration for Tangata Whenua Appointed to Council Standing Committees and Water Organisation Joint Committee

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

RESOLUTION CO/26/9/9

Moved: Mayor Mahé Drysdale
Seconded: Deputy Mayor Jen Scoular

That the Council:

(a) Receives the report "Remuneration for Tangata Whenua Appointed to Council Standing Committees and Water Organisation Joint Committee".

(b) Approves remuneration for the Tangata Whenua representatives on the City Future Committee, the City Delivery Committee, the Audit and Risk Committee and the Water Organisation Joint Committee (Water Organisation Joint Committee subject to support by Western Bay of Plenty District Council) at $1,118 per full day and $559 per half day of meeting hours, effective from 2 June 2026.

For: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hēmi Rolleston, Cr Rod Taylor, Cr Marten Rozeboom, Cr Hautapu Baker, Cr Rick Curach, Cr Kevin Schuler
Against: Cr Glen Crowther

CARRIED 9/1

At 3.30pm the meeting adjourned.

At 3:45pm the meeting resumed.

EXTENSION OF MEETING TIME

RESOLUTION CO/26/9/10

Moved: Cr Rod Taylor
Seconded: Cr Marten Rozeboom

That the Council meeting extends past six hours.

CARRIED

Timestamp: 6 hours and 15 minutes

11.8 Temporary Road Closure Report for Events 2026 - 2027

Staff Shawn Geard, Manager: Transport System Operations

RESOLUTION CO/26/9/11

Moved: Cr Rick Curach
Seconded: Cr Kevin Schuler

That the Council:

(a) Receives the report "Temporary Road Closure Report for Events 2026 - 2027".

(b) Pursuant to Clause 11(e) of the Tenth Schedule of the Local Government Act 1974, approves the temporary closure of the roads listed in Attachment A to ordinary vehicular traffic, on the dates and during the times specified, to facilitate the safe and effective delivery of the events identified.

CARRIED

Timestamp: 6 hours and 16 minutes

11.4 User Fees and Charges 2026/27 - Hearings, Deliberations and Adoption

Staff Josh Logan, Team Leader: Policy & Corporate Planning
Ross Hudson, Manager: Strategic Planning and Partnerships, Spaces and Places
Amy Taylor, Team Leader: Planning
Reneke van Soest, General Manager: Operations & Infrastructure

The Motion was taken in parts

RESOLUTION CO/26/9/12

Moved: Cr Marten Rozeboom
Seconded: Mayor Mahé Drysdale

That Council:

(a) Receives the report "User Fees and Charges 2026/27 - Hearings, Deliberations and Adoption".

(b) Receives the verbal submissions from those submitters that wish to speak to their submission.

(c) Receives the written submissions on the Draft User Fees and Charges 2026/27 (**Attachment 1**).

(d) Confirms the following approach to the User Fees and Charges 2026/27 schedule as a result of feedback from consultation and staff suggested changes:

Non-resident burial fee

(i) Option 1: Remove non-resident burial fee

Display sign waiver

(iii) Option 1: Retain status quo

(e) Adopts the User Fees and Charges 2026/27 with amendments from resolution (e) contained in **Attachment 2**.

(f) Approves Council's response to submissions relating to User Fees and Charges 2026/27 (**Attachment 1).**

(g) Authorises the Chief Operations and Finance Officer to approve the final wording of the user fees and charges schedule with amendments from resolution (e) and responses to submitters before publication.

CARRIED

That the Council:

(d) Confirms the following approach to the User Fees and Charges 2026/27 schedule as a result of feedback from consultation and staff suggested changes:

Cemetery and cremation fees

(ii) Option 1: Retain proposed fees at full cost recovery

For: Mayor Mahé Drysdale, Deputy Mayor Scoular, Cr Marten Rozeboom, Cr Rod Taylor, Cr Hēmi Rolleston, Cr Hautapu Baker, Cr Kevin Schuler

Against: Cr Steve Morris, Cr Rick Curach, Cr Glen Crowther

CARRIED 7/3

Timestamp: 6 hours and 44 minutes

11.6 Draft Amendment to the Street Use and Public Places Bylaw 2026

Staff Jane Barnett, Policy Analyst
Sarah Omundsen, General Manager: Regulatory & Community Services

RESOLUTION CO/26/9/13

Moved: Cr Marten Rozeboom
Seconded: Cr Rod Taylor

That the Council:

(a) Receives the report "Draft Amendment to the Street Use and Public Places Bylaw 2026".

(b) Approves the draft amendments to the Street Use and Public Places Bylaw 2026 (**Attachment One**) and associated Statement of Proposal (**Attachment Two**) for community consultation which proposes to:

(i) prohibit the lighting of fireworks in all public places owned, managed, maintained or controlled by Tauranga City Council without approval and

(c) Agrees to consult on options for real estate sign dimensions up to 2.2 metres squared and resolves that the size limits adopted on 3 March 2026 will not come into force on 1 July 2026 until a further Council decision is made following consultation.

(d) Resolves, in accordance with section 155 of the Local Government Act 2002, that the proposed draft amendments:

   (i) are the most appropriate way to address public safety, nuisance, animal welfare and environmental risk associated with fireworks in council controlled public places;

   (ii) are the most appropriate form of bylaw to address those risks; and

   (iii) are not inconsistent with the New Zealand Bill of Rights Act 1990, noting that any limitations are reasonable and demonstrably justified in a free and democratic society (**Attachment Three**).

(e) Delegates the General Manager: Regulatory and Community Services to approve the final wording of the bylaw amendments and Statement of Proposal (as per Council direction) prior to consultation.

CARRIED

Timestamp: 7 hours and 6 minutes

11.7 Review of Tauranga and Western Bay of Plenty Transport Committee Terms of Reference

Staff Shawn Geard, Manager: Transport System Operations

RESOLUTION CO/26/9/14

Moved: Cr Rick Curach
Seconded: Cr Glen Crowther

That the Council:

(a) Receives the report "Review of Tauranga and Western Bay of Plenty Transport Committee Terms of Reference".

(b) Endorses changes to the Tauranga and Western Bay of Plenty Transport Committee Terms of Reference as attached, including:

   (i) Changing the frequency of meetings to quarterly (or as required).

   (ii) Increasing the Western Bay of Plenty District Council representation from one member to two, plus an alternate.

   (iii) Amending the name of the committee from ‘Tauranga and Western Bay of Plenty Transport Committee’ to the ‘Western Bay of Plenty Transport Committee’

(c) Notes that the Tauranga and Western Bay of Plenty Transport Committee may further review its Terms of Reference, and that any additional changes would require the approval of all three partner councils.

(d) Agrees that the Transport Systems Plan representative may be changed based on Transport Systems Plan Executive Steering Group (ESG) nomination, if supported by the Committee and approved by resolution of the Council acting as the administrative agent for the Committee.

CARRIED

Timestamp: 7 hours and 12 minutes

11.10 Status updates on actions from prior Council meetings

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

Actions Requested:

- That staff come back to the Annual Plan with updated figures for savings targets

RESOLUTION CO/26/9/15

Moved: Cr Marten Rozeboom
Seconded: Cr Kevin Schuler

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 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, and to enable Council to carry out, without prejudice or disadvantage, commercial activities (as per s7(2)(b)(ii) and s7(2)(h) of the Local Government Official Information and Meetings Act 1987).

CARRIED

Timestamp: 7 hours and 18 minutes

11.11 Public Release of Attachment One to "Interim Mitigation Options to Reduce Impact on Adams Ave" report of the 26 May 2026 Council meeting.

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

RESOLUTION CO/26/9/16

Moved: Cr Glen Crowther
Seconded: Cr Rick Curach

That the Council:

(a) Receives the report “Public Release of Attachment One to "Interim Mitigation Options to Reduce Impact on Adams Ave" report of the 26 May 2026 Council meeting”

(b) Agrees to release to the public the public excluded Attachment 1 of the report.

CARRIED

12 DISCUSSION OF LATE ITEMS

The late report item was discussed in the business part of the meeting.

13 CLOSING KARAKIA

Cr Hēmi Rolleston closed the meeting with a karakia.

The meeting closed at 4:49pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 21 July 2026.

7.2 Minutes of the Council meeting held on 23 June 2026

File Number: **A20705847**

Author: **Caroline Irvin, Governance Advisor**

Authoriser: **Anne Payne, Acting Head of Strategy, Governance & Climate Resilience**

RECOMMENDATIONS

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

ATTACHMENTS

1. **Minutes of the Council meeting held on 23 June 2026**

DRAFT MINUTES

Ordinary Council meeting

Tuesday, 23 June 2026

Order of Business

MINUTES OF TAURANGA CITY COUNCIL
ORDINARY COUNCIL MEETING
HELD AT THE TAURANGA CITY COUNCIL CHAMBERS, L1, 90 DEVONPORT ROAD, TAURANGA
ON TUESDAY, 23 JUNE 2026 AT 9:30 AM

MEMBERS PRESENT: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach (online), 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), Sarah Omundsen (General Manager: Regulatory & Community Services), Jane Small (Major Projects Director), Charlie Rahiri (Recovery Manager), Craig Rice (Chief Operating & Financial Officer), Ross Hudson (Head of Spaces & Places), Emma Joyce (Open Space & Community Facilities Planner), Kathryn Sharplin (Head of Finance), Tracy Hughes, (Manager: Organisational Financial Performance and Corporate Planning), Susan Braid (Finance Lead Capital Performance and Community Investment), Jim Taylor (Manager: Rating Policy & Revenue), Ben Corbett (Team Leader: Growth Funding), Mike Seabourne (Head of Transport), Caroline Lim (CCO Specialist), Wally Potts (Head of City Waters), Claudia Hellberg (Team Leader: City Waters Planning), 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 23 June 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.

ACKNOWLEDGEMENTS

Mayor Mahé Drysdale acknowledged the following people:

Councillor Mike Duncan of Porirua City Council

- Mr Duncan passed away suddenly last week. He was elected in 2016 and had served his community with dedication, and was known for his thoughtful approach and strong community focus. Tauranga City Council extended its sincere condolences to his family, colleagues and to the Porirua community. This was acknowledged with a moment of silence.

Mr Kane Williamson – Cricketer

- Kane Williamson, from Tauranga, retired from international cricket last week. He represented New Zealand 378 times, scored over 19,000 international runs and was the country's most prolific century maker with 48 international centuries. He captained the New Zealand Cricket Team to the world test championship title in 2021, and to multiple world cup finals, defining one of the most successful eras in New Zealand cricketing history. His achievements and humility made Tauranga and New Zealand proud.

2 APOLOGIES

Nil

3 PUBLIC FORUM

Timestamp: 8 minutes and 40 seconds (part 1)

3.1 Ngāi Tukairangi and Ōtamataha Trust - speaking to the report 'Development of a Cultural Facility on Cliff Road Courts, Cliff Road Green and Robbins Park'

Mr Ratahi Cross – speaking on behalf of Ngāi Tukairangi, Ngāi Te Ahi, Ngāti Kuku, Ngāti Hē and associated trust entities

- Mr Cross emphasised their direct ancestral connection and authority over the Ōtamataha/Cliff Road area and that his descendants continued to hold mana whenua and ancestral authority over the site.
- Hapu had not been adequately engaged in the development of the cultural centre proposal and should have been involved from the outset. He stressed that Ōtamataha was not simply a site of shared interest but a place of direct ancestral significance, containing burial sites and strong historical connections.
- Mr Cross referred to an existing agreement between Ngāi Te Ahi, Ngāti Tapu and Ngāti Tamarāwaho that gave those groups exclusive rights to negotiate the future use and recognition of the Cliff Road properties. He said this agreement remained binding and must be recognised by Council.
- While not opposed to exploring a cultural centre, he made it clear that Ngāi Te Ahi must play a central role in any discussions or decisions regarding the site. He stated that consultation after decisions had been developed was unacceptable. Failure to honour existing agreements could lead to further action to protect their interests.
- He requested that Ngāi Te Ahi and related groups be engaged at the same time in future and not be treated as an add-on once discussions are already underway. He said this would be greatly appreciated and would better reflect their status and interests in the site.

In response to questions
Mr Cross:

- Said the issue was not that engagement was too late, but that his group was effectively not engaged at all. He said they should have been involved from the beginning and must be included as central participants in future discussions, not as an afterthought. He emphasised the site's deep ancestral significance, noting many ancestors remain buried in the area.
- Confirmed that Ngāi Te Ahi did not oppose the concept of a cultural centre. However, their priority was being centrally involved in all future discussions and decision-making regarding the site.
- Highlighted Ngāi Te Ahi's historical occupation of Te Papa, their displacement through warfare, and their enduring aspiration to return to and re-establish a presence on their

ancestral lands. He noted that the trust had the financial capability and desire to acquire property in the area and be part of its future in its own right.

Mr Puhirake Ihaka - Ōtamataha Trust

- Mr Ihaka emphasised that matters relating to whakapapa and historical relationships should be discussed within the relevant whānau and hapū forums rather than through the current process.
- He outlined their understanding of the historical origins of the Ōtamataha Trust, stating its foundations came through Ngāi Te Ahi/Ngāti Tapu leadership and descendants, with discussions and engagement occurring over many years with affected hapū.
- Extensive consultation took place during the establishment of the Trust, including meetings with hapū representatives and consideration through Crown processes before settlements and the 2014 legislative establishment of the trust.
- He highlighted historical relationships and intermarriage between groups as part of the basis for representation and involvement at Ōtamatahā.
- The trust had since developed agreements and working relationships with Council, including involvement in projects such as Te Manawataki o Te Papa and other CBD initiatives.
- The Trust's current position was grounded in historical occupation, whakapapa connections, and the formal establishment processes that occurred over a long period.

In response to questions
Mr Ihaka:

- Stated that the original beneficiaries were descendants connected through Ngāti Tapu and associated groups, and that historical occupation formed the basis for later Trust arrangements.
- Advised the trust evolved through approximately 10 years of consultation and meetings with hapū, followed by Crown processes and ultimately formal establishment through an Act of Parliament in 2014.
- Noted discussions occurred with other hapū and that representation and participation from multiple groups were incorporated during the trust's development.
- Noted the basis for current representation and relationships was attributed to historical whakapapa connections, inter-hapū relationships, occupation of the land, and the formal trust establishment process.
- Advised the trust had established agreements and working relationships with Council and had contributed to projects in the city centre, including Te Manawataki o Te Papa.

3.2 Bay of Plenty Vintage Car Club - Mr Donn White

- Mr White, Chair of the Bay of Plenty Vintage & Classic Car Club, outlined the club's significant community contribution, noting it had 375 members and was actively involved in charity fundraising, community visits, and local events.
- He highlighted the club's role in coordinating the annual Daffodil Day Run, with the Tauranga branch aiming to raise $10,000 locally and supporting a nationwide target of $500,000 through 36 Vintage Car Club branches.
- He emphasised the economic benefits generated by recreational vehicle enthusiasts, citing a national economic impact of $16.5 billion and the spending brought to Tauranga through club events and visiting car clubs.
- Mr White stressed that the Cliff Road clubrooms were an important community asset and expressed concern about uncertainty surrounding the future of the site following recent public discussion.

- He noted that club members and nearby residents valued the reserve and were concerned about potential changes to the site.
- The club was seeking assurance that it could continue operating from the Cliff Road site and would like greater clarity and communication from Council about lease arrangements and the future of the reserve while any reclassification or redevelopment processes were underway.
- The Club requested ongoing communication from Tauranga City Council and a practical interim arrangement while any long-term decisions were being considered.

3.3 Tauranga Astronomical Society

Mr. David Gregg and Mr. Barry Scott on behalf of the Tauranga Astronomical Society (TAS)

- The Tauranga Astronomical Society proposed creating a scaled Solar System Trail in Tauranga, inspired by successful examples in Melbourne and overseas.
- The trail would feature planet signs positioned to scale, with educational information about each planet sourced from NASA.
- The project was intended to be an educational and recreational attraction, encouraging people, particularly children, to learn about astronomy, spend time outdoors, and exercise.
- There was strong public interest in astronomy programmes, and it was believed the trail would be popular with schools, families, and community groups.
- Tauranga could become the first Council in New Zealand to establish a trail of this type.
- Staff discussions had identified no significant technical obstacles. The Astronomical Society proposed to raise approximately $20,000 to fund the signs and sought Council endorsement to proceed.

In response to questions

- The presenters were seeking endorsement from Council so the Astronomical Society could act as the funding conduit, complete the sign design, and begin fundraising and installation.
- The initial proposal was for signs showing planets to scale only, which it was believed would effectively communicate the information. Physical models could be considered as a future stage but would increase project costs.
- The presenters noted that while some overseas trails used models, they were more expensive and could be more vulnerable to vandalism. Signs were considered a more practical and affordable starting point.

4 ACCEPTANCE OF LATE ITEMS

RESOLUTION CO/26/10/1

Moved: Cr Glen Crowther
Seconded: Deputy Mayor Jen Scoular

That the following items be included in the agenda:

- Open item 11.11: ‘Stormwater Prioritisation 2026/27 Annual Plan’, and
- Publicly Excluded Item 13.5: ‘Western Bay of Plenty Deal Oversight Board - Independent Representative Appointment’

CARRIED

5 CONFIDENTIAL BUSINESS TO BE TRANSFERRED INTO THE OPEN

Nil

6 CHANGE TO THE ORDER OF BUSINESS

The Chair noted there was no change to the order of business but there may be a change depending on circumstances later in the day.

7 CONFIRMATION OF MINUTES

Timestamp: 54 minutes and 57 seconds (part 1)

7.1 Minutes of the Council meeting held on 26 May 2026

RESOLUTION CO/26/10/2

Moved: Cr Glen Crowther
Seconded: Cr Hēmi Rolleston

That the Minutes of the Council meeting held on 26 May 2026 be confirmed as a true and correct record.

CARRIED

8 DECLARATION OF CONFLICTS OF INTEREST

Cr Rolleston noted an interest in public excluded item 13.2: Bay Venues Limited and Tourism Bay of Plenty - Tangata Whenua and Staff Representative Appointments. This would not prevent him from taking part in the discussion and voting on the item.

Deputy Mayor Scoular and Cr Rod Taylor noted a conflict with item 11.9: International Air Travel - Sister City Delegation and would not take part in the voting on this item.

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

Nil - The presentations listed under this section of the agenda were incorrectly put into this section and were public forum speakers as listed above.

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

Timestamp: 56 minutes and 35 seconds (part 1)

11.1 Development of a cultural facility on Cliff Road Courts, Cliff Road Green and Robbins Park

Staff Ross Hudson, Emma Joyce

- Elected Members considered that further work was required to clarify the proposal, assess site constraints, understand precinct-wide implications, and undertake broader engagement with mana whenua, stakeholders, and the community before Council could determine next steps.
- The report was left to lie on the table to allow staff to recast the recommendations into a staged process focused first on feasibility assessment.
- Elected Members returned to this item after item 11.3: Rates Resolution 2026-27.

RESOLUTION CO/26/10/3

Moved: Cr Rod Taylor
Seconded: Cr Steve Morris

That the Council:

(a) Receives the report "Development of a cultural facility on Cliff Road Courts, Cliff Road Green and Robbins Park ".

(b) Requests that staff work with mana whenua and stakeholders to determine the scope, purpose and feasibility of any proposed cultural facility at the cultural and historical precinct.

(c) Notes that reserve reclassification will likely be required for any development at this location.

CARRIED

Timestamp: 1 hour and 9 minutes (part 1)

11.2 Adoption of the 2026-27 Annual Plan

Staff Craig Rice, Craig Rice, Chief Operating & Financial Officer
Kathryn Sharplin, Head of Finance
Tracy Hughes, Manager: Organisational Financial Performance and Corporate Planning
Susan Braid, Finance Lead Capital Performance and Community Investment

RESOLUTION CO/26/10/4

Moved: Mayor Mahé Drysdale
Seconded: Deputy Mayor Jen Scoular

That Council:

(a) Receives the report "Adoption of the 2026-27 Annual Plan".

(b) Adopts the 2026-27 Annual Plan (Attachment 1)

(c) Approves borrowing of $492m, noting new borrowing of $226m, for the 2026/27 financial year in line with the approved Annual Plan debt levels.

(d) Authorises the Chief Executive to make any necessary minor drafting or presentation amendments to the Annual Plan 2026/27 prior to final printing.

CARRIED

Timestamp: 1 hour and 47 minutes (part 1)

11.3 Rates Resolution 2026-27

Staff Craig Rice, Chief Operating & Financial Officer
Jim Taylor, Manager: Rating Policy & Revenue

RESOLUTION CO/26/10/5

Moved: Cr Steve Morris
Seconded: Cr Hēmi Rolleston

That the Council:

(a) Receives the report "Rates Resolution 2026-27".

(b) Sets the following rates under the Local Government (Rating) Act 2002, in accordance with the relevant provisions of the Funding Impact Statement in the Annual Plan for the 2026/2027 rating year, on rating units in the city for the financial year commencing on 1 July 2026 and ending on 30 June 2027.

The rates and charges specified are inclusive of Goods and Services Tax at the prevailing rate.

(i) General Rate

A general rate set under section 13(2) (b) of the Local Government (Rating) Act 2002 at:

- A rate of $ 0.00279128 in the dollar of capital value on all residential rateable rating units in the city.
- A rate of $ 0.00628039 in the dollar of capital value on all commercial rateable rating units in the city.
- A rate of $ 0.00753647 in the dollar of capital value on all industrial rateable rating units in the city.

(“residential”, “commercial” and “industrial” are as defined in the Funding Impact Statement).

(ii) Uniform Annual General Charge

A uniform annual general charge set under section 15(1)(b) of the Local

Government (Rating) Act 2002 at:

- A rate of $349.00 per separately used or inhabited part of a rateable rating unit.

(iii) Economic Development Rate

A targeted rate for economic development in the city, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 at:

- A rate of $ 0.00038224 in the dollar of capital value on every commercial and industrial rateable rating unit (as defined in the Funding Impact Statement).

(iv) Stormwater Rate

A targeted rate for stormwater infrastructure investment, set under section 16(3)(a) and 16(4) (b) of the Local Government (Rating) Act 2002 at:

- A rate of $ 0.00001352 in the dollar of capital value on all residential rateable rating units in the city.
- A rate of $ 0.00002164 in the dollar of capital value on all commercial or industrial rateable rating units in the city.

(v) Resilience Rate

A targeted rate for resilience infrastructure investment in Water, Wastewater, Stormwater, Transportation and Emergency Management, set under section 16(3)(a) and 16(4) (b) of the Local Government (Rating) Act 2002 at:

- A rate of $ 0.00003235 in the dollar of capital value on all residential rateable rating units in the city.
- A rate of $ 0.00005176 in the dollar of capital value on all commercial or industrial rateable rating units in the city.

(vi) Papamoa East Interchange Rates (formerly Urban Growth Rates)

Targeted rates for debt retirement for urban growth projects, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

Three uniform targeted rates set on every rating unit at:

- A rate of $105.78 on each rateable rating unit located within an area of “Full benefit” as defined in the Funding Impact Statement.
- A rate of $70.52 on each rateable rating unit located within an area of “Wide benefit” as defined in the Funding Impact Statement.
- A rate of $35.26 on each rateable rating unit located within the city outside of the areas of “Full benefit” and “Wide benefit” as defined in the Funding Impact Statement.

(vii) Waste Collection Rate

Uniform targeted rates for the kerbside waste collection services, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, on all rating units in the city as a fixed amount per separately used or inhabited part (SUIP) of a rating unit that is provided with the residential waste collection service as follows:

- A rate of $215 per low waste service capacity provided per residential SUIP.
- A rate of $250 per standard waste service capacity provided per residential SUIP.
- A rate of $355 per high waste service capacity provided per residential SUIP.

(viii) Garden Waste Rate (optional)

Uniform targeted rates for garden waste collection services, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, on all rating units in the city used for residential purposes and that will be provided with the garden waste collection service, at:

- A rate of $110 for each garden waste bin (two weekly collection).
- A rate of $82 for each garden waste bin (four weekly collection).

(ix) Wastewater Rate

A differential targeted rate for wastewater, set under sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002 at:

- A rate of $844.06 for each water closet or urinal in a connected rating unit in the city.
- A rate of $422.03 per separately used or inhabited part of a rating unit for any serviceable rating units in the city.

("separately used or inhabited part of a", "connected" and "serviceable" rating units, are defined in the Funding Impact Statement).

A rating unit used primarily as a residence for 1 household will not be treated as having more than 1 water closet or urinal.

(x) Water Supply Rates

Volumetric rate

A targeted rate for metered water supply set under section 19(2)(a) of the Local Government (Rating) Act 2002 at

- A rate of $4.16 per cubic metre of water supplied.

Base rate

A differential targeted rate per connection on every rating unit in the city, which is provided with a metered water supply service, set under sections 16(3)(b) and 16(4)(b) of the Local Government (Rating) Act 2002, calculated on the basis of the nature of the connection size as follows:

Meter Size	Amount
15mm	$44.26
20mm	$44.26
25mm	$83.74
32mm	$83.74
40mm	$345.72
50mm	$684.26
80mm	$1,367.32
100mm	$1,683.14
1500mm	$1,683.14
200mm	$1,683.14

(xi) Water Supply Rate (unmetered)

A uniform targeted rate on every rating unit in the city which is provided with and connected to an unmetered water supply service, set under sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of $1,081.45 for each separately used or inhabited part of a rating unit as defined in the Funding Impact Statement.

(xii) Pool inspection Rate

A uniform targeted rate set under sections 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002 at

- A rate of $109.10 for each rating unit on council's register of pool fence and barrier inspections.

(xiii) Mainstreet Rates

Targeted rates for Mainstreet organisations, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of $0.00043743 in the dollar of capital value for every commercial and industrial rating unit in the Tauranga Mainstreet rating area as defined in the Funding Impact Statement.
- A rate of $0.00062733 in the dollar of capital value for every commercial and industrial rating unit in the Mt Maunganui Mainstreet rating area as defined in

the Funding Impact Statement.

- A rate of $0.00156679 in the dollar of capital value for every commercial and industrial rating unit in the Greerton Mainstreet rating area as defined in the Funding Impact Statement.
- A rate of $0.00040703 in the dollar of capital value for every commercial and industrial rating unit in the Papamoa Mainstreet area as defined in the Funding Impact Statement.

(xiv) Special Services Rates

'The Lakes' Targeted Rate

A uniform targeted rate for additional levels of service in relation to maintenance and renewal of street gardens, street trees, footpaths, and the removal of litter from ponds provided to 'The Lakes' subdivision, located at Pyes Pa, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of $119.58 per rating unit located within 'The Lakes' subdivision as defined in the Funding Impact Statement.

'The Coast Papamoa' Targeted Rate

A uniform targeted rate for additional levels of service in relation to maintenance and renewal of street trees and footpaths provided to 'The Coast Papamoa' subdivision, located at Papamoa, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of $39.57 per rating unit located within 'The Coast Papamoa' subdivision as defined in the Funding Impact Statement.

'The Excelsa' Targeted Rate

A uniform targeted rate for additional levels of service in relation to maintenance and renewal of street gardens, street trees and up lights under trees provided to 'The Excelsa' subdivision, located at Papamoa, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of $51.90 per rating unit located within 'The Excelsa' subdivision as defined in the Funding Impact Statement.

(xv) Urban Infrastructure

Pyes Pa West Urban Infrastructure Targeted Rate

A uniform targeted rate for partly funding debt retirement for under recovered Development Contributions for local infrastructure, set under section 16(3)(b) and 16(4)(a) of the Local Government (Rating) Act 2002, at:

- A rate of $79.53 on each rateable rating unit located within an area in Pyes Pa West defined in the Funding Impact Statement.

(c) That all rates (except the water supply volumetric rate set under section 19 and the water supply base rate for metered connections under section 16 of the Local Government (Rating) Act 2002) be payable in two equal instalments due on:

- 31 August 2026 and
- 26 February 2027

(d) That all metered water rates will, except as to high users, be invoiced on a quarterly basis dependant on when the water meters are read, in accordance with the table below headed “Due dates and penalty dates for rates for metered water supply”. The due dates will also be specified on the invoice. Rating units, which are considered high users of water (namely having an average consumption more than 5m3 per day) will be invoiced monthly, and these rates will be due on the first Thursday after 23 days following the date of the invoice.

(e) That the Council authorises the addition of penalties to rates that are not paid by the due date, as follows, in accordance with sections 57 and 58 of the Local Government (Rating) Act 2002, and delegates authority to the Head of Finance to apply penalties in accordance with this regime:

(i) a charge of 10% on so much of any rates instalment after 1 July 2026 which is unpaid after the relevant due date (except for the volumetric rate under section 19 and the water supply base rate for metered connections under section 16 of the Local Government (Rating) Act 2002) will be applied on:

Instalment due date	Penalty Date
31 August 2026	10 September 2026
26 February 2027	11 March 2027

(ii) a charge of 10% on so much of any of the volumetric rate under section 19 and the water supply base rate for metered connections under section 16 of the Local Government (Rating) Act 2002 invoiced after 1 July 2026 and which is unpaid after the due date will be applied on whichever is the next consecutive date following the due date of the invoice to which the penalty applies, being:

Water Penalty Date
22 October 2026
21 January 2027
29 April 2027
22 July 2027

Due dates and penalty dates for rates for metered water supply and connection

Week	Area	Q1 Due date	Q2 Due date	Q3 Due date	Q4 Due date
1	Mt Maunganui North/ Ind, Omanu, Matapihi,	06-Aug-26	29-Oct-26	11-Feb-27	13-May-27
2	Arataki, Te Maunga, Papamoa West	13-Aug-26	05-Nov-26	18-Feb-27	20-May-27
3	Papamoa West / East	20-Aug-26	12-Nov-26	25-Feb-27	27-May-27
4	Papamoa East / South,	27-Aug-26	19-Nov-26	04-Mar-27	03-Jun-27
5	Papamoa East, Kairua, Welcome Bay, Hairini	03-Sep-26	26-Nov-26	11-Mar-27	10-Jun-27
6	Hairini / Ohauiti, Poike, Pyes Pa, Maungatapu.	10-Sep-26	03-Dec-26	18-Mar-27	17-Jun-27
7	Greerton, Yatton Park, Gate Pa, Avenues	17-Sep-26	10-Dec-26	25-Mar-27	24-Jun-27
8	Tauranga Central/South, TeReti/Judea	24-Sep-26	07-Jan-27	01-Apr-27	01-Jul-27
9	Brookfield, Bellevue, Otumoetai	01-Oct-26	07-Jan-27	08-Apr-27	08-Jul-27
10	Otumoetai, Matua	08-Oct-26	14-Jan-27	15-Apr-27	15-Jul-27
11	The Lakes, Bethlehem	15-Oct-26	21-Jan-27	22-Apr-27	22-Jul-27
All *(including high users)*	**Penalty Added Date**	22-Oct-26	28-Jan-27	29-Apr-27	22-Jul-27

(f) Where a ratepayer makes any payment that is less than the amount now payable, the Council, will apply the payment firstly to any rates outstanding from previous rating years and then proportionately across all current year rates due.

CARRIED

At 11.24am the meeting adjourned.

At 11.39am the meeting resumed in open.

The meeting returned to item 11.1 to address the re-cast recommendations before adjourning again.

At 12.06pm the meeting adjourned.

At 1.30pm the meeting resumed in open.

Deputy Mayor Jen Scoular resumed the meeting online.

Timestamp: 50 seconds (part 2)

11.4 Adoption of 2026/27 Development Contributions Policy

Staff Ben Corbett, Team Leader: Growth Funding

RESOLUTION CO/26/10/6

Moved: Cr Steve Morris
Seconded: Cr Glen Crowther

That the Council:

(a) Receives the report "Adoption of 2026/27 Development Contributions Policy".

(b) Adopts the 2026/27 Development Contributions Policy for implementation from 1 July 2026 as attached at Attachment 1.

(c) Delegates to the General Manager: Strategy, Growth & Partnerships authority to make minor typographical updates to the final 2026/27 Development Contributions Policy prior to implementation on 1 July 2026.

CARRIED

Timestamp: 2 minutes and 6 seconds (part 2)

11.5 January Weather Event - Recovery Progress Report

Staff Charlie Rahiri, Recovery Manager
Nick Chester, Recovery Project Manager

RESOLUTION CO/26/10/7

Moved: Cr Marten Rozeboom
Seconded: Cr Hautapu Baker

That the Council:

(a) Receives the report "January Weather Event - Recovery Progress Report".

CARRIED

Timestamp: 9 minutes and 23 seconds (part 2)

11.6 Long-term Plan 2027-2037 - Issues List

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

RESOLUTION CO/26/10/8

Moved: Cr Steve Morris
Seconded: Cr Rod Taylor

That the Council:

(a) Receives the report "Long-term Plan 2027-2037 - Issues List".

(b) Endorses the list of issues included as Attachment 1 to this report, including the noted requirements for workshops to precede formal Council consideration of specific matters, with the following amendments:

   (i) Retains road reseals policy review and consider a targeted rate option levied at properties currently enjoying asphalt

   (ii) Considers options for a cost-effective community stadium

   (iii) Consider options for Cultural and Historic Precinct, including the proposed 11 Mission St development of The Elms Visitor Centre

   (iv) Add a new topic related to closed landfills

   (v) Add community grants and funding stock take and review

(c) Notes that staff will seek to arrange additional Council workshops to meet the needs noted above.

(d) Notes that, where possible, formal consideration of the matters on the list will be undertaken at Council meetings specifically dedicated to long-term plan matters.

CARRIED

Timestamp: 55 minutes and 55 seconds (part 2)

11.7 Long-Term Plan Capital Programme Development Including Major Projects

Staff Craig Rice, Craig Rice, Chief Operating & Financial Officer
Kathryn Sharplin, Head of Finance
Susan Braid, Finance Lead Capital Performance and Community Investment

RECOMMENDATIONS

Moved: Mayor Drysdale
Seconded: Cr Rozeboom

To guide staff in the development of the Long Term Plan:

That the Council:

(a) Receives the report "Long-Term Plan Capital Programme Development Including Major Projects".

(b) Requests staff to develop LTP scenarios starting with maximum rates increase for years 1 and 2 of the LTP to 6% after growth, and an increase for years 3 to 10 not exceeding 4% after growth, with a second option of 7% per year.

(c) Adopts the following principles to guide development of the base capital programme:

- (i) Value for money through:
  - (1) Appropriate scope and efficient delivery of projects.
  - (2) Utilisation of available subsidies and the existing commitment to transportation project financing through the TSP Infrastructure funding and Financing agreement (TSP IFF).
  - (3) Maintaining a relatively consistent annual budget for key outcome areas to support efficient procurement and resourcing.
- (ii) Look after what we have through maintenance and renewals.
- (iii) Support economic and population growth by:
  - (1) Ensuring growth is aligned with infrastructure delivery and prioritise closing the infrastructure deficit.
  - (2) Focusing on intensification and operative greenfield areas.

(d) Agrees that the following programmes are included in the early years of the draft 2027-37 LTP base capital programme:

- (i) Mauao Restoration Placeholder
- (ii) Turret Road / Welcome Bay / Fifteenth Avenue
- (iii) Cameron Road Stage 2
- (iv) Te Manawataki o Te Papa
- (v) City Centre Waterfront Development
- (vi) Baypark Masterplan
- (vii) Memorial Park Aquatics & Associated Works
- (viii) Baypark Arena Expansion

(e) Agrees that the following programmes are included in the mid-years of the draft 2027-37 LTP base capital programme:

- (i) Waste Facilities Redevelopment
- (ii) Connecting Mount Maunganui
- (iii) Transport Growth in the Eastern Corridor
- (iv) Spaces & Places Growth in the Western Corridor

(f) Agrees that the following programmes are included in the late years of the draft 2027-37 LTP base capital programme:

(i) Transport Intensification (Te Papa, Otūmoetai, Mt Maunganui)

(g) Agrees that the following programmes are rephased from early years into the mid-years of the draft 2027-37 LTP base capital programme:

(i) Transport Growth in the Western Corridor

(h) Agrees that the following programmes are rephased in the later years of the draft 2027-37 LTP base capital programme:

(i) Spaces & Places Growth in the Eastern Corridor

(ii) Spaces & Places Intensification (Te Papa, Otumoetai, Mt Maunganui)

(iii) Community Stadium

(i) Agrees that for the following projects further reporting should be provided to Council regarding options and implications for reducing project scope:

(i) Spaces & Places Intensification (Te Papa, Otumoetai, Mt Maunganui)

(ii) Memorial Park Aquatics & Associated Works

(iii) Community Stadium

(j) Notes that based on assumed capital expenditure capacity the annual capital programme for spaces and places and transport projects would be in the order of $10m-$15m per annum for each area.

(k) Agrees the remaining capital projects should be reviewed by Council supported by the prioritisation framework.

AN AMENDMENT WAS PROPOSED

Moved: Cr Morris
Seconded: Cr Crowther

That recommendation (b) be amended as follows:

(b) Requests staff to develop LTP scenarios starting with maximum rates increase for years 1 and 2 of the LTP to **5.3%** after growth, and an increase for years 3 to 10 not exceeding 4% after growth, with a second option of 7% per year.

For: Deputy Mayor Jen Scoular, Cr Hautapu Baker, Cr Glen Crowther, Cr Rick Curach, Cr Steve Morris and Cr Hēmi Rolleston

Against: Mayor Mahé Drysdale, Cr Marten Rozeboom, Cr Kevin Schuler and Cr Rod Taylor

CARRIED 6/4

The substantive motion was put as follows:

RESOLUTION CO/26/10/9

Moved: Mayor Mahé Drysdale
Seconded: Cr Marten Rozeboom

To guide staff in the development of the Long Term Plan:

That the Council:

(a) Receives the report "Long-Term Plan Capital Programme Development Including Major Projects".

(b) Requests staff to develop LTP scenarios starting with maximum rates increase for years 1 and 2 of the LTP to 5.3% after growth, and an increase for years 3 to 10 not exceeding 4% after growth, with a second option of 7% per year.

(c) Adopts the following principles to guide development of the base capital programme:

(i) Value for money through:

(1) Appropriate scope and efficient delivery of projects.

(2) Utilisation of available subsidies and the existing commitment to transportation project financing through the TSP Infrastructure funding and Financing agreement (TSP IFF).

(3) Maintaining a relatively consistent annual budget for key outcome areas to support efficient procurement and resourcing.

(ii) Look after what we have through maintenance and renewals.

(iii) Support economic and population growth by:

(1) Ensuring growth is aligned with infrastructure delivery and prioritise closing the infrastructure deficit.

(2) Focusing on intensification and operative greenfield areas.

(d) Agrees that the following programmes are included in the early years of the draft 2027-37 LTP base capital programme:

(i) Mauao Restoration Placeholder

(ii) Turret Road / Welcome Bay / Fifteenth Avenue

(iii) Cameron Road Stage 2

(iv) Te Manawataki o Te Papa

(v) City Centre Waterfront Development

(vi) Baypark Masterplan

(vii) Memorial Park Aquatics & Associated Works

(viii) Baypark Arena Expansion

(e) Agrees that the following programmes are included in the mid-years of the draft 2027-37 LTP base capital programme:

(i) Waste Facilities Redevelopment

(ii) Connecting Mount Maunganui

(iii) Transport Growth in the Eastern Corridor

(iv) Spaces & Places Growth in the Western Corridor

(f) Agrees that the following programmes are included in the late years of the draft 2027-37 LTP base capital programme:

(i) Transport Intensification (Te Papa, Ōtūmoetai, Mt Maunganui)

(g) Agrees that the following programmes are rephased from early years into the mid-years of the draft 2027-37 LTP base capital programme:

(i) Transport Growth in the Western Corridor

(h) Agrees that the following programmes are rephased in the later years of the draft 2027-37 LTP base capital programme:

(i) Spaces & Places Growth in the Eastern Corridor

(ii) Spaces & Places Intensification (Te Papa, Ōtūmoetai, Mt Maunganui)

(iii) Community Stadium

(i) Agrees that for the following projects further reporting should be provided to Council regarding options and implications for reducing project scope:

(i) Spaces & Places Intensification (Te Papa, Ōtūmoetai, Mt Maunganui)

(ii) Memorial Park Aquatics & Associated Works

(iii) Community Stadium

(j) Notes that based on assumed capital expenditure capacity the annual capital programme for spaces and places and transport projects would be in the order of $10m-$15m per annum for each area.

(k) Agrees the remaining capital projects should be reviewed by Council supported by the prioritisation framework.

CARRIED

Timestamp: 1 hour and 51 minutes (part 2)

11.8 Appointment of Directors to Council Organisations Policy - Amending reappointment of board members provisions

Staff Caroline Lim, CCO Specialist

At 3.28pm, Cr Hautapu Baker withdrew from the meeting and did not take part in the voting on this matter.

RESOLUTION CO/26/10/10

Moved: Cr Rod Taylor
Seconded: Cr Marten Rozeboom

That the Council:

(a) Receives the report "Appointment of Directors to Council Organisations Policy - Amending reappointment of board members provisions".

(b) Amends the Appointment of Directors to Council Organisations Policy, as marked up in the draft Appointment of Directors to Council Organisations Policy 2026 (Attachment One), to provide for a competitive process for all future board appointments.

(c) Delegate to the GM Strategy Partnerships and Growth to make minor amendments to reflect elected members direction in respect of the CCO member of the appointment panel and the appointment panel report.

CARRIED

EXTENSION OF MEETING TIME

RESOLUTION CO/26/10/11

Moved: Cr Marten Rozeboom
Seconded: Cr Glen Crowther

That Council meeting extends beyond 6 hours at 3.35pm.

CARRIED

At 3.36PM the meeting adjourned.

At 3.53PM the meeting resumed in open.

At 3.53PM, Cr Hautapu Baker re-entered the meeting.

Timestamp: 2 hours and 23 minutes (part 2)

11.9 International Air Travel - Sister City Delegation

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

Action Requested:

- That delegates report back on the trade, business and investment leads are generated from the visit/trip.

Cr Crowther noted he was supportive of the visit but not the funding allocation.

RESOLUTION CO/26/10/12

Moved: Cr Steve Morris
Seconded: Cr Hēmi Rolleston

That the Council:

(a) Receives the report "International Air Travel - Sister City Delegation".

(b) Authorises international air travel for Mayor Mahe Drysdale, Deputy Mayor Jen Scoular, and Cr Rod Taylor as part of Tauranga's official Sister City delegation to China from 10–14 August 2026 (with travel being 8–15 August 2026).

(c) Notes the following estimated costs: airfares: $13,574, and accommodation (Shanghai): $2,592.

(d) Notes the Mayor has approved funding of $1,500 per student (five students) from the Mayoral Fund to support Tauranga Intermediate School students participating in the delegation.

For: Cr Hautapu Baker, Cr Rick Curach, Cr Steve Morris, Cr Marten Rozeboom, Cr Kevin Schuler and Cr Hēmi Rolleston

Against: Cr Glen Crowther

Abstained: Mayor Mahé Drysdale, Deputy Mayor Jen Scoular and Cr Rod Taylor

CARRIED 6/1

Timestamp: 2 hours and 27 minutes (part 2)

11.10 Simplifying Local Government - Head Start Pathway

Staff Gareth Green, (Manager of the Mayoral Office),

RESOLUTION CO/26/10/13

Moved: Mayor Mahé Drysdale
Seconded: Cr Kevin Schuler

That the Council:

(a) Receives the report "Simplifying Local Government - Head Start Pathway".

(b) Approves Option 1A, that Tauranga City Council works to progress a Head Start outline proposal for consideration by the Government.

(c) Approves Option 2A, that Tauranga City Council works with other councils in the Bay of Plenty, and adjoining districts where appropriate, in progressing a Head Start outline proposal.

(d) Directs the Chief Executive to work with other councils in the Bay of Plenty region and adjacent districts to prepare a Head Start outline proposal, for consideration by Council prior to the Government deadline of 9 August 2026.

(e) Notes that:

(i) The Government will confirm which Head Start outline proposals are approved to proceed to detailed design stage by the end of September 2026.

(ii) The Head Start detailed design stage would produce a Head Start final proposal by the end of March 2027, for a Government decision by mid-2027.

(iii) A Head Start final proposal would include results from public engagement and consultation and would provide additional information around matters such as representation (ensuring local voice), finances and proposed boundaries of the proposed new unitary authority.

CARRIED

12 DISCUSSION OF LATE ITEMS

Timestamp: 2 hours and 45 minutes (part 2)

11.11 Stormwater Prioritisation 2026/27 Annual Plan

Staff Wally Potts, Head of City Waters
Claudia Hellberg, Team Leader: City Waters Planning

RESOLUTION CO/26/10/14

Moved: Cr Hautapu Baker
Seconded: Cr Glen Crowther

That the Council:

(a) Receives the report "Stormwater Prioritisation 2026/27 Annual Plan".

CARRIED

13 PUBLIC EXCLUDED SESSION

Resolution to exclude the public at 4.49pm.

RESOLUTION CO/26/10/15

Moved: Cr Rod Taylor
Seconded: Cr Marten Rozeboom

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 26 May 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	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

	information is necessary to enable Council to carry on, without prejudice or disadvantage, negotiations (including commercial and industrial negotiations)	
13.2 - Bay Venues Limited and Tourism Bay of Plenty - Tangata Whenua and Staff Representative Appointments	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 - Counter-offer/Submission Ngā Pōtiki - Kairua Road Properties	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
13.4 - Major Event Opportunity	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
L.21 - Western Bay of Plenty Deal Oversight Board - Independent Representative Appointment	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

The meeting resumed in open at 5:54pm.

14 CLOSING KARAKIA

Cr Hēmi Rolleston closed the meeting with a karakia.

The meeting closed at 5.54pm.

The minutes of this meeting were confirmed as a true and correct record at the Ordinary Council meeting held on 21 July 2026.

8 DECLARATION OF CONFLICTS OF INTEREST

9 DEPUTATIONS, PRESENTATIONS, PETITIONS

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

File Number: **A20675742**

Author: **Caroline Irvin, Governance Advisor**

Authoriser: **Anne Payne, Acting Head of Strategy, Governance & Climate Resilience**

PURPOSE OF THE REPORT

1. To receive the petition from Jan Iles: 'Request for the demolition of the Memorial Pool to be delayed'.

RECOMMENDATIONS

That the Council:

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

ATTACHMENTS

1. **Petition: Request for the demolition of the Memorial Pool to be delayed - A20701943** ⇩

PETITION TO TAURANGA CITY COUNCIL

We, the undersigned Tauranga residents, respectfully petition the Tauranga City Council to defer making a final decision about whether or not Tauranga's living War Memorial swimming pools should be demolished until after it has consulted with the community about the matter as required by the Local Government Act and has identified and assessed all feasible options for the future of the pools.

Lead Petitioner

Name	Janette Iles
Address	[redacted]
Email	[redacted]
Phone	[redacted]

Petition Signatures

Please sign below to support this petition.

Name (First and Surname)	Address	Signature	Date
Louise Peters	[redacted]	[redacted]	1.7.26
Suzanne Edmonds	[redacted]	[redacted]	1.7.26
Maree Adams	[redacted]	[redacted]	1/7/26
Colin Adams	[redacted]	[redacted]	1/7/26.
Margaret Iles.	[redacted]	[redacted]	1.7.26
Kirsten Bearley RPA	[redacted]	[redacted]	2/7/26
Douglas Chila	[redacted]	[redacted]	2/7/26
David Iles	[redacted]	[redacted]	2/7/26
Margaret McGregor	[redacted]	[redacted]	3/7/26
[illegible]	[redacted]	[redacted]	3/7/26
Rebecca Wilde	[redacted]	[redacted]	3/7/26
Andrea Lehmann	[redacted]	[redacted]	3.7.26
Tony Hanna	[redacted]	[redacted]	3.7.26

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Lead Petitioner

Name	Janette Iles
Address	[redacted]
Email	[redacted]
Phone	[redacted]

Petition Signatures

( )se sign below to support this petition.

Name (First and Surname)	Address	Signature	Date
BEN GUILD	[redacted]	[redacted]	1/7/26
Keith Edmonds	[redacted]	[redacted]	1.7.26
Tor Sandoy	[redacted]	[redacted]	1.7.26
Karen Brighouse	[redacted]	[redacted]	2.7.26
Laurie Pugh	[redacted]	[redacted]	2.7.26
Eleanor Pugh	[redacted]	[redacted]	3/26
SUE Watts	[redacted]	[redacted]	3/7/26
Gia Dumbleton	[redacted]	[redacted]	3/7/2026
Anna Spencer	[redacted]	[redacted]	3/7/2026
Murray Deam	[redacted]	[redacted]	3-7-2026
Carrie Evans	[redacted]	[redacted]	3-7-2026
Amanda Lowry	[redacted]	[redacted]	3/7/2026
Riccardo Pini	[redacted]	[redacted]	3/7/2026

10 RECOMMENDATIONS FROM OTHER COMMITTEES

Nil

11 BUSINESS

11.1 Strand Waterfront Projects

File Number: **A20696165**

Author: **Graeme Frith, Portfolio Manager: Civic and Support Services**
Amanda Davies, Manager: Spaces and Places Project Outcomes
Christopher Barton, Portfolio Manager: Infrastructure

Authoriser: **Jane Small, Director Major Projects**

PURPOSE OF THE REPORT

1. To provide an update on the following key remaining projects within the Tauranga Moana Waterfront Programme;
   - Tauranga Wharewaka Pavilion
   - Seawall South
   - Tauranga Waterfront Railway Crossings
   - Waterfront Central Plaza
   - Strand Reserve – Park South
2. To outline project readiness, value-for-money outcomes, procurement arrangements and programme sequencing for these remaining projects.
3. To seek Council decisions on project delivery, procurement approaches, budgets and delegated authority for projects ready to proceed.
4. To outline the current position of the Strand Reserve – Park South and seek endorsement of a process to further consider future outcomes, scope and investment levels.

RECOMMENDATIONS

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.

Or

Approves restarting the Wharewaka project, including redefining project scope and objectives to deliver a lower cost solution, and investigating alternative delivery methods.

Seawall South:

(d) Approves the delivery of the Seawall South within its current budget allocation of $4.4m; and

(e) Approves bringing forward $1m of the Seawall South replacement budget from the 2028 FY to the 2027 FY.

Railway Crossings:

(f) 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

(g) 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

(h) 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.

Central Plaza:

(i) Approves the delivery of the Waterfront Central Plaza project including water feature at a cost of $4.89m;

OR

Approves the delivery of the Waterfront Central Plaza project excluding water feature at a cost of $4.29m;

OR

Approves restarting the Waterfront Central Plaza project, including redefining project scope and objectives to deliver a lower cost solution, and investigating alternative delivery methods; and

(j) Delegates authority to the Chief Executive to approve and execute contracts associated with resolutions (c) to (i) as applicable, provided the contract price remains within the budget and subject to endorsement by the Te Manawataki o Te Papa Board.

(k) 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.

EXECUTIVE SUMMARY

5. This report seeks Council decisions on the final major projects within the Tauranga Moana Waterfront Programme, with several of those projects now having completed design and procurement activities and ready to move into construction.

6. The projects collectively aim to complete the connection between Te Manawataki o Te Papa, the city centre, and the Strand waterfront, building on significant investment already made in playgrounds, reserves, seawalls, public facilities, and waterfront infrastructure.

7. Council is asked to approve delivery, procurement, and funding arrangements for four projects, while retaining flexibility to further consider the future scope and investment level of Strand Reserve – Park South.

8. Through design optimisation, commercial review, external funding contributions and project sequencing initiatives, approximately $3.81 million of quantified financial benefit has been achieved while maintaining the core outcomes previously approved by Council.

9. Given the advanced stage of several projects, opportunities for further savings now increasingly require trade-offs in project scope, functionality, timing or delivery outcomes.

10. The table below outlines each project, its current budget and cost position, delivery status and the decision sought from Council through this report:

Project	Current Budget	Proposed Cost	Current Status	Decision Sought
Wharewaka Pavilion	$2.0m + $400k TECT	$2.4m	Ready for delivery	Approve preferred option and delegate authority
Seawall South	$4.4m	$4.4m	Near ready	Approve delivery approach and budget rephasing
Strand Reserve - Park South	$10.15m	NA	Concept stage	Endorse workshop and future options development
Railway Crossings	$7.5m + $2.56m NZTA	$7.18m	Ready for delivery	Approve delivery and procurement approach
Waterfront Central Plaza	$5.5m	$4.89m	Ready for delivery	Approve preferred option and delegate authority

11. No approval is sought at this time for Strand Reserve – Park South. Staff are recommending an elected member workshop to consider future outcomes, scope and budget options before any preferred approach is proposed.

12. The projects form part of the wider Tauranga Moana Waterfront Programme, with delivery sequencing and coordination playing an important role in managing programme cost, risk and construction efficiency.

BACKGROUND

13. On 5 September 2022, the Council adopted the *Tauranga Moana Waterfront Plan* (refreshed from the *Tauranga Moana Waterfront Masterplan 2016*). The overall purpose of the plan is to reconnect and amplify the city centre's connection to the harbour through the transformation of the waterfront into a premier recreational destination. To create a waterfront parkland, the plan incorporates a mix of recreational, community and commercial activities that celebrate the water's edge as a focal point for waterfront activities.

14. The Waterfront Plan was not new and has been considered in various forms over the last twenty years. To ensure alignment with Te Manawataki o Te Papa and the City Centre Action and Investment Plan (2022), the Waterfront Plan was consulted on with mana whenua and key stakeholders, and subsequently refreshed.

15. The Waterfront Plan provided a roadmap for the development of the waterfront in the city centre and is split into three distinct areas. Area 2, the central waterfront including Masonic Park, has informed the central plaza project, with a primary purpose of linking to Te Manawataki o Te Papa (TMOTP) and creating strong physical links to the water.

16. The development of the central waterfront and the Strand was originally included within the $303.4 million LTP budget adopted for TMOTP. Known as 'Site C', the Waterfront was allocated a $32.9 million budget.

17. On 24 July 2023, the Council received an updated *Tauranga Moana Waterfront Masterplan* which included the relocation of the Wharewaka from the Central Plaza to the Strand South Reserve and the inclusion of an additional pavilion/public convenience.

18. The *Tauranga Moana Waterfront Masterplan* provides a comprehensive conceptual layout to guide future development along the city centre's waterfront from Dive Crescent to Tunks Reserve, including Masonic Park.

Tauranga Moana Waterfront Masterplan

Table 1: Previous Council Decisions

Council Decision	Resolution	Relevance to this report
24 May 2022 – Long-term Plan Amendment	*Resolution CO10/22/1* Approves Option 1 – Te Manawataki O Te Papa (Civic Precinct) Masterplan (Refreshed 2021) at a capital cost of $303.4 million, for inclusion in the Long-term Plan Amendment 2021-31.	Included approximately $32.9 million of funding for Site C (Waterfront and Strand), which was subsequently transferred to the Tauranga Moana Waterfront Programme.
27 June 2022 – Long-term Plan Amendment and Annual Plan Adoption	*Resolution CO13/22/11* Adopts the Amended 2021–31 Long-term Plan	Adoption of the Long-term Plan Amendment and Annual Plan confirmed capital funding for waterfront projects totalling approximately $84.1 million.
5 September 2022 – Tauranga Moana	*Resolution C017/22/6* Adopts the Tauranga Moana Waterfront Plan to guide the development of the city centre	Established the strategic framework for coordinating and delivering waterfront projects funded through the

Waterfront Plan	waterfront.	Long-term Plan Amendment and Annual Plan.
24 July 2023 – Waterfront Masterplan Update	*Resolution CO12/23/12* Receives the updated Masterplan and acknowledges the location of the Whare Waka, and the additional pavilion/public convenience on the Strand South Reserve.	Confirmed transfer of the previously approved Site C budget to the Tauranga Moana Waterfront Programme. No additional funding was approved.
26 June 2025 – Annual Plan 2025/26 and **23 June 2026** – Annual Plan 2026/27	*Resolution CO/25/19/4* Adopts the Annual Plan 2025/26 and *Resolution CO/26/10/4* Adopts the 2026–27 Annual Plan	Confirmed funding within Council's capital programme for Waterfront Central Plaza, Strand Railway Crossings, Strand South Reserve, Strand Seawall and Wharewaka projects.

19. Collectively, these decisions established the Tauranga Moana Waterfront Programme, approved the associated funding through Long-term Plan and Annual Plan processes, adopted the strategic framework for waterfront development, and subsequently aligned programme governance and funding arrangements.

20. The projects addressed in this report have progressed through varying stages of planning, design, consenting and procurement over a number of years. Several projects have now reached a point where construction pricing has been obtained, preferred delivery approaches identified, and critical dependencies between projects confirmed. These projects have been on-hold pending further value for money analysis.

21. As projects move closer to delivery, opportunities to improve value for money through scope definition, procurement strategy and project sequencing become increasingly limited. Delaying decisions at this stage may result in the loss of current pricing, additional redesign and project management costs, construction cost escalation, and reduced programme efficiency. The purpose of this report is therefore to enable Council to make informed decisions on the remaining waterfront projects based on the best currently available information regarding cost, scope, risk and delivery outcomes.

STATUTORY CONTEXT

22. Certain areas of the Tauranga waterfront are zoned according to the Bay of Plenty Regional Council’s Regional Coastal and Environment Plan, which promotes sustainable management of the natural and physical resources of the Bay of Plenty’s coastal environment. The city centre waterfront falls within the Harbour Development Zone. It will be important to continue to work closely on waterfront projects with our Regional Council partners.

23. The recommendations outlined in the report are consistent with Council’s Long Term Plan 2024-34.

STRATEGIC ALIGNMENT

24. 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 ✓

25. The Waterfront Plan sits under the 'Tauranga Tātaitia rā – we are a well-planned city' – community outcome and weaves through aspects of sustainability, te ao Māori, and how we contribute to the region. There are also strong links to the City Centre Action and Investment Plan (2022).

26. The City Centre Action and Investment Plan (2022) is the guiding document for the city centre. The Waterfront Plan contributes to the six strategic outcomes contained within the City Centre Action and Investment Plan, in particular: A waterfront city centre, where high-quality, vibrant spaces connect people with the moana.

TAURANGA MOANA WATERFRONT PROGRAMME OVERVIEW

Programme Status Summary

27. The following projects of the Waterfront Programme have been completed and form part of the wider Tauranga Moana Waterfront Programme investment:

Table 2 - Completed Waterfront Projects

Project	Status
Dive Crescent Carpark Upgrade	Completed - December 2023
Cargo Shed Upgrade and fit-out	Completed - August 2022
Beacon Wharf Upgrade	Completed - October 2025
Strand Waterfront North Reserve	Completed - December 2024
Waterfront Playground	Completed - December 2024
Strand Seawall North	Completed - December 2024
Strand Boardwalk and Underpass	Completed - October 2024
Tunk's Reserve and access upgrade	Completed - January 2024

28. The following table outlines the remaining Waterfront Programme projects and the status of each:

Table 3 – Remaining Waterfront Project's Status

Project	Approved Budget	Design	Procurement	Ready for Construction
Wharewaka Pavillion	$2.0m	Complete	Complete	Ready
Seawall South	$4.4m	Replication of Seawall North	Pending	Near Ready
Waterfront Railway Crossings	$7.5m	Complete	Ready	Ready
Waterfront Central Plaza	$5.5m	Complete	Complete	Ready
Strand Reserve – Park South	$10.15m	Concept	Not Started	Not Ready

** Note: there are two additional projects that form part of the wider Waterfront Programme but are not currently being considered by Council. These are the Central Plaza Wharf and Fisherman's Wharf. These projects will be considered by Council through the LTP 2027-37.*

29. As shown above, the majority of projects considered through this report are approaching delivery readiness or are ready for delivery and some have been the subject of procurement

processes already. As a result, opportunities for further cost reduction are generally more associated with changes to scope, timing or project outcomes than procurement or design efficiencies.

30. While all projects remain linked through the wider Waterfront Programme, the table highlights that Strand Reserve – Park South remains at concept stage and therefore presents the greatest opportunity to reconsider scope, outcomes and investment levels prior to procurement.

Realising the Benefits of Previous Waterfront Investments

31. The projects included in this report should not be viewed as standalone investments. They form part of the wider Tauranga Moana Waterfront Programme and Te Manawataki o Te Papa programme that has been progressively delivered over recent years.

32. Significant investment has already been made in waterfront public spaces, destination play, civic facilities, public amenities, rail crossing design, marine infrastructure and city centre connections. The remaining projects are intended to complete key links within that programme and enable the community to realise the full benefits of those investments.

33. In particular:
    - the proposed rail crossings improve access and connectivity between the city centre and waterfront;
    - the Central Plaza strengthens the physical and ceremonial connection between Te Manawataki o Te Papa and the harbour;
    - the Wharewaka provides a cultural destination and focal point for the southern waterfront; and
    - the Seawall South and Strand Reserve – Park South projects complete the public realm and harbour edge environment.

34. Consideration of value for money should therefore include not only the cost of individual projects, but also the extent to which they contribute to the effectiveness, accessibility and community benefits of the wider programme already funded and partially delivered by Council.

Programme-wide approach to value for money

35. Throughout the development of the Tauranga Moana Waterfront Programme, staff have sought to maximise value for money by challenging scope, design, sequencing, procurement and delivery assumptions at each stage of project development.

36. This has included:
    - reviewing projects against their intended outcomes and benefits;
    - redesigning components where equivalent outcomes could be achieved at lower cost;
    - securing external funding contributions;
    - leveraging lessons learned from completed waterfront projects;
    - using existing designs and delivery methodologies where appropriate;
    - coordinating project sequencing to avoid rework and duplication of mobilisation costs; and
    - undertaking competitive procurement processes wherever market conditions permit.

37. The outcomes of these initiatives are summarised in the following table:

Table 4: -Value for Money Outcomes Achieved

Initiative	Financial Benefit
Central Plaza design optimisation	$750,000
Rail crossing commercial review	$100,000
NZTA co-funding secured	$2,560,000
TECT funding contribution	$400,000
Total quantified financial benefit	$3,810,000

38. Collectively, these initiatives have generated approximately $3.81 million of quantified financial benefit compromising direct project savings, third-party funding contributions and co-funding secured from external sources.

39. As projects progress toward delivery, opportunities to achieve further savings increasingly require changes to project scope, project outcomes or delivery timeframes. Any further expenditure reductions will therefore necessitate consideration of impact on outcomes previously consulted on and approved through the Long-term Plan process.

40. The remaining cost reduction opportunities identified through this report are outlined within the individual project options.

Summary of projects and decisions sought

41. The table below provides a summary of each project, its current budget and cost position, key value-for-money considerations, delivery status and the decision sought from Council through this report.

Table 5 – Project Summaries and Decisions Sought

Project	Current budget	Current cost position	Key value-for-money considerations	Delivery status	Decision sought through this report
Wharewaka Pavilion	$2.0m (+ $400k TECT contribution)	$2.4m	TECT contribution addresses the reinstatement of key cultural/ visitor-facing elements at no additional Council cost.	Tender process completed; preferred contractor engaged through early contractor involvement; contract not yet executed.	Approve proceeding with the enhanced option and delegate authority to finalise contract.
Seawall South	$4.4m	Current estimate to be confirmed using Seawall North costs and independent QS review.	Reusing Seawall North design and contractor learning is expected to improve value for money and reduce delivery risk.	Not started; procurement/commercial validation still required.	Approve sequencing and procurement approach, including bringing forward budget if required.
Strand	$10.15	No final	Opportunity to	Concept stage; no	Endorse elected

Reserve – Park South	m	delivery estimate confirmed; concept design only.	reset outcomes, scope and level of investment before committing further design and procurement spend.	delivery procurement proposed through this report.	member workshop on outcomes, value for money and scope.
Railway crossings	$7.5m (+ $2.56m NZTA contrib ution)	$7.18m	$100k cost reduction, NZTA financial assistance $2.56m. KiwiRail costs have been independently peer reviewed and challenged where costs higher than market.	Sequenced approach agreed with KiwiRail and signed offer of service agreement received for delivery.	Approve direct appointment of KiwiRail and closed competition for KiwiRail approved supplier. KiwiRail delivery requirements necessitate a direct appointment approach.
Waterfront Central Plaza	$5.5m	$4.89m	Construction estimate reduced by approximately $750k. Further savings are possible through changes to project outcome.	Detailed design complete; tender process completed; preferred contractor identified; contract not yet awarded.	Confirm preferred scope and delegate authority to enter contract within approved budget.

1. Collectively, the projects outlined above represent the remaining substantive components of the Tauranga Moana Waterfront Programme. Council is being asked to consider a mix of project approval, procurement and sequencing decisions, while retaining flexibility to reconsider the future scope and investment level of Strand Reserve - Park South.

SOUTHERN WATERFRONT PROGRAMME SEQUENCING

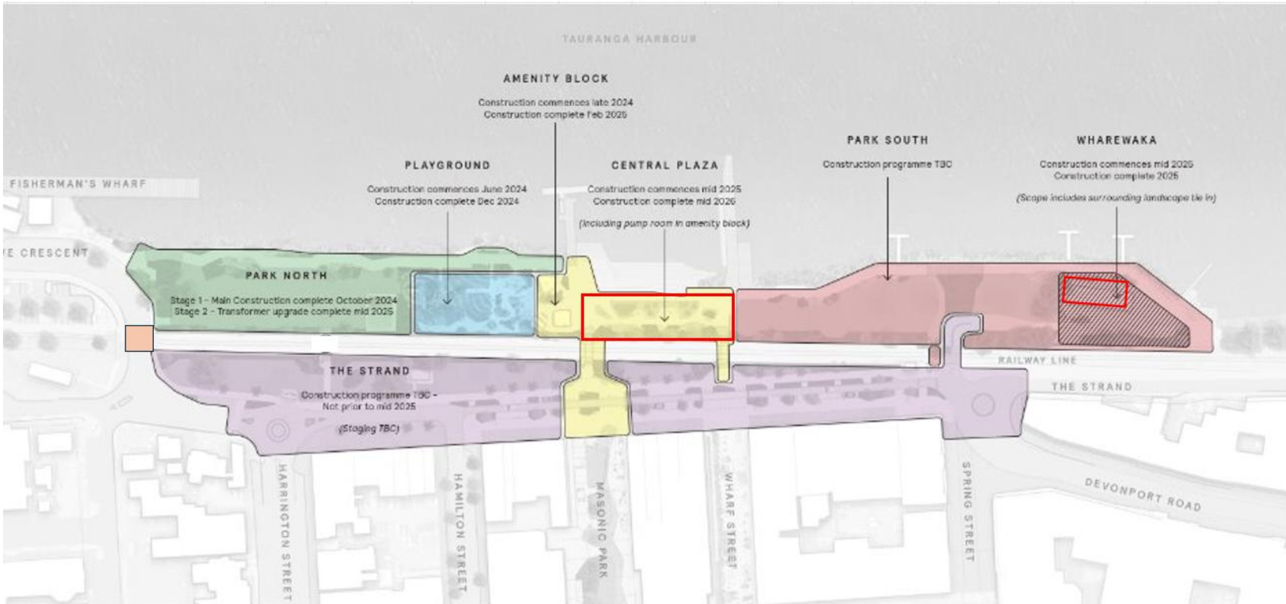
43. The success of the Waterfront development extends beyond the construction of individual projects. Equally important is creating a continuous and accessible connection between the city centre, the waterfront and Te Manawataki o Te Papa. The Southern Waterfront comprises a number of interrelated projects that collectively form the southern gateway to Te Manawataki o Te Papa and the remaining waterfront.

44. While each project has its own scope, funding source and delivery programme, they occupy the same physical area and share significant construction and programme dependencies. As the design of the precinct has progressed, it has become increasingly evident that the order in which these projects are delivered will have a significant impact on construction efficiency, programme certainty, project cost and the quality of the completed waterfront environment.

45. Staff recommend delivering projects in the following order to minimise rework, risk, and disruption:
    (a) Seawall South (southern section)
    (b) Wharewaka Pavilion
    (c) Seawall South (northern section)
    (d) Strand Reserve – Park South

46. The Rail Crossings and Central Plaza projects can proceed concurrently but require coordination.

47. This sequencing minimises construction interfaces, avoids rework, maintains access throughout delivery and enables completed projects to support the delivery of subsequent stages. It also maximises opportunities to coordinate construction activities and reduce unnecessary mobilisation and disruption costs.



TAURANGA WHAREWAKA PAVILION

Project Background

48. The existing waka shelter located at the northern end of The Strand in Tauranga is in a state of disrepair. A new Wharewaka Pavilion was identified as a key project within both the *Te Manawataki o Te Papa Masterplan (2021)* and the *Tauranga Moana Waterfront Masterplan (2022)*, recognising the importance of reconnecting Tauranga's city centre with its harbour and celebrating the rich maritime history of Tauranga Moana.

49. On 24 July 2023, Council received a revised Waterfront Masterplan that proposed the relocation of the Wharewaka from the Central Plaza to the Strand Reserve – Park South. This relocation was largely due to its prominent position, access to a protected part of the harbour and boat ramp, as well as historical reasons. A budget of $4 million was subsequently included within Tauranga City Council's Long Term Plan 2024–2034 however, the project budget was reduced to $2m in the 2026 Annual Plan to deliver the first stage of the project with stage 2 being subject to third party funding (refer para 51 below).

50. The proposed 244m2 (29mx8m) Wharewaka Pavilion is a purpose-built facility, designed to serve as a fit-for-purpose waka display and shelter, preserving taonga (Takitimu and Te Awanui waka) and offering an educational experience for visitors, delivered in partnership with Mana Whenua. The development has been co-designed by Tauranga City Council, Mana Whenua and the Ōtamataha Trust Cultural Advisory Group and has been intentionally planned as a two-stage project.

51. Stage One will provide a permanent home for the two iwi-owned waka, *Te Awanui* and *Takitimu*. Stage Two will be delivered when future funding becomes available to Mana Whenua and will expand the facility to include educational spaces, staff amenities, and additional supporting facilities.

52. The Wharewaka Pavilion forms an important component of the wider waterfront redevelopment, creating a landmark destination that celebrates Tauranga Moana's cultural identity while strengthening the connection between the city centre and the harbour. The

pavilion is intended to function not only as a waka storage facility but also as a significant cultural attraction that welcomes residents and visitors to experience the history, traditions and living culture of Tauranga Moana.

53. The pavilion will provide Mana Whenua, including the iwi and hapū of Tauranga Moana, with a dedicated facility for the preservation and active use of the waka *Te Awanui* and *Takitimu*, while supporting the training of rangatahi in waka history, tikanga, navigation, and operational practices. In doing so, the facility will help preserve and transfer traditional knowledge and skills to future generations.

54. Beyond its cultural function, the pavilion will provide significant community benefits through educational programmes, public engagement opportunities, and the promotion of Tauranga Moana's maritime heritage. Located on the city waterfront, it will create a visible expression of Mana Whenua identity and presence, enhance the city's cultural and visitor experience, and serve as both a living cultural facility and a publicly accessible community asset.

Open tender and value-for-money process

55. Following completion of initial design work, a preliminary construction only budget estimate was prepared by an independent Quantity Surveyor in January 2025 for $1.4M. This was peer reviewed in March 2025, and the detailed design estimate for construction only in March 2025 was $1.68M.

56. Prior to the Wharewaka Pavilion being first tendered to the open construction market during 2025, a value for money review was undertaken with a focus on identifying opportunities to improve delivery efficiency, challenge design assumptions, and reduce cost while maintaining the approved project outcomes. The biggest gains were realised from the screens and gates design review, electrical specifications review and fire protection requirements review. Savings of $173k were achieved which then revised the estimate for construction to $1.5M.

57. An open market tender process was completed during June/July 2025 with Council receiving 10 competitive tenders. The tender evaluation process analysed the tenders received, using the tender evaluation methodology including weighted attributes and a preferred contractor was appointed. The preferred contractor had submitted the lowest priced tender and was

identified as the most cost-effective and balanced option when considering both quality and price.

58. A further step in the tender process included an interview with the preferred tenderer to ensure the construction company's awareness and understanding of tikanga and the importance of cultural competency to the successful delivery of this project.

59. Since that time, staff have been asked to investigate options to further reduce the project's costs. Accordingly, numerous value focused exercises were undertaken to reduce project costs while maintaining the core functional requirements of a waka storage. Several design features were reviewed and subsequently altered. These primarily included a simplified roof rather than the architectural design and utilising aluminium rather than glass screening.

60. Since being appointed, the preferred contractor has continued to work collaboratively with the project team and the Quantity Surveyor through an Early Contractor Involvement process to refine both the design and the associated construction costs. This has included checking the schedule of quantities and looking to find efficiencies in the material procurement and delivery methodology.

61. In March 2026, following consideration of the project options and the value engineering recommendations presented by the project team, support for the project was confirmed by the TMoTP Board. Accordingly, the project team requested that the preferred contractor resubmit its construction pricing and programme based on the revised designs and confirm these were able to be delivered within the $2m total project budget.

TECT Funding

62. Following concern regarding the project costs and the ability of the revised project scope to deliver on mana whenua aspirations, the Ōtamataha Trust submitted a funding application to TECT. Acknowledging the value of the Wharewaka Pavilion to the wider Tauranga community, TECT has agreed to provide funding of $400,000 from its Communities Facility Fund for the Ōtamataha Trust to contribute to the project for the cultural design features identified in paragraph 64 below.

63. TECT's support reflects the project's strong alignment with the Fund's objectives of supporting community facilities that deliver enduring cultural, educational, and public benefits. The funding is based on the expectation that the pavilion would become more than a functional waka storage facility and instead provide a landmark visitor attraction that would enhance Tauranga's waterfront experience and celebrate the cultural identity of Tauranga Moana.

64. To achieve this outcome, several design features that had previously been removed through project scope reductions would need to be reinstated. These include replacing the simplified roof form with the original architecturally significant roof design, substituting the proposed aluminium screening with glazed panels to improve visibility of the waka from the waterfront, and incorporating cultural artwork and interpretation throughout the pavilion. Accordingly, the TECT contribution will only be realised if Council also commits its currently allocated funding of $2m.

65. These enhancements would significantly improve the visitor experience, allowing the waka and associated cultural narratives to become highly visible and accessible to the public while creating an iconic waterfront structure that reflects the aspirations of Mana Whenua and the wider community.

66. The funding grant provided by TECT enables the delivery of these important architectural and cultural enhancements, ensuring the completed Wharewaka Pavilion fulfils its role as both a living cultural facility and a distinctive visitor destination for Tauranga.

Budget and Forecast Expenditure

67. The project has an approved Tauranga City Council capital budget of $2.0 million, with a further $400,000 funding contribution offered from TECT to address any construction cost escalation and reinstate key visitor-focused design elements. To date (30 June 2026),

$329,000 has been invested in project planning, design development, specialist consultant services and consenting activities.

68. The remaining project budget has been assessed against the latest construction pricing prepared by the preferred contractor and independently reviewed by Quantity Surveyors. This forecast includes an appropriate construction contingency, estimated professional fees required to complete the project, and provision for the incorporation of cultural artwork and interpretation that forms an integral part of the pavilion's visitor experience.

69. Based on the current forecast, the combined Tauranga City Council and TECT funding will enable the project to be delivered within the available budget.

70. The project team will continue to actively manage costs through the final design and procurement phases to ensure the approved budget is maintained.

Wharewaka Pavillion Options

Option 1 - Proceed with current wharewaka design – including TECT funding

Advantages	Disadvantages
• Delivers cultural narrative and aligns with aspirations of Mana Whenua. • Creates a distinctive and iconic waterfront visitor destination. • Aligns with the broader vision for Te Manawataki o Te Papa and celebrates the history of the area. • TECT's funding contribution can be realised representing greater value for ratepayers by maximising the outcome for the community for no greater ratepayer cost. • Utilises completed design and procurement work. • With a preferred contractor already identified, the project could be delivered in 10 months, creating a valuable community asset in a short timeframe.	• While there is sufficient risk allocation in the budget, if an unforeseen risk arises costs may exceed available budget.

71. **Option 2 – Restart the project, including redefining project scope and objectives to deliver a lower cost solution, including investigating alternative delivery methods.**

Advantages	Disadvantages
• May be able to deliver a functional building utilising an alternative procurement method, for example investigating prefab solutions or going through a design and build open market process. • If the scope and therefore cost was significantly reduced, this will be supported by members of the community who do not support the current proposal and wish for Council to reduce	• Negative public perception that the Council is not delivering on approved well-publicised Masterplans with approved Long-term Plan budget. • Failure to meet expectations of Mana Whenua and the Ōtamataha Trust who have contributed to the co-design of this space. This may impact the suitability of the pavilion for housing waka. • Previous investment in design, consenting and procurement would not

expenditure. • Potentially the lowest capital cost option, although savings would need to be weighed against redesign costs, delay, loss of previously completed work and associated sunk costs, and reduced certainty regarding final project outcomes.	contribute directly to delivery if the project was fundamentally redesigned, so a sunk cost. • If the scope of work changes and a redesign is required, the architect and engineers' cost are likely to be >$100,000, and the project will be further delayed. • Delays to construction or major redesign could see an increase in costs and there is no guarantee that a redesign and re-procurement process would deliver a materially better value-for-money outcome than the current proposal.

SEAWALL SOUTH

Project Background

72. The Seawall South is a critical component of the Strand Reserve – Park South and Wharewaka Pavillion projects. The seawall acts as a boundary between the reserve and the water, has significant resilience and ecological benefits and is a continuation of the already successful Seawall North.

73. Whilst the Seawall South project remains in the planning and development phase, it is a critical enabling component of the wider waterfront programme and is well advanced.

Delivery and contractual considerations

74. To inform delivery planning for the project, lessons learned were sought from parties involved in delivery of the Seawall North project in 2025. Preliminary insights from the Seawall North project indicate that delivery of the seawall ahead of the Wharewaka is likely to be optimal, providing the most efficient and least disruptive delivery approach by maximising site access and construction flexibility while reducing risks to a newly completed structure and provides better value for money as method of delivery is not restricted by access

75. The southern end of the Seawall South will be constructed first to enable the construction of the Wharewaka. The remaining northern end of the Sewall South can then be constructed later to align with the Strand Reserve – Park South project timings. This sequencing will provide the most efficient, cost effective and least disruptive delivery pathway, and mitigate various construction related risks.

76. It is proposed that Council develop an Early Contractor Involvement (ECI) approach, with the contractor who completed the Seawall North, to support design development, buildability reviews, programme optimisation, risk mitigation, and cost certainty. Construction in a Marine environment is also a specialist activity requiring contractors with prior experience working in this environment. The ECI phase is intended to inform the negotiation of a NZS 3916 Design and Construct Contract, subject to satisfactory commercial outcomes, independent cost validation, funding availability, and subsequent approval from the Te Manawataki o Te Papa Board. This model is intended to strengthen integration between design and construction, ensuring alignment with project requirements and the wider waterfront programme, while supporting more efficient programme development and cost certainty.

Budget and value-for-money position

77. To ensure a cost-effective project delivery, the proposal is to use the Sewall North design and work with the same contractor to deliver a replication of the existing project.

78. The proposed delivery approach seeks to maximise value for money by replicating an existing successful design rather than commissioning a new custom solution. By leveraging completed design work, consent pathways, contractor experience and established construction methodologies, Council can reduce design costs, minimise delivery risk and capture efficiencies that would otherwise be unavailable through a standalone procurement process.

79. To further ensure commercial pricing, the costings for the Seawall North are being utilised as a starting point, and an independent quantity survey will be conducted to ensure a robust commercial process.

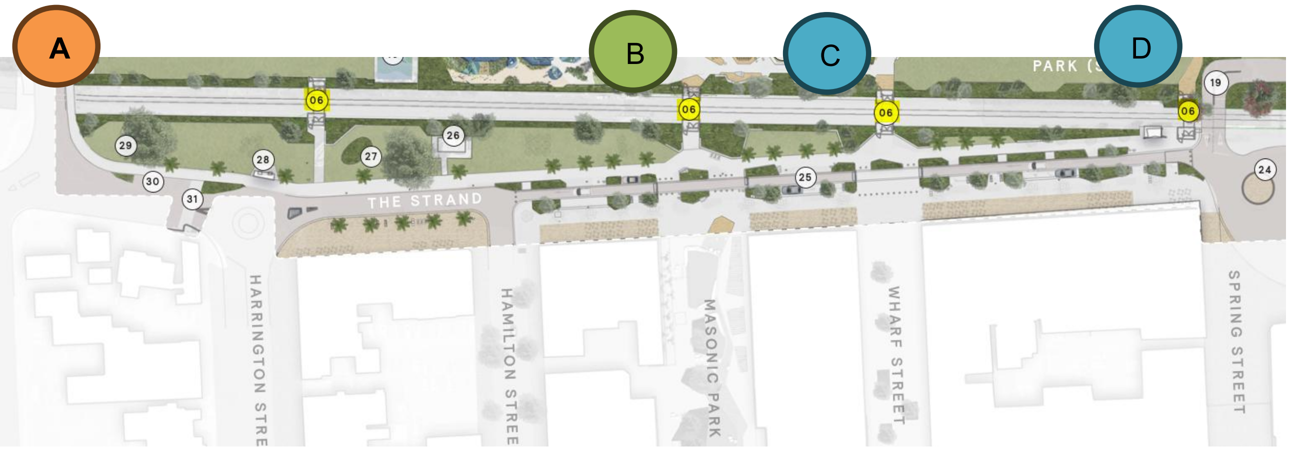
80. The current budget allocation for the Seawall South is $4.4 million across FY27 ($500,000) and FY28 ($3,951,648). It is proposed that $1 million will need to be transferred from FY28 to FY 27 to enable delivery as outlined in this report. To ensure that the proposed bring forward from FY 2028 to FY 2027 has no impact on the overall TCC capital programme suitable offsets will be found within the Major Projects FY 2027 programme.

TAURANGA WATERFRONT RAILWAY CROSSING SAFETY UPGRADES

Project Background

81. Alongside the upgrades to the Waterfront, four railway crossing safety upgrades are proposed in the masterplan to link the new waterfront to the Strand and through to the city.

A: Dive Crescent Level Crossing
B: Masonic Park Level Crossing
C: Wharf Street Level Crossing
D: Spring Street Level Crossings



82. Upgrading the railways crossings is a critical component of delivering on the *Tauranga Moana Waterfront Masterplan* and City Centre AIP, whilst realising the benefits of the wider TMOTP programme by ensuring access between the city centre and the waterfront.

83. Under the Railways Act 2005, Council is required to address any safety risks to pedestrians along the waterfront resulting from increased crossing user demand. The upgrades to the Waterfront have resulted in and are expected to continue resulting in increased patronage and therefore increased demand on the railway crossings. The resultant increased safety risk has led to a Level Crossing Safety Impact Assessment to understand the appropriate safety interventions.

84. The confirmed delivery programme provides for all four crossings to be delivered within the approved budget envelope, staged to align with KiwiRail rail possession windows, wider waterfront sequencing and disruption management.

85. The project is programmed for sequenced delivery as follows:
    (a) Masonic Park Crossing – construction completion targeted for September 2026.
    (b) Wharf Street and Spring Street Crossings – construction during Easter Weekend March 2027.
    (c) Dive Crescent Crossing – construction planned for King's Birthday Weekend July 2027.

    The final signal commissioning is planned for completion by March 2028.

86. By building the Masonic Park crossing now, maximum value from the already delivered waterfront investments can be unlocked for the community quicker, creating greater access to the recently developed and popular community spaces.

87. The Wharf Street and Spring Street crossings deliver more value for community with greater accessibility to prime community space. They will be developed later in 2026/27, which allows for the final planning of the Waterfront South Programme, and the development of the Wharewaka Pavillion and Seawall South.

88. The inclusion of Dive Crescent Level Crossing upgrade instead of the previously proposed Harrington Street crossing, is expected to provide increased benefits by linking the Dive Crescent carpark and events at the Cargo Shed with the waterfront amenities.

89. The programme staging has been developed by KiwiRail to align with rail corridor access requirements, including approved rail possession periods. The sequence has also been reviewed by the project team to coordinate with wider waterfront and city centre works, maintain access and minimise disruption during construction.

Budget and value-for-money position

90. The railway crossings were funded through Council's Long Term Plan 2024-34, at a total budget of $7.2m. Budget for these crossings is spread across a variety of Te Manawataki o Te Papa/Waterfront Programme projects, for which upgrades were scheduled over a multi-year period. The Annual Plan 2026/27 budget includes $7.5m for this suite of upgrades.
91. Works undertaken within the rail corridor are subject to KiwiRail's operational, safety and technical requirements and must be undertaken by KiwiRail or an approved KiwiRail contractor.
92. Since July 2025, the project team has worked closely with KiwiRail and has now received a signed Offer of Service Agreement (08/07/2026), providing confirmed scope, programme and cost information for delivery of the rail corridor and ancillary works.
93. The KiwiRail cost proposal has undergone independent review by a qualified Rail subject matter expert and has been tested through a challenge process with KiwiRail.
94. This review process has identified approximately $100,000 in savings while maintaining scope and delivery requirements, providing additional confidence in the cost estimate presented.
95. In addition, the project has now secured $2.56m of NZTA co-funding for the two vehicle crossings (Wharf Street and Spring Street), significantly reducing the financial burden on ratepayers and demonstrating external support for the programme.

The current expected final cost is $7.18m. With NZTA financial assistance of $2.56m, the net cost to Council is approximately $4.62m, compared with the approved $7.5m budget envelope.

Recommended procurement and delivery approach

96. The recommended approach is to proceed with delivery of all four crossings through the sequenced programme developed with KiwiRail. This approach gives effect to the scope previously endorsed by Council, remains within the approved $7.5m budget envelope, secures the benefit of NZTA financial assistance, and aligns delivery with available rail possession windows and wider waterfront sequencing.
97. Approval is sought to directly appoint KiwiRail for rail corridor works at a quoted value of $3.86m, and to proceed with a closed competition procurement process for ancillary and supporting works outside the rail corridor.
98. If Council does not approve the recommended procurement approach, delivery of the crossings would be delayed. This would defer safety, access and connectivity benefits, create programme risk for related waterfront projects, and may put confirmed pricing, rail access windows and NZTA funding assumptions at risk.

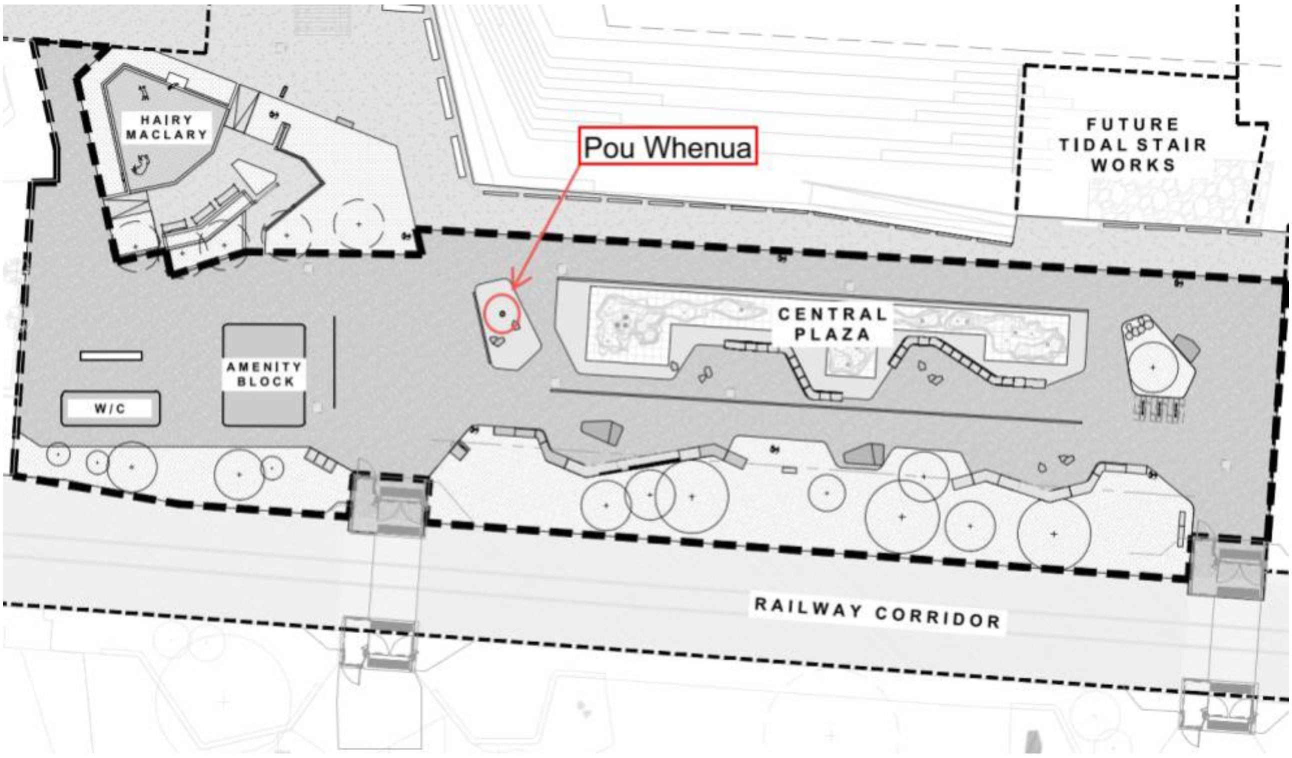
WATERFRONT CENTRAL PLAZA

Project Background

99. Central Plaza occupies a strategically important location in the central waterfront. Identified through the *Tauranga Moana Waterfront Masterplan*, the plaza provides both the physical and ceremonial connection between the harbour and Te Manawataki o Te Papa.
100. The site is situated between the new playground and the Wharf Street rail crossing, and between the tidal stairs and the railway line.
101. Developed in partnership with mana whenua, the Masterplan recognises this location as the traditional arrival point for visiting waka, creating a place of welcome before ceremonial processions continue through the waharoa in Masonic Park and into the Civic Precinct. The project will deliver a high-quality civic space incorporating an interactive water feature that acknowledges the historical natural springs on this site. The plaza will also feature pou whenua, generous paving, seating, lighting, landscaping and upgraded underground infrastructure.

102. When combined with the redeveloped Masonic Park and the to-be-upgraded rail crossing, Central Plaza forms a key connection between the waterfront and Te Manawataki o Te Papa.

Central Plaza layout plan



Budget and value-for-money position

103. The project is funded through Council's Long Term Plan 2024-34. The total project budget was $10.3 million, with $3.6 million allocated to the rail crossings and $1.2 million for the amenity block pavilion brought forward to enable the development of public amenities alongside the opening of the destination playground and the Strand North Reserve. The remaining project budget is $5.5 million for the landscaping, water feature and Pou Whenua.

104. On 9 December 2024, the Council received a report "Civic Whare, Exhibition and Museum (CWEM) Project Update and Next Steps" and moved an additional resolution to reduce the cost of the waterfront central plaza project:

    l) Considers options to reduce cost of the waterfront central plaza project prior to the execution of any related contracts.

    Including requesting a report back to Council on cost saving options considered for the waterfront central plaza project. These cost savings to date are outlined in this section below.

105. The design stage was completed in December 2024, and the Central Plaza was first tendered to the construction market in March 2025. The project team finished the evaluation in May 2025 and a preferred supplier idenitified throught that process. However, the construction contract was not awarded at that time and the project has been on hold.

106. Following direction from Council, the project team undertook a comprehensive review of the Central Plaza project to identify opportunities to reduce costs while preserving the role of the plaza as the principal arrival space between the city centre and waterfront. The review focused on achieving equivalent public outcomes through more efficient design solutions, material selection and construction methodologies and was then reviewed independently for quantities and rates:

- Water Feature: 35% reduction in stone paving extent, reduction of jets from 28 to 13, and associated plumbing and pipework simplified
- Hard Landscaping: Reduction in concrete paving area

- Soft Landscaping: 67% increase in garden area and addition of two new trees
- Drainage: Adjustments to reduce overall drainage requirements
- Seating: Reconfiguration of seating layout, removal of linear stone seating, and replacement with lower-cost precast concrete seating and varied seating types

107. Water Feature Detailing: Reconfiguration of routed stone pavement detail to reduce depth and spread contours, addressing trip hazards and improving accessibility.

108. The revised design reduces the original tendered construction cost from $3.72m to $2.97m, a saving of $750,000. Including contingency and associated costs, the total project cost is estimated at $4.89m, which remains under the current budget allocation of $5.5m.

Water Feature

109. Prior to construction of the playground and public convenience and as part of the Central Plaza Waterfront detailed design, the Council commissioned a condition report on the existing water feature (rear of tidal stairs). The Beca condition assessment reported the following in relation to the facility:

a) The equipment is at the end of its lifecycle.

b) The existing pump room and controls are situated in an underground precast chamber several meters away from the water feature. Access requires a confined space certification, making access and routine maintenance difficult.

(a) Due to the corrosive environment the pumps are subject to, need replacement approximately every two years.

c) Recommended that the water feature pumps, and equipment be relocated above ground, and consider integrating the existing plant into the new proposed plant room for the new water feature that has been installed in the wider waterfront project using common equipment.

110. Following this condition assessment the replacement of the water feature was included in the detailed design for the Central Plaza.

Additional Project Savings

111. In addition to the savings identified to date, two additional options have been identified that would impact that overall project outcome, but may be considered by Council.

112. Option A – Use potable (reticulated drinking) water for the water feature. This option removes the need for a balance tank and reduces associated pipework and power infrastructure requirements. The water feature would utilise misting heads rather than fountain jets. Further

assessment is required to determine the most appropriate discharge arrangement and any associated consenting requirements.

113. The use of potable water may result in ongoing operational costs associated with water consumption, and operation of the feature may be subject to water restrictions during periods of high demand or drought. These matters would require further investigation before implementation. Subject to the outcome of these assessments, this option has the potential to reduce the project capital cost by approximately $350,000.

114. Option B – remove the water feature and replace it with more landscaping. This would include extension of both concrete and lawn in the area allocated for the water feature (see Appendix 1). Note stormwater civil design is yet to be confirmed. This option could reduce the project cost by approximately $600,000 - $700,000.

Waterfront Plaza Options

Option 1 - Proceed with a value for money Waterfront Plaza - including the water feature

Advantages	Disadvantages
• Aligns with the broader vision for Te Manawataki o Te Papa and provides the connection in keeping with existing developments on the waterfront and up through Masonic Park. • Delivers all elements of the Central Plaza project including water play, pou whenua and urban landscaping. • Provides an interactive engaging focal point in the Central Plaza, elevating the public space in the middle of the city and acknowledges the culture and history of the natural springs. • Incorporates design optimisation and cost reductions identified through the project review process while remaining within budget and including additional shade structures. • Delivers on the expectations of Mana Whenua, Ōtamataha Trust and the community established through master planning and LTP consultation.	• Upfront cost and ongoing maintenance costs will be higher for the water feature than for landscaping.

Option 2 - Proceed with a value engineered Waterfront Plaza - excluding the water feature

Advantages	Disadvantages
• Landscaping aligns with the broader vision for Te Manawataki o Te Papa and provides the connection between the waterfront and up through Masonic Park. • Delivers some elements of the Central Plaza project including pou whenua and urban landscaping.	• Does not deliver the same level of interaction or visual interest for this central location. • Does not deliver on the expectations of Mana Whenua, Ōtamataha Trust and the community established through master planning and LTP consultation.

• Includes value for money focus to ensure delivery underbudget. • Represents a lower project and ongoing maintenance cost when compared to a water feature. • An alternative design has been developed for the area if the water feature is removed.	• The building that houses the proposed new pump room was delivered together with the new public convenience. If the water feature is removed, there will be an unutilised building on the waterfront.

Option 3 – Restart the project including reviewing scope and design work and going back to the market, including investigating alternative delivery methods.

Advantages	Disadvantages
• If the scope and therefore cost was significantly reduced, this will be supported by members of the community who do not support the current proposal and wish for Council to reduce expenditure. • Potentially the lowest capital cost option, although savings would need to be weighed against redesign costs, delay, loss of previously completed work, and reduced certainty regarding final project outcomes.	• Negative public perception that the Council is not delivering on approved well-publicised Masterplans with approved Long-term Plan budget. • Failure to meet expectations of Mana Whenua and the Ōtamataha Trust who have contributed to the co-design of this space as part of the overall cultural narrative of the Te Manawataki o Te Papa and Tauranga Moana Waterfront Masterplans. • Previous investment in design, consenting and procurement would not contribute directly to delivery if the project was fundamentally redesigned • If the scope of work changes and a redesign is required, the landscape architect and engineers' cost will be close to or over $100,000, and the project will be further delayed, prolonging the current hoarding and CPTED issues. • The building that houses the proposed new pump room was delivered together with the new public convenience. If the water feature is removed, there will be an unutilised building on the waterfront. • There is no guarantee that a redesign and re-procurement process would deliver a materially better value-for-money outcome than the current proposal.

STRAND RESERVE – PARK SOUTH

115. Strand Reserve - Park South represents the final stage in the delivery of the revitalised Waterfront. Its construction is dependent upon completion of the seawall, which establishes the permanent harbour edge, finished site levels and the physical framework required for the surrounding public realm.

116. The park will include pathways, planting, lighting, seating, public gathering spaces and recreational facilities delivered as a single coordinated landscape project. Sequencing the park after completion of the major civil and marine works avoids damage to newly completed landscape assets while allowing the design to integrate naturally with the Wharewaka, Central Plaza and the completed harbour edge.

117. Rather than being viewed as a standalone project, Strand Reserve - Park South should be considered the culmination of the southern waterfront programme, bringing together the completed infrastructure, public spaces and cultural elements into a single cohesive destination.

118. There is an existing concept plan for Strand Reserve - Park South, with a current budget allocation of $10.15 million across FY27 and FY28.

119. The design is currently at a concept level and presents an opportunity for elected members to review the scope and influence the future outcomes for the reserve.

120. It is recommended that before progressing with this project, Council explore alternative value-for-money options. This would involve workshopping to develop an acceptable scope for the development of Strand Reserve - Park South, aligned with a value-for-money approach focused on identifying the key problems or challenges the project is seeking to address and the desired outcomes and benefits to be achieved through the development.

121. Based on the agreed problems and outcomes, staff would develop a range of investment and procurement options that provide different levels of service, cost, and scope for elected member consideration.

122. This approach would ensure there is a clear understanding of project objectives before further design work is undertaken and would enable elected members to make informed decisions on the investment level and desired outcomes for the reserve.

123. A decision on this project is not sought through this report.

FINANCIAL CONSIDERATIONS

124. The financial considerations of each project and the options presented have been provided throughout this report.

125. The projects presented in this report have undergone varying levels of design optimisation, procurement review and cost challenge from independent qualified experts and experienced Council staff. Collectively these initiatives have reduced forecast costs, secured external funding contributions and improved budget certainty.

126. While further savings remain possible, the majority would now require reductions in project scope, changes to the intended level of service, redesign costs, or project delay.

127. The waterfront programme has undergone prioritisation and other budget adjustments since the adoption of the LTP 2024-34, leading to some minor differences to those budgets approved at that time. The current budgets and sequencing within the planning system are itemised below along with the proposed sequencing as described above.

Current Budget Sequencing	**Actual to 30-Jun-26**	**2027**	**2028**
Waterfront Central Plaza	1,006,934	3,161,467	1,333,151
Strand Rail Crossing - Central Plaza	660,928	2,638,636	0
Strand Rail Crossing - North	398,295	862,654	0
Strand Rail Crossing - South	289,770	1,102,563	490,180
Strand Waterfront Whare Waka	328,937	1,671,063	0
Strand Seawall - South	0	500,000	3,951,648
Strand South Reserve	44,788	707,827	9,400,893
Current Strand Waterfont Programm	**2,729,652**	**10,644,210**	**15,175,872**

Proposed Budget Sequencing	**Actual to 30-Jun-26**	**2027**	**2028**
Waterfront Central Plaza	1,006,934	3,161,467	1,333,151
Strand Rail Crossing - Central Plaza	660,928	2,638,636	0
Strand Rail Crossing - North	398,295	862,654	0
Strand Rail Crossing - South	289,770	1,102,563	490,180
Strand Waterfront Whare Waka	328,937	1,671,063	0
Strand Seawall - South	0	1,500,000	2,951,648
Strand South Reserve	44,788	707,827	9,400,893
Current Strand Waterfont Programm	**2,729,652**	**11,644,210**	**14,175,872**

** 2027 budgets include carry forwards from FY 2026*

128. To ensure that the proposed bring forward from FY 2028 to FY 2027 has no impact on the overall TCC capital programme suitable offsets will be found within the Major Projects FY 2027 programme.

RISKS AND LEGAL IMPLICATIONS

129. Risks associated with the options identified in this report are covered under the disadvantages section of the options analysis.

130. There is a general reputation risk for Council if decisions are made to alter the work programme already planned, communicated and in some instances underway. Similarly delays to work delivery could have a negative public reaction.

131. However, for ratepayers focused on reducing the rates increases, delaying or reducing these projects may be seen as beneficial.

132. Contracts have not yet been signed to complete the works identified in this report so therefore the Council does not have a legal obligation to proceed.

133. The projects included within this report are at advanced stages of development, with several having completed design and procurement processes. Delaying decisions may result in construction cost escalation, expiry of supplier pricing, loss of procurement efficiencies and additional costs associated with redesign, project management and procurement activities.

134. Delays may also affect the sequencing of interrelated waterfront projects, potentially creating inefficiencies where completed works require rework, remobilisation or coordination with future construction activities. In addition, delays would defer the community benefits expected from previous Council investment in the waterfront and wider Te Manawataki o Te Papa programme.

TE AO MĀORI APPROACH

135. Through consultation with mana whenua and local historians, the Masterplan respects the site’s heritage, creating a distinctive setting reflective of Tauranga’s identity. As a significant spot in the Te Papa Peninsula, the Waterfront Central Plaza identifies the location for the

arrival of visiting Waka, welcoming the visitors, and initiating the ceremonial procession, progressing through the waharoa at Masonic Park on to Te Manawataki o Te Papa and the Civic Whare.

136. The Cultural Advisory Group for Te Manawataki o Te Papa has been actively involved in the Waterfront Plan development. In addition, the Cultural Advisory Group and Ōtamataha Trust have been fully engaged in specific culturally significant waterfront projects, including the Wharewaka, Dive Crescent carpark, the Cargo Shed upgrade and Tunks Reserve.

CLIMATE IMPACT

137. The Waterfront programme includes two living sea walls which enhance local marine biodiversity and provide an opportunity for the community to interact and learn about the marine environment, increasing environmental awareness.

138. Additional sun shade options are considered through this report, which will become increasingly important for Tauranga as the climate changes and the city's extreme hot days increase.

139. The Waterfront Masterplan has been designed taking into account the impacts of climate change and sea level rise on the waterfront and the design increases the cities resilience to climate change.

140. The Waterfront is part of a wider city centre development that encourages a live work play environment that discourages travel and provides for a variety of human needs in a small area.

CONSULTATION / ENGAGEMENT

141. Significant consultation and engagement with key stakeholders was undertaken throughout the refresh process to ensure alignment and integrated planning across organisations. Key stakeholders included mana whenua representatives, Bay of Plenty Regional Council, Kiwi Rail, and relevant consultants, including Landlab, Stantec and Boffa Miskell. A Design Reference Group also met regularly to consider and review design details, and to provide feedback from the groups that they represent.

142. Consultation with the community has occurred for several of the waterfront projects throughout Council's Long-term Plan Amendment 2021-31, and annual planning processes.

SIGNIFICANCE

143. 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.

144. 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.

145. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

146. Whilst the projects will deliver some significant community facilities, delivering the project flows logically and consistently with previous Council decisions. If the Council were to decide not to continue with the delivery of these projects, then the level of significance of that decision would increase.

ENGAGEMENT

147. Taking into consideration the above assessment, that the decision is of low significance, and that engagement with key stakeholders and the community has been undertaken on these projects, officers are of the opinion that no further engagement is required prior to Council making a decision.

NEXT STEPS

148. Depending on Council's decisions regarding this report, the next steps as recommended are:

(a) Enter a contract for the delivery of the Tauranga Wharewaka Pavilion, subject to Te Manawataki o Te Papa Board endorsement.

(b) Enter into an Early Contractor Involvement (ECI) agreement for the Seawall South to support design development and to inform the negotiation of a NZS 3916 Design and Construct Contract, subject to satisfactory commercial outcomes, independent cost validation, funding availability, and subsequent approval from the Te Manawataki o Te Papa Board.

(c) Enter a contract for the delivery of the Central Plaza development, subject to Te Manawataki o Te Papa Board endorsement.

(d) Approve the progressing of four railway crossing, through a direct appointment and closed competition, in accordance with KiwiRail requirements.

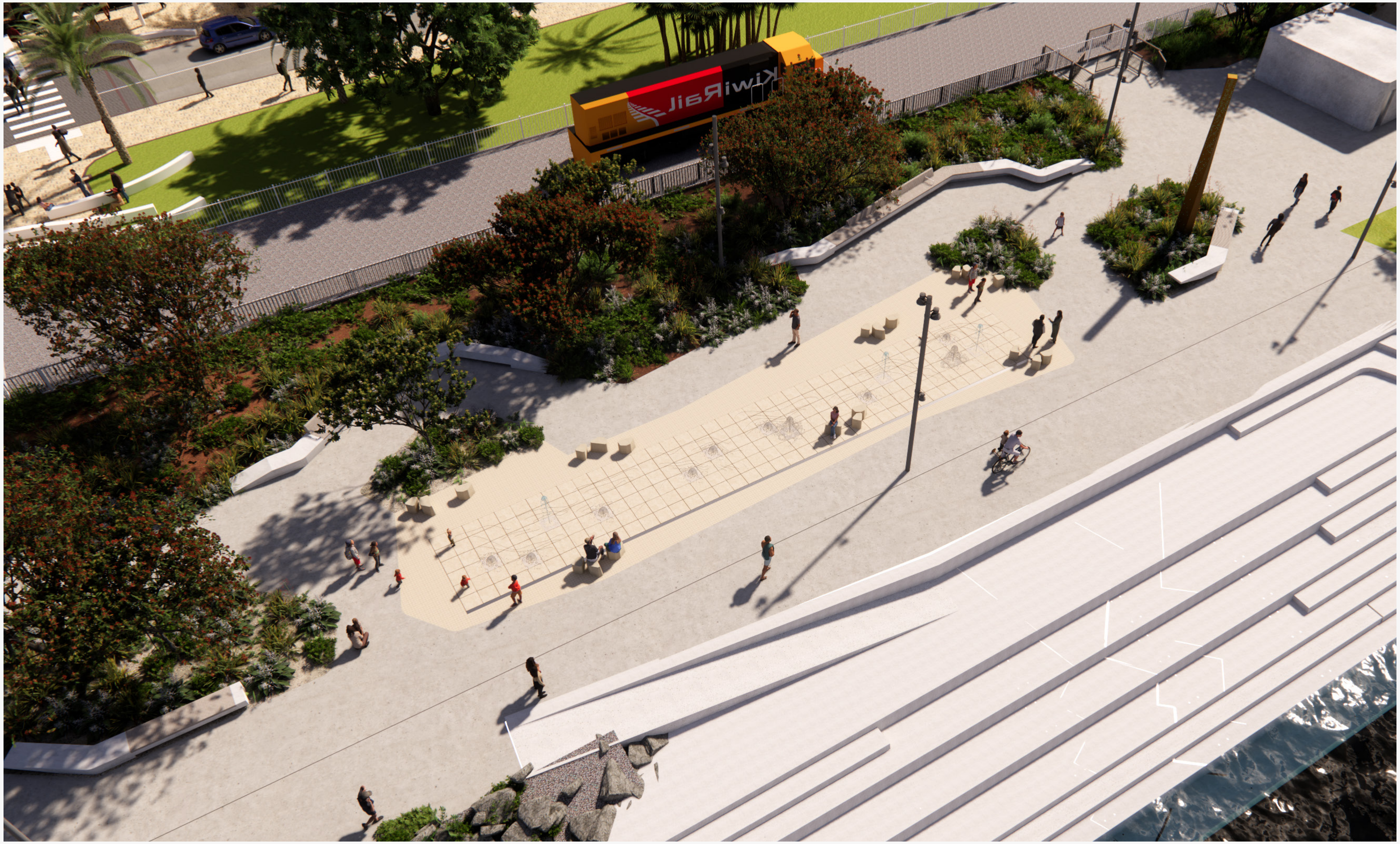
(e) Staff to facilitate an elected member workshop to consider project outcomes, scope, level of service and budget for the Strand Reserve – Park South project prior to commencement of detailed design and procurement activities.

ATTACHMENTS

1. Appendix 1 - Central Plaza Options - A20728375 ⇩

TAURANGA WATERFRONT CENTRAL PLAZA VE OPTIONS

Option 001
Water Feature



Option 002
Layered Park Space

Option 001
Water Feature

Option 002
Layered Park Space

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

File Number: **A20616961**

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PURPOSE OF THE REPORT

1. This report covers two separate Long-term Plan (LTP) matters:
2. It outlines the purpose and role of the Significant Forecasting Assumptions, including key changes since the previous LTP and the risks and uncertainties that may affect preparation of the 2027–2037 LTP, and to seek adoption of the draft Significant Forecasting Assumptions as the basis for preparing the 2027–2037 LTP.
3. It seeks Council endorsement of a zero-based budgeting approach for preparing operational budgets for the 2027–2037 LTP.

RECOMMENDATIONS

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.

EXECUTIVE SUMMARY

Significant Forecasting Assumptions

4. The draft Significant Forecasting Assumptions are presented to Council for adoption as the planning basis for the LTP.
5. Confirming the assumptions provides a consistent foundation for activity planning, infrastructure investment, financial modelling and preparation of the consultation document. It also supports investment decisions, options analysis, trade-offs and affordability considerations over the ten-year LTP period.
6. Delaying or not adopting the assumptions would increase programme, audit and consultation delivery risks for the LTP.

7. Some assumptions are dynamic and remain subject to external factors. They will continue to be refined as updated policy, legislative, financial and technical information becomes available and will be included in the final LTP.

Zero-Based Budgeting Approach

8. Local Government continues to face rising costs of delivering services to the community while at the same time facing ongoing pressure to limit rates increases. In this environment, traditional incremental increases to operational budgets, which involves considered adjustments to last year's budgets, may not provide sufficient rigour to the budget process.

9. For this LTP, elected members have requested that a "Zero-Based Budget" methodology be undertaken. This methodology aims to justify areas of expenditure that are aligned to priorities. The approach will consider "why an initiative should be funded?" rather than "what increase in budget is required to deliver what we have in the past?". The approach will also consider the true costs of delivering services, and identify areas that may be under or over resourced.

BACKGROUND

10. The LTP sets out Council's priorities, activities, and funding approach over a ten-year period. It is reviewed every three years and must include both a 10-year Financial Strategy and a 30-year Infrastructure Strategy.

11. The draft Significant Forecasting Assumptions and an outline of zero-based budgeting were provided to an LTP workshop on 2 July 2026. This forms part of the ongoing series of LTP workshops and Council reports.

12. As requested at the workshop on 2 July 2026, an additional attachment has been prepared to show how previous growth projections have tracked against actual population and dwelling outcomes, to provide further context for the updated growth assumptions. This is provided as Attachment 2 to this report.

Significant Forecasting Assumptions

13. The Significant Forecasting Assumptions are one of the essential building blocks in developing the LTP. They represent the key trends and projections expected to affect Council and the city, and are used when preparing activity planning, infrastructure investment and financial modelling.

14. For each assumption, Council identifies what is assumed and why, along with the level of uncertainty, risks and associated effects if events are materially different to those assumed. Each assumption also identifies mitigation actions Council can take to minimise uncertainty and potential effects.

15. The assumptions are based on reliable data sources, both internal and external.

16. The assumptions reflect Council's best assessment of the key drivers and uncertainties that may influence the LTP. Early adoption provides a consistent basis for activity planning, infrastructure investment, financial modelling and the consultation document, and supports consideration of options, trade-offs and affordability impacts.

17. The assumptions will continue to be monitored and refined as new information becomes available, particularly in relation to central government reform, financial settings and technical information.

18. Not all assumptions are included in the Significant Forecasting Assumptions. Activity-specific assumptions that primarily affect one activity are recorded in relevant activity plans, asset management plans or supporting planning documents.

19. Growth assumptions have been reviewed following the release of final 2023 Census counts and updated Statistics New Zealand information. Updated population and dwelling projections were initially prepared on a provisional basis to support infrastructure modelling within LTP timeframes. These have now been reviewed, with minor changes recommended

to population growth rates to reflect recent and expected growth and to better align with the latest Statistics New Zealand Estimated Resident Population. Dwelling projections have also been revised to reflect updated household occupancy assumptions, resulting in a lower projected number of additional dwellings over the LTP period. These assumptions will continue to be tested as further development information, updated Statistics New Zealand projections and the SmartGrowth/Te Ngira review become available. The revised population and dwelling assumptions are reflected in Attachment 1 under Population and household projections and locations.

Zero-Based Budgeting Approach

20. Operational budget planning will apply a zero-based budgeting methodology. The services each activity provides will be considered in terms of legislative or regulatory requirement and the priority of the services and outcomes delivered. Costs will be reviewed, and to the extent that it is practical built up from a zero base. Alternative delivery options will be considered along with options for funding expenditure.

KEY FINANCIAL ASSUMPTIONS

21. The majority of the significant assumptions outlined in the attachment influence the financial outcomes of the LTP. However, several key assumptions have a particularly significant impact on Council's financial performance and position. It is important that these assumptions are informed by expert advice and reliable external sources. Given the ongoing volatility in both the national and international economic environments, these assumptions will be reviewed and updated throughout the planning process as new information becomes available.

22. Council's inflation assumptions are informed by a range of sources, including the BERL Local Government Cost Index (LGCI), which provides sector-specific and asset-specific inflation data relevant to local government activities. The updated interim LGCI is expected to be available on 7 August 2026, and the final version by 23 October 2026. Until the final indices are released, planning assumptions are based on the most recent available forecasts which were October 2025.

23. Interest rate assumptions have been developed using market and bank forecasts available at the end of June 2026. These assumptions will be reviewed and updated throughout the development of the LTP to reflect any material changes in market conditions, including the outcomes of Reserve Bank Monetary Policy Statements.

24. Final inflation, growth and interest rate assumptions will be confirmed prior to the adoption of the LTP.

CHANGES FROM THE LONG-TERM PLAN 2024-2034

25. The assumptions have been updated from those used for 2024-2034 LTP to reflect current data, legislative changes, financial settings, and known risks and uncertainties. The key changes are summarised below.

26. Population and dwelling growth assumptions have been reviewed and updated following the release of final 2023 Census counts and updated Statistics New Zealand information. The revised assumptions reflect minor changes to population growth rates and updated household occupancy assumptions, which have reduced the projected number of additional dwellings over the LTP period.

27. Land use assumptions have been updated to reflect a balanced approach to intensification and greenfield growth.

28. Climate-related assumptions have been reframed to better distinguish physical impacts, transition impacts, extreme events, emergency preparedness and business continuity.

29. Central government reform assumptions have been broadened to reflect ongoing uncertainty around local government reform, RMA replacement, rates capping, development levies and governance changes.
30. Growth funding and revenue assumptions have been expanded to reflect reliance on multiple funding sources, with varying levels of certainty.
31. Inflation, and interest rate assumptions remain in draft and will continue to be updated as new forecasts and advice become available.
32. A new rates capping assumption has been introduced to reflect the Government's proposed annual rates increase target limit.
33. Asset assumptions have been updated to reflect lifecycle, depreciation, revaluation and funding requirements for assets remaining with Council.
34. Water network assets, associated debt and operational responsibility are expected to transfer to the Water Organisation from 1 July 2027, with residual and transitional impacts still being worked through.
35. Capital programme delivery assumptions now place greater emphasis on cost escalation, funding availability, supplier capacity, consenting, market conditions and deliverability risks.
36. New assumptions reflect wider external shocks and emerging risks, including economic conditions, pandemics, global conflicts, supply chain disruption, fuel costs and disruptive technologies.

STATUTORY CONTEXT

37. Schedule 10, Section 17 of the Local Government Act 2002 (LGA 2002), requires Council to identify significant forecasting assumptions.
38. Section 94(b) of the LGA 2002 requires that these assumptions be audited, on the quality of the information and the assumptions underlying the forecast information to be provided in the LTP.
39. Assumptions are also a requirement of the financial accounting standards (under GAAP – Accounting standard PBE FRS 42 Prospective Financial Information).

STRATEGIC ALIGNMENT

40. 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	✓

41. The Significant Forecasting Assumptions support long-term decisions about growth, infrastructure, environmental management, financial sustainability and community wellbeing, helping Council to deliver an inclusive, well-planned and resilient city.

OPTIONS ANALYSIS – SIGNIFICANT FORECASTING ASSUMPTIONS

42. **Option 1 – Adopt Draft Significant Forecasting Assumptions,** Council adopts the draft Significant Forecasting Assumptions as per **Attachment 1** of this report as the basis of the LTP 2027-2037 **(recommended)**

Advantages	Disadvantages
• Reflects legislative requirements and good practice for preparing the LTP. • Provides a clear and consistent basis for activity planning, financial modelling and infrastructure planning.	• No material disadvantages have been identified.

43. **Option 2: Do not adopt draft Significant Forecasting Assumptions** as the basis of the LTP 2027-2037

• Provides an opportunity for Council to request further refinement of the assumptions before adoption.	• Creates uncertainty for staff involved in development of the LTP. • Delays in adopting the assumptions may affect the timely delivery of the LTP and associated audit and consultation processes.

OPTIONS ANALYSIS – ZERO-BASED BUDGETING

44. **Option 1: Endorse Zero-Based Budgeting methodology for preparation of the LTP operational budgets**

Recommended – aligns with Council decision to include zero based budgeting in the LTP Issues List

Advantages	Disadvantages
• Staff review their service deliverables and costs at a sufficiently granular level to challenge what they do relative to priorities. • Provides an explicit review of costs, efficiencies, and lower cost alternatives. • The beneficiaries are clearly identified, and an assessment can be made of the value of proposed services relative to their costs. • Provides a clear and consistent basis for activity planning, and budgeting across the organisation. • Supports an understanding of the cost of services that can be incorporated into shared service charging of the water organisation • Supports an understanding of how artificial intelligence (AI), innovation, and new systems may impact costs over time.	• More time consuming to undertake this budgeting methodology. • In some instances, may lead to proposals for greater funding than in the past. • May create uncertainty amongst staff and contractors as options are assessed.

45. **Option 2:** Council does not endorse the zero-based budgeting approach and instead adopts the incremental budget review approach

Advantages	Disadvantages
• Less time consuming for staff • Service delivery and costs are more likely to be in line with past delivery and past priorities. • Expenditure is constrained by what has been spent in the past and can be easily compared to past expenditure. • Existing contractors and staff have more certainty of their roles and funding.	• The ongoing need for certain services or levels of resourcing may not be sufficiently challenged. • There may be pressure to maintain current expenditure and add more budget where new priorities are identified. • The review is less transparent and therefore it is more difficult to assess how well the review has been done and what the options were.

FINANCIAL CONSIDERATIONS

Significant Forecasting Assumptions

46. There are no direct financial costs associated with adopting the draft Significant Forecasting Assumptions. Adoption provides the basis for financial modelling and preparation of the LTP. If Council does not adopt the assumptions, or requests further rework, this may delay related planning, financial modelling, audit and decision-making processes.

Zero-Based Budgeting Approach

47. Zero based budgeting is a new approach and potentially more time-consuming than the incremental methodology. However, it is expected to be a focus and priority of senior leadership rather than requiring additional resources.

RISKS AND LEGAL IMPLICATIONS

48. The recommendation meets the legislative requirements of the LGA 2002 and reflects best practice in preparing the LTP.

TE AO MĀORI APPROACH

Significant Forecasting Assumptions

49. The Significant Forecasting Assumptions align with Council’s Te Ao Māori approach by supporting transparent, long-term planning that considers intergenerational wellbeing, kaitiakitanga, partnership, and the future impacts of growth, infrastructure, environmental change and financial sustainability.

Zero-Based Budgeting Approach

50. Zero-based budgeting will transparently consider the implications of not prioritising services or changing the way services are delivered. Options will need to be considered consistent with the Te Ao Maori approach.

CLIMATE IMPACT

51. The Significant Forecasting Assumptions support climate-informed long-term planning by identifying key trends and uncertainties relating to climate change, natural hazards, growth, infrastructure and financial sustainability. They provide an evidence base to help Council consider future adaptation needs, emissions impacts, and opportunities to protect and enhance nature and biodiversity through the LTP process.

CONSULTATION / ENGAGEMENT

52. The community will be able to provide feedback on the Significant Forecasting Assumptions as part of formal consultation on the LTP in late March 2027.

SIGNIFICANCE

53. The LGA 2002 requires an assessment of the significance of matters, issues, proposals and decisions in this report against Council's Significance and Engagement Policy. Council acknowledges that in some instances a matter, issue, proposal or decision may have a high degree of importance to individuals, groups, or agencies affected by the report.

54. In making this assessment, consideration has been given to the likely impact, and likely consequences for:

    (a) the current and future social, economic, environmental, or cultural well-being of the district or region

    (b) any persons who are likely to be particularly affected by, or interested in, the matter.

    (c) the capacity of the local authority to perform its role, and the financial and other costs of doing so.

55. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of medium significance. This is because the significant forecasting assumptions have considerable flow on effects to the planning and budgeting of Council.

ENGAGEMENT

56. 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 undertaking engagement on the Significant Forecasting Assumptions as part of the supporting information alongside the LTP Consultation Document.

NEXT STEPS

57. Following adoption, the Significant Forecasting Assumptions will form the planning basis for starting the Draft LTP 2027-2037 process, including financial forecasting, infrastructure planning, audit preparation, consultation planning and supporting information.

58. As noted above, the assumptions will continue to be monitored and updated as more information becomes available.

59. Zero-based budgeting will lead to budgets that form the working draft in the corporate planning system and will be presented to Council along with Activity Plans in October 2026.

60. Following approval of the Draft LTP documentation in December 2026, Audit New Zealand carries out an audit on the information, financials, and underlying assumptions.

61. The final audited documents are expected to be approved by Council for public consultation in February 2027. The Draft Significant Forecasting Assumptions will be consulted on as supporting information alongside the LTP consultation document in late March 2027.

62. Hearing and deliberations on public feedback will be held in May 2027, with adoption of the LTP scheduled for June 2027.

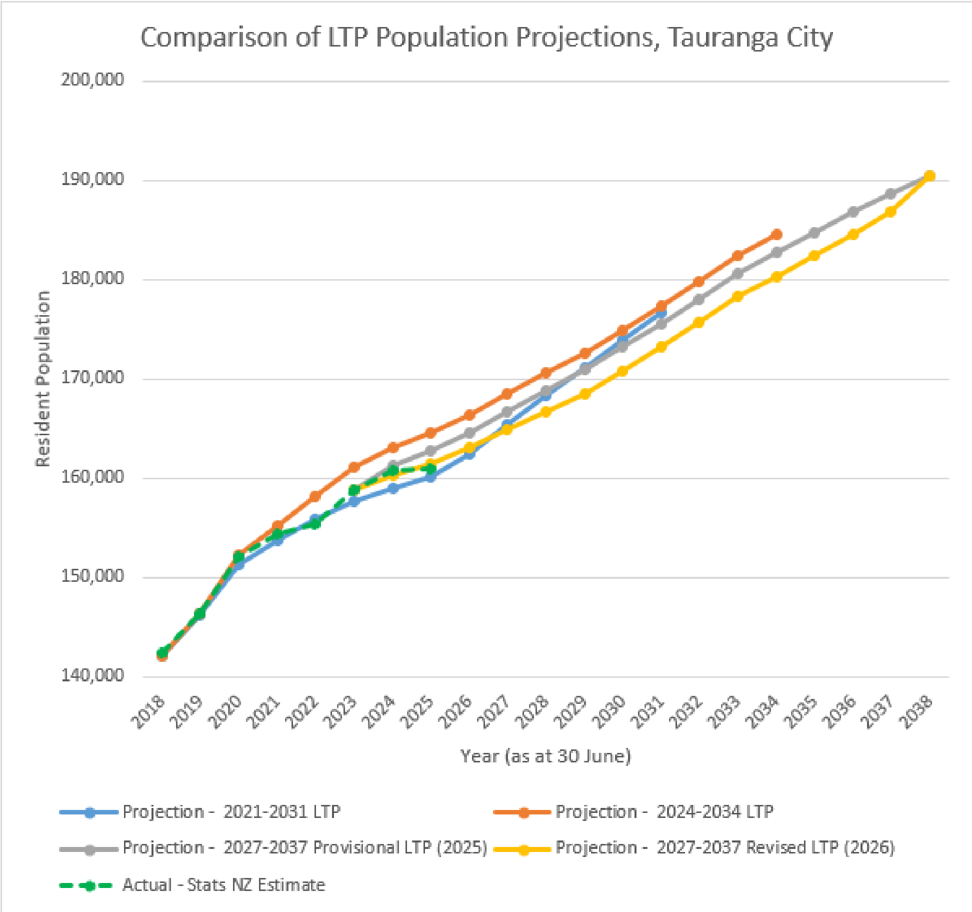
ATTACHMENTS

1. **Significant Forecasting Assumptions LTP 2027-37 - A20725634 (Separate Attachments 2)**
2. **Previous growth projections compared with actual population and dwelling outcomes - A20727000** ⇩

Previous growth projections compared with population Stats NZ estimate and dwelling outcomes

	Population				
	Projection				
	2021-2031 LTP	2024-2034 LTP	2027-2037 Provisional LTP (2025)	2027-2037 Revised LTP (2026)	Stats NZ Estimate *
2018	142,100	142,100			142,500
2019	146,200	146,400			146,400
2020	151,300	152,200			152,100
2021	153,800	155,200			154,400
2022	155,925	158,200			155,400
2023	157,675	161,206	158,900	158,900	158,900
2024	159,049	163,038	161,300	160,291	160,800
2025	160,194	164,549	162,811	161,414	161,000
2026	162,484	166,381	164,643	163,049	
2027	165,411	168,442	166,704	164,848	
2028	168,338	170,618	168,880	166,646	
2029	171,156	172,689	170,951	168,574	
2030	173,973	174,978	173,240	170,863	
2031	176,790	177,376	175,638	173,261	
2032		179,818	178,080	175,703	
2033		182,434	180,696	178,319	
2034		184,504	182,766	180,389	
2035			184,825	182,448	
2036			186,817	184,584	
2037			188,693	186,838	
2038			190,452	190,452	

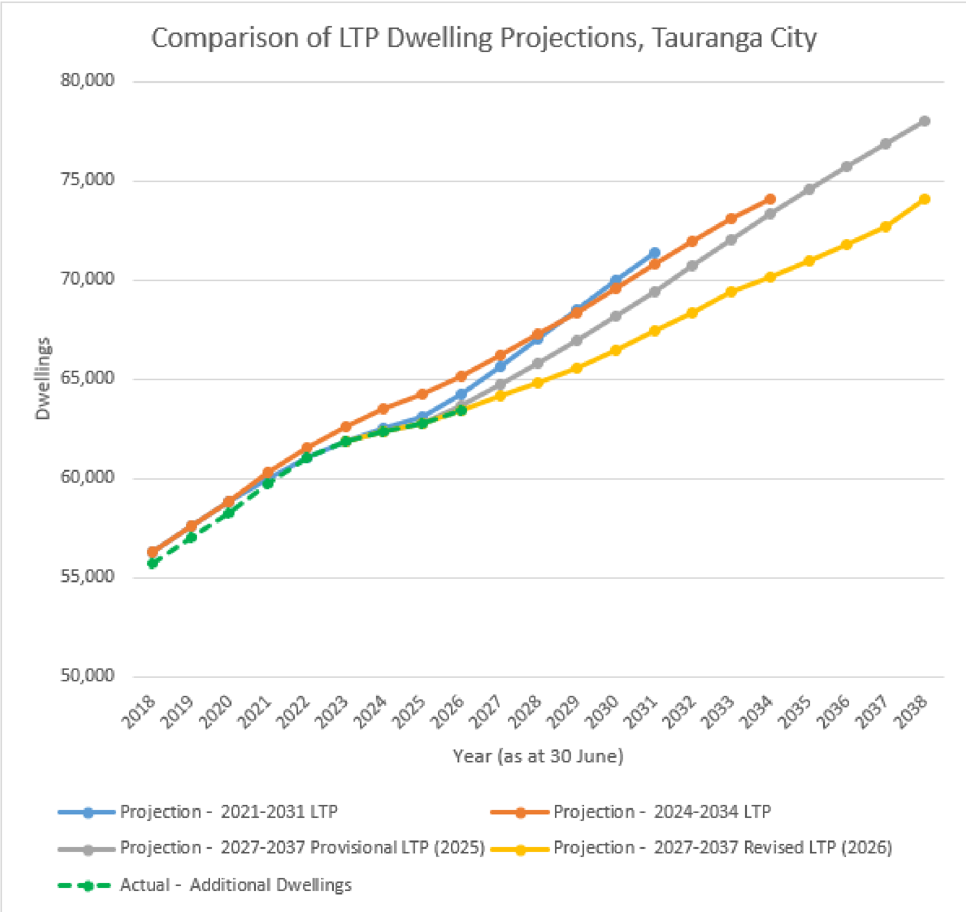
*Note: Stats NZ routinely adjust its Estimated Resident Population (ERP) figure retrospectively. The LTP projections provided in 2021 would have been rebased to the latest available ERP at that time. These were changed by Stats NZ updated October annually for the year to June.


Comparison of LTP Population Projections, Tauranga City
Resident Population
200,000
190,000
180,000
170,000
160,000
150,000
140,000
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
Year (as at 30 June)
Projection - 2021-2031 LTP
Projection - 2024-2034 LTP
Projection - 2027-2037 Provisional LTP (2025)
Projection - 2027-2037 Revised LTP (2026)
Actual - Stats NZ Estimate

2

	Dwellings				
	Projection				**Actual**
	2021-2031 LTP	2024-2034 LTP	2027-2037 Provisional LTP (2025)	2027-2037 Revised LTP (2026)	Additional Dwellings #
2018	56,272	56,272			55,701
2019	57,577	57,577			57,006
2020	58,816	58,816			58,300
2021	60,012	60,295			59,779
2022	61,029	61,547			61,031
2023	61,867	62,624	61,870	61,870	**61,870**
2024	62,539	63,520	62,370	62,370	62,370
2025	63,098	64,259	62,807	62,807	62,807
2026	64,218	65,154	63,703	63,443	63,443
2027	65,647	66,192	64,741	64,143	
2028	67,076	67,286	65,834	64,843	
2029	68,527	68,391	66,939	65,593	
2030	69,978	69,609	68,158	66,484	
2031	71,429	70,800	69,433	67,417	
2032		71,943	70,732	68,367	
2033		73,092	72,076	69,385	
2034		74,132	73,320	70,190	
2035			74,565	70,991	
2036			75,761	71,822	
2037			76,919	72,699	
2038			78,022	74,105	

Note: Additional dwelling figures from TCC monitoring have been added to (from 2023) or subtracted from (before 2023) the 2023 Census based count of 61,870 dwellings.


Comparison of LTP Dwelling Projections, Tauranga City
80,000
75,000
70,000
65,000
60,000
55,000
50,000
Dwellings
2018
2019
2020
2021
2022
2023
2024
2025
2026
2027
2028
2029
2030
2031
2032
2033
2034
2035
2036
2037
2038
Year (as at 30 June)
Projection - 2021-2031 LTP
Projection - 2024-2034 LTP
Projection - 2027-2037 Provisional LTP (2025)
Projection - 2027-2037 Revised LTP (2026)
Actual - Additional Dwellings

4

11.3 Te Manawataki o Te Papa Limited Board - Director Recruitment

File Number: A20295005

Author: Caroline Lim, CCO Specialist

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

PURPOSE OF THE REPORT

1. To approve the recruitment of a new director with transport projects and commercial contracts governance experience to join the Te Manawataki o Te Papa Limited Board.

RECOMMENDATIONS

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 due for completion by 2030, 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.

EXECUTIVE SUMMARY

2. The Council's council-controlled organisation (CCO), Te Manawataki o Te Papa Limited (TMoTPL), was established in December 2022 and is responsible for overseeing the effective delivery of a suite of projects across the Tauranga city centre for the benefit of the wider community. This CCO draws on a broad range of construction industry and financial expertise, and operates with robust governance arrangements.

3. The CCO's 2023 programme of works, with a combined value of approximately $570 million, included the development of a new library and community hub, civic whare (public meeting house), museum, Memorial Park Aquatics Facility, public realm and waterfront enhancements, upgrades to Toi Tauranga Art Gallery, the Haumaru Sport and Recreation Centre, and the fit-out of the civic administration building at 90 Devonport Road.

4. Following the recent significant Tauranga City Council (TCC) organisational reset, the scope of this CCO has expanded to include oversight of a portfolio of major transport-related projects, with a total circa of $838 million. This expanded portfolio includes the four Major Transport Projects of:

   - Tauriko West Enabling Works
   - Fifteenth Avenue to Welcome Bay
   - Cameron Road Stage 2, and

- Connecting Mount Maunganui.

5. Further major projects including Baypark Arena Extension (Netball and Speedway), and Marine Precinct Wharf Structures are very likely to be included in the expanded portfolio.

6. The Board comprises a chair and two directors (collectively tenures expire June 2028 – June 2029), bringing a well-balanced and highly relevant mix of skills and experience. Collectively, the Board demonstrates strong capability in strategic oversight and governance leadership, underpinned by deep expertise in infrastructure delivery, major capital programmes, and complex construction projects. This includes extensive experience in large-scale developments, programme governance, project oversight, and stakeholder engagement, positioning the Board well to guide the successful delivery of Te Manawataki o Te Papa.

7. A fourth director with strong commercial contracting and negotiation experience completed their first term on the board on 30 April 2026 and did not put themselves forward for reappointment due to other professional commitments.

8. With the expansion of its portfolio and its recent board evaluation, the Board has identified the need to strengthen its capability through the appointment of a replacement director with specific expertise in transport project governance and in-depth commercial contract experience. If approved by the Council, this new director's tenure would be for three years and eight months, starting 1 November 2026 and ending 30 June 2030.

9. The appointment of a new director with transport projects governance and commercial contracts expertise is expected to enhance the quality of decision-making, strengthen the management of transport-related risks, and ensure the CCO is well positioned to deliver complex transport outcomes in a rapidly evolving environment. Information on the key requirements of the proposed position is in the Background section below.

10. If the Council decides not to proceed with this recruitment, there may be a risk that decision-making quality could be diminished, and the Board's ability to effectively oversee and guide this increasingly complex and critical component of the work programme may be constrained.

11. There are no additional financial risks associated with this recommendation. Board member fees are provided for within the CCO's existing remuneration budget. Recruitment costs (for example, placement of job adverts) are within staff operating budgets.

12. Section 80 of the Local Government Act 2002 specifies that:

    If a decision of a local authority is significantly inconsistent with, or is anticipated to have consequences that will be significantly inconsistent with, any policy adopted by the local authority…the local authority must, when making the decision, clearly identify:

    a) the inconsistency; and

    b) the reasons for the inconsistency; and

    c) any intention of the local authority to amend the policy or plan to accommodate the decision.

    Council's resolution to recruit for this position for a term of three years and eight months includes resolution (c), detailing the matters in section 80(1), thus satisfying this requirement. There is no intention to amend the Appointment of Directors to Council Organisations Policy (the Appointment Policy) to accommodate this particular decision.

13. There are no other identified risks or legal implications associated with the recommendations in this report. Directors appointed by the Council must comply with the New Zealand Institute of Directors' Code of Ethics and Council's Code of Conduct for Directors Appointed to Council Organisations. Recruiting for new board members is one of the Council's core responsibilities. The recruitment will be undertaken in accordance with the Appointment Policy.

14. Subject to the Council's approval, the proposed recruitment timeline is as follows:

- **August** – Recruitment commences and confirmation of the TMoTPL Appointment Panel (refer to Background section for panel composition and key responsibilities)
- **September** – Shortlisting, interviews, reference and background checks, and panel recommendation
- **20 October** – Council consideration and approval of the panel's recommended appointment, and
- **1 November 2026** – Commencement of the new director's tenure of three years and eight months (ending 30 June 2030).

BACKGROUND

Key requirements of the proposed position

15. If the position is approved by the Council, the essential attributes of this new director are:

- **Strong governance experience** – demonstrated experience serving on boards or in senior governance roles, with a sound understanding of fiduciary responsibilities, strategic oversight, risk management and organisational accountability within complex environments.
- **Transport project governance expertise** – deep knowledge of the transport sector particularly related to network operational challenges, infrastructure delivery, regulatory requirements, safety, stakeholder expectations and emerging trends relevant to the local government and CCO environment.
- **Commercial contracts expertise** – significant experience in negotiating and managing complex commercial contracts, with expertise preferably in procurement, contractual disputes, strategic risk management, and regulatory litigation.
- **Financial, risk and assurance capability** – demonstrated experience overseeing financial performance, capital investment, asset management, audit, compliance, enterprise risk and assurance frameworks within a transport-sector context.
- **Strategic and commercial acumen** – the ability to contribute to long-term strategy, investment decisions, financial sustainability and organisational performance while balancing commercial outcomes with public value.
- **Stakeholder and relationship management** – proven ability to work collaboratively with councils, iwi/Māori partners, government agencies, industry stakeholders and communities within a political environment.
- **Integrity, independence and sound judgement** – high ethical standards, independent thinking and the confidence to provide constructive challenge while contributing to effective collective governance and decision-making.

Te Manawataki o Te Papa Limited Appointment Panel

16. Under the Council's Appointment Policy, it states that an appointment panel is to comprise of the existing CCO Chair or the existing CCO Deputy Chair or their nominee, two elected members and an independent person that can add value to the recruitment process, totalling four panel members.

17. The key points of an appointment panel are:

    - The panel appoints its own chair, and that person can be any member of the panel. A panel chair does not have a casting vote
    - TCC or CCO staff cannot be panel members, however, a TCC staff may act as an advisor to the appointment panel, throughout the recruitment process. This would be the CCO Specialist
    - All panel members must be free of conflicts of interest, and

- An appointment panel's key responsibilities are to finalise a shortlist of candidates for interviews, conduct the interviews and make recommendation (based on a majority of the panel) to the Council.

18. If the position is approved by the Council, the Te Manawataki o Te Papa Limited Appointment Panel membership would comprise of the following:
    - **Unless otherwise directed by the Council, two elected members from the TMoTPL Working Group** (working group membership comprises Councillor Hautapu Baker, Councillor Rick Curach, and Councillor Steve Morris)
    - **Existing TMoTPL Chair, Kim Wallace**, and
    - **Stephen Town – Independent person**.

Proposed independent person on the Te Manawataki o Te Papa Limited Appointment Panel

19. Stephen Town is one of New Zealand's most experienced public-sector chief executives, with leadership experience spanning local government, transport, tertiary education, and large-scale public sector transformation. He served as Chief Executives of Tauranga City Council, Auckland Council and Te Pūkenga (New Zealand Institute of Skills and Technology).
20. From an appointment panel perspective, his value would primarily derive from his extensive executive recruitment experience, governance interface experience, organisational leadership, stakeholder management skills, and understanding of local government and public sector accountability.
21. Mr Town has been involved with the TCC Oversight Steering Group for major transport projects.

STATUTORY CONTEXT

22. Appointment of board members to CCOs such as TMoTPL is one of the Council's core responsibilities.
23. The recruitment process is to be undertaken in accordance with the Council's Appointment of Directors to Council Organisations Policy.

STRATEGIC ALIGNMENT

24. TMoTPL actively works in partnership with the Council, tangata whenua and our community to contribute towards great outcomes, value for money, and delivering more with less resources. Strong effective governance is fundamental to ensuring the above can continue to be delivered:

	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	✓

OPTIONS ANALYSIS

25. Option 1A (**Recommended**): Recruitment of a new director with transport projects and commercial contracts governance experience to the TMoTPL Board:

Advantages	Disadvantages
• Ensures that there is relevant skill set across the entire portfolio of project responsibilities of the Board. • Enhanced decision-making by the board through deep	• Potential governance vulnerability if critical knowledge is concentrated in

transport project governance expertise. • More balanced board discussions grounded in programme delivery risk insights including transport projects and commercial contracts. • Stronger governance and oversight of complex, high-value transport projects / portfolios. • Informed challenge of management and clearer understanding of transport project related risks. • Improved oversight of transport project delivery risk and assurance frameworks. • Greater credibility and trust with government, regulators, partners, and funders.	one individual or insufficient breadth of skills and experience across the Board directors relative to the responsibilities of the CCO.

26. Option 1B: Do not recruit for a new director to the TMoTPL Board:

Advantages	**Disadvantages**
• Remuneration costs will be lower than if an additional board member is appointed. • Could promote collective decision-making and responsibility of the board and reduces reliance on one "expert."	• Reduced ability to independently oversee a complex transport mandate, increasing reliance on management. • Risk of some limitations in governance capability and capacity to rigorously test assumptions or interrogate complex transport projects / proposals. • Potential difficulty in fully understanding and assessing major transport programmes, strategic transport risks and risk appetite. • Potential perception that the board's decisions may lack sufficient sector-informed governance and expertise.

FINANCIAL CONSIDERATIONS

27. Remuneration for a new director is included in the CCO's current board member budget.

28. Recruitment expenses (eg placement of job adverts) are within staff operating budget.

LEGAL IMPLICATIONS / RISKS

29. Section 80 of the Local Government Act 2002 specifies that:

If a decision of a local authority is significantly inconsistent with, or is anticipated to have consequences that will be significantly inconsistent with, any policy adopted by the local authority…the local authority must, when making the decision, clearly identify:

d) the inconsistency; and

e) the reasons for the inconsistency; and

f) any intention of the local authority to amend the policy or plan to accommodate the decision.

If Council resolves to appoint this director for a term of three years and eight months it will exceed the normal appointment period of three years provided for under clause 4.5 of the Appointment of Directors to Council Organisation. Recommended resolution (c), detailing the matters in section 80(1), thus satisfying this requirement. There is no intention to amend the Appointment Policy to accommodate this decision.

30. There are no other risks or legal implications associated with this report or the recommendations.

31. Directors appointed by the Council will be required to follow the provisions of the New Zealand Institute of Directors' Code of Ethics and of Council's Code of Conduct for Directors Appointed by Council-to-Council Organisations.

32. The Council supports the payments by council-controlled organisations of directors' liability insurance and the indemnification of directors.

TE AO MĀORI APPROACH

33. The TMoTPL Board continues to work collaboratively with representatives of the Otamataha Trust who act as Cultural Advisor to the Te Manawataki o Te Papa Limited Civic Development Advisory Group. This ensures tangata whenua voice and perspectives are incorporated from the very outset of a project.

CLIMATE IMPACT

34. While climate impact is important, the matters addressed in this report are on the recruitment of a director to the TMoTPL Board. Therefore, this report does not contain information specifically pertaining to climate impact.

CONSULTATION / ENGAGEMENT

35. It is not required or expected to consult on CCO board recruitment or appointments under the Local Government Act (2002).

36. Subject to the Council's approval, the CCO Chair will be a member of the appointment panel, in accordance with the Appointment Policy.

SIGNIFICANCE

37. 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.

38. 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.

39. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance as it is a standard decision required of a governing body regarding its CCOs.

ENGAGEMENT

40. Taking into consideration the above assessment, the options analysis, and 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

41. Subject to the Council's approval, preparation for recruitment will be actioned, with the aim of the expression of interest period commencing in August.

ATTACHMENTS

Nil

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

File Number: A20265307

Author: Sharon Herbst, Policy Analyst
Keren Paekau, Team Leader: Takawaenga Māori

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

PURPOSE OF THE REPORT

1. To consider and adopt changes to the grants for development contributions (DCs) on papakāinga housing policy, including considering its relationship with the Papakāinga Housing Fund.

RECOMMENDATIONS

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 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.

EXECUTIVE SUMMARY

2. This report seeks Council approval for changes to how Tauranga City Council supports papakāinga housing, specifically the balance between early-stage funding and the existing grant for development contributions on papakāinga housing (the DC grant)[1] which is provided at the building consent (building) stage. The DC grant applies to citywide development contributions, (not local development contributions).

3. The DC grant provides support at the build stage, but uptake has been limited, with evidence showing many projects do not progress far enough to access this funding. Since the introduction of the DC grant in 2021, approximately $469,000 has been paid out, supporting 22 homes, with approximately $2.5 million remaining available in the fund.

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[1] https://www.tauranga.govt.nz/Portals/0/data/council/policies/files/grants-development-contributions-papakainga.pdf

4. On 12 May 2026, Council approved how the Papakāinga Housing Fund would be applied to support early-stage activities such as planning, technical investigations and consenting. Council also agreed in principle to rebalance funding across the development pathway, shifting some support to earlier stages such as planning and consenting by enabling the transfer of funds from the DC grant into the Papakāinga Housing Fund. This requires a review of the DC grant settings.

5. Subsequent engagement with grant applicants, sector advisors and Te Rangapū Mana Whenua o Tauranga Moana (Te Rangapū) confirmed that the DC grant is highly valued and provides important support at the build stage, but on its own is not sufficient to enable most projects to progress.

6. The most significant barriers to delivery occur prior to construction. These include upfront feasibility costs, complexity of planning and consenting, and challenges related to governance and project management, particularly for smaller trusts with limited capacity.

7. Te Puni Kōkiri research (2025)[2] reinforces these findings, identifying early-stage costs, regulatory complexity, and capability constraints as key factors limiting project progression.

8. At the same time, assessment of current EOIs indicates that an investment of approximately $927,000, subject to confirmation, could enable a pipeline of around 61 homes to progress to construction, where development contributions of approximately $2.5 million would become payable. These projects are expected to reach the build stage from early 2027, creating near-term demand on the DC grant fund within the next 8–12 months.

9. Council is asked to determine the appropriate balance of funding across the development pathway. Options include maintaining the current 100% DC grant, or alternatively reducing support to 75% (recommended), or reducing further to 50%. Maintaining a 100% grant would limit the ability to support early-stage activity and is likely to result in oversubscription. A 50% grant would free up more funding but may impact project viability for some developments.

10. The recommended approach is to reduce the DC grant to 75%, alongside transferring funding up to a maximum of $1million to the Papakāinga Housing Fund to strengthen early-stage support. This approach maintains meaningful financial assistance at build stage while enabling more projects to progress through earlier stages and reach construction.

11. This approach is expected to improve delivery outcomes by increasing the number of papakāinga developments progressing to construction, making more effective use of available funding, and supporting a more sustainable pipeline over time. A transition period to 31 December 2026 is proposed to provide certainty for projects already in progress.

12. Key trade-offs include reduced financial support at the build stage, which may impact the feasibility of some developments, particularly for smaller or whānau-led projects. Implementation risks relate to system constraints in applying partial grants and potential cashflow challenges if reimbursement approaches are required. These risks will be managed through transition arrangements, implementation planning, and ongoing monitoring.

13. The legislative context for papakāinga development is changing, including proposed reform to replace development contributions with a development levy system and wider resource management changes to enable housing delivery. In June 2026, the Resource Management (National Environmental Standards for Papakāinga) Regulations 2026 were introduced, which may reduce planning barriers; however, their practical impact is still to be worked through, and early-stage funding and technical support may still be needed.

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[2] Empowering Whānau Through Papakāinga: Insights, Impact, and Pathways (Full Report): https://www.tpk.govt.nz/documents/download/documents-4961-A/Papak%C4%81inga%20research%20report.pdf
Empowering whānau through papakāinga: insights, impact and pathways (Research Summary): https://www.tpk.govt.nz/documents/download/documents-4962-A/Papak%C4%81inga%20research%20report%20summary.pdf

14. Council is asked to decide on the proposed changes and adopt the revised policy, which has been updated to reflect the recommendations above (**Attachment One**).

15. The proposed changes can be implemented within existing budgets. If approved, staff will finalise the updated policy, implement operational changes, communicate revised settings to applicants, and undertake a review of outcomes and legislative changes to ensure the policy remains effective and fit for purpose.

BACKGROUND

16. Tauranga City Council currently provides support for papakāinga housing through a grant for development contributions (DCs), which subsidises citywide DC costs at the building consent stage (build stage).

17. The purpose of the DC grant is to reduce the financial burden of development contributions and support whānau to return to their whenua through the provision of safe and affordable homes. The DC grant is funded from the proceeds of the sale of elder housing portfolio.

18. Since the introduction of the DC grant in 2021, approximately $469,000 has been paid out, supporting 22 homes, with approximately $2.5 million remaining available in the fund. This represents a relatively small proportion of the total available funding and reflects limited uptake to date.

19. Papakāinga developments typically progress through multiple stages (as shown below), from initial concept and whānau planning through to detailed design, consenting, and construction. Council funding has largely been concentrated at the final stage, when development contributions are incurred.

20. Councillor engagement with Māori land entities in late 2024–early 2025 highlighted barriers in the early stages of papakāinga development, such as planning, technical assessments, servicing, and consenting. This led to Council establishing a Papakāinga Housing Fund for 2025/26 – 2026/27 with a total value of $400,000 over two years to support these activities, with funding set aside pending development of an allocation approach.

21. On 12 May 2026, Council approved how the Papakāinga Housing Fund would be applied, including an expression of interest (EOI) process, eligibility criteria, and staged support for activities such as planning, technical investigations, and consenting, enabling previously allocated funding to be used in a structured way to support projects to reach a build-ready stage.

22. On 12 May 2026, Council also approved in principle a series of changes to the DC grant to support papakāinga housing across the development pathway:

    (a) transfer of budget to the Papakāinga Housing Fund on an as-needed basis, while maintaining sufficient funding to meet the Grant Fund's purpose (estimated approximately $440,000).

    (b) reduction in proportion of development contributions funded from 100% to a range of 50–75%, subject to engagement outcomes.

23. At the same meeting, Council also resolved to:

    (a) receive an annual staff-led review of outcomes and processes to ensure the objectives of both funds are being met and to support continuous improvement.

(b) consider an updated Draft Grants for Development Contributions on Papakāinga Housing Policy following appropriate engagement for approval at the Council meeting on 21 July 2026

(c) note that options for the continuation or discontinuation of both the Papakāinga Fund and the Grant Fund for Development Contributions on Papakāinga Housing will be presented for Council consideration during development of the Long-term Plan 2027–2037.

STATUTORY CONTEXT

24. Papakāinga development is supported through Te Ture Whenua Māori Act 1993, which promotes the retention and utilisation of Māori land for the benefit of its owners.

25. The Local Government Act 2002 enables Council to set and collect development contributions to fund growth-related infrastructure. The Government is currently progressing reform to replace development contributions with a development levy system through proposed amendments to infrastructure funding legislation. This new system is intended to provide greater flexibility for councils to recover the full cost of growth-related infrastructure across wider areas, with implementation expected from 2027 following phased legislative change.

26. While there is no statutory requirement to provide grants for development contributions (or future development levies), councils have discretion to provide funding support where it aligns with community wellbeing objectives.

27. The wider statutory context is also changing through resource management system reform. Recent amendments to the Resource Management Act 1991 aim to improve consenting efficiency and make it easier to deliver housing and infrastructure, including streamlining processes and reducing barriers to development. These changes sit alongside the Government’s intention to replace the RMA with a new planning framework that provides greater certainty and enables development while managing environmental effects.

28. In June 2026, the Government introduced the Resource Management (National Environmental Standards for Papakāinga) Regulations 2026, which although not yet in force, will establish nationally consistent planning rules to enable papakāinga development on Māori land. The standards include a permitted activity pathway for some developments that meet specified conditions, reducing the need for resource consent, while retaining a streamlined and more consistent consenting pathway for larger or more complex proposals. This national direction is intended to reduce planning barriers, improve consistency across councils, and better enable whānau to develop housing on their whenua.

STRATEGIC ALIGNMENT

29. 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	☐

30. Papakāinga housing supports an inclusive city by enabling earlier access to funding, which helps more whānau progress developments and access housing. This contributes to addressing housing need, improving equitable access to housing, and supporting more connected and resilient communities. Maintaining support at build stage also helps ensure

projects can be completed, contributing to improved wellbeing and helping ensure more people have the opportunity to flourish.

31. Papakāinga housing supports a well-planned city by enabling developments to progress through planning, design, and consenting stages. Shifting funding earlier helps more projects reach build stage, contributing to increased housing supply and a wider range of housing options. This supports more efficient use of land and helps ensure development-ready projects can be delivered in a coordinated and sustainable way.

32. Papakāinga housing supports business and education by improving access to stable and appropriate housing. This helps enable participation in employment and education by reducing barriers associated with housing access and supports more consistent workforce participation over time.

OPTIONS ANALYSIS

Scale and funding implications

33. Leading up to the 12 May 2026 Council meeting, council staff identified five papakāinga developments (approximately 61 homes) that are currently at concept plan stage and could progress if early-stage barriers are addressed.

34. These developments were estimated:

    (a) to require approximately $842,000 to reach a shovel-ready stage by late 2026

    (b) to reach building consent (build stage) from early 2027 with approximately $2.5 million in DCs payable

35. The expression of interest process for the Papakāinga Housing Fund in June 2026 received six applications seeking a total of approximately $927,000, subject to the outcome of assessments against the eligibility criteria.

36. Based on current estimates:

    (a) approximately $927,000 is required for the Papakāinga Housing Fund (a shortfall of $527,000)

    (b) approximately $2.5 million in DCs would be payable in early 2027

    (c) there is currently just over $2.5 million unallocated in the DC grant fund.

37. This indicates that demand for DC grant funding from the current pipeline will occur in the near term, reinforcing the need to review funding settings to better support delivery outcomes.

38. This further indicates that:

    (a) an investment of circa $1 million at early stages could unlock a pipeline of projects

    (b) these projects generate significantly larger costs at the build stage

    (c) redistributing funding earlier in the process could enable more projects to reach construction (build stage)

39. On this basis, shifting funding toward earlier stages, alongside a reduced DC grant, is considered the most effective approach within existing budgets.

Issue 1: Overall funding approach

40. On 12 May 2026, Council agreed in principle to rebalance funding across the papakāinga development pathway by enabling funding to support earlier stages of development through the transfer of funds from the DC grant into the Papakāinga Housing Fund.

41. Engagement undertaken with applicants and sector advisors confirm that while the DC grant is highly valued and provides important support at the build stage, the most significant barriers to delivery occur earlier in the development pathway and in the transition from

consent to construction. These include upfront feasibility costs, complexity of planning and consenting, and challenges related to governance and project management, particularly for smaller trusts with limited capacity.

42. Feedback also highlighted the need for improved clarity around how and when the DC grant is applied, with some applicants reporting confusion about whether funding had been applied to their development contributions.

43. Research from Te Puni Kōkiri (2025)[3] supports this, identifying that papakāinga development is complex, time-consuming and resource-intensive, with significant upfront costs for feasibility studies, technical assessments and consenting. These early-stage costs, often requiring whānau to self-fund between $50,000 and $90,000, can prevent projects from progressing to the stage where development contributions become payable. The research also highlights regulatory complexity, inconsistent local authority requirements, and the importance of access to project management expertise, governance capability, and trusted advisors as key factors influencing whether projects progress successfully.

44. The research indicates that while early-stage support is essential to enabling project progression, financial pressures at the build stage remain significant. Development contributions, infrastructure requirements and compliance costs can materially affect project viability, particularly for smaller trusts and whānau-led developments.

45. Te Rangapū supported a balanced approach to funding across the development pathway. This included increasing support at earlier stages of development, maintaining meaningful support at the build stage, and applying a defined transition period of six months to support projects already in progress. They supported a partial reduction in the DC grant (such as 75%) where this enabled greater overall delivery, alongside the ability to transfer funding (up to a maximum of $1 million) to earlier stages through the Papakāinga Housing Fund. Te Rangapū also emphasised the importance of clear and accessible communication with whānau to ensure funding changes are well understood.

46. Together, this evidence indicates that funding support focused primarily on the build stage is not sufficient to enable most projects to proceed, reinforcing the need to strengthen support earlier in the development process, alongside improved capability and coordination support.

47. This reinforces Council's earlier direction to rebalance funding across the development pathway. Reducing the DC subsidy is therefore consistent with enabling funding to be applied more effectively at earlier stages of the development process.

48. The future of both the Papakāinga Housing Fund and the DC grant, including ongoing funding levels and long-term structure, will be considered through the Long-term Plan 2027–2037 process.

49. This report does not revisit the overall approach agreed by Council or make long-term funding decisions. Instead, it focuses on interim implementation settings to support delivery outcomes over the next 12–24 months.

50. These implementation decisions include:

    (a) the proportion of development contributions to be funded at the build stage

    (b) the timing of changes to the funding model

51. **Option 1A: Retain status quo approach (no rebalancing / transfer of funds)** *Not recommended*

Advantages	Disadvantages
• Maintains full support at build	• Does not align with Council's in-principle

[3] Empowering Whānau Through Papakāinga: Insights, Impact, and Pathways (Full Report): https://www.tpk.govt.nz/documents/download/documents-4961-A/Papak%C4%81inga%20research%20report.pdf

stage through the DC grant • Provides certainty and continuity for applicants • Simple to administer with existing policy settings	decision to transfer funds • Does not address barriers in earlier stages of development • Likely to result in continued low uptake of funding • Limits ability to enable more projects to reach build stage

52. **Option 1B: Partial rebalancing with maximum of $1 million transferred from the Papakāinga Grant Fund for development contributions to the Papakāinga Housing Fund (as-needed transfers)** *Recommended*

Advantages	Disadvantages
• Aligns with Council's in-principle decision • Enables funding to support identified early-stage barriers while retaining build-stage support • Provides flexibility to respond to demand across the development pathway • Supports more projects progressing to construction over time • Supported by stakeholders, Te Rangapū and research from Te Puni Kōkiri.	• Requires active management of funding allocation across two mechanisms • May create some uncertainty about available funding at each stage

Issue 2: DC grant percentage at build stage

53. Currently all DC grants cover 100% of the total DC costs for each successful applicant. If funding is shifted toward earlier stages, Council can also consider whether to adjust the level of support provided for each individual application for a DC grant at the build stage.

54. **Option 2A Retain status quo level of DC support** (*100% of DC cost)*

Advantages	Disadvantages
• Continues to provide maximum financial support at build stage • Minimises impact on project feasibility for applicants • Maintains certainty and consistency with current policy settings	• Limits ability to reallocate funding to early-stage support, not aligning with Council's direction to rebalance funding across the development pathway • Likely to result in oversubscription of the DC grant fund if the current pipeline progresses • Limited or no remaining capacity to support future papakāinga developments

55. **Option 2B: Reduce support to 75% of DC Cost** - R**ecommended**

Advantages	Disadvantages
• Maintains strong support at build stage while also reducing overall funding pressure • Reduces the risk of oversubscription compared to a 100% grant	• Will still require a significant portion of available funding if the current pipeline progresses • More limited funding available for early-stage support compared to lower

• Supports a greater number of projects, while enabling funding to be reallocated to earlier stages • Likely to support the current pipeline (approx. \$1.9m), with some funding remaining • Retains some flexibility for future papakāinga developments, but limited • Aligns with feedback from stakeholders	percentage options • May not fully mitigate the risk of oversubscription if demand continues to increase

56. **Option 2C: Reduce support to 50% of DC cost**

Advantages	Disadvantages
• Frees up more funding for early-stage support • Enables support for a greater number of projects • Supports more developments over time • Minimises the risk of oversubscription and improves equity of access to funding • Supports the current pipeline (approx. \$1.25m), with significant funding remaining • Provides greatest flexibility to rebalance funding toward earlier stages	• Reduces the level of support available to applicants at build stage • May impact feasibility for some developments, particularly for individual whānau • May require additional consideration of cashflow and funding arrangements

Issue 3: Timing of changes to the DC grant

57. The current pipeline of papakāinga developments is expected to reach the development contribution stage between early and mid-2027. Projects are likely to be shovel-ready by late 2026, with building consents and development contributions becoming payable from approximately February to March 2027.

58. This means that demand for DC grant funding will occur within the next 8–12 months. Decisions on funding levels therefore need to be made now to influence outcomes for the current pipeline of approximately 61 homes.

59. Council can either implement the revised funding model immediately or apply a short transition period to support projects already in progress.

60. **Option 3A: Implement changes now**

Advantages	Disadvantages
• Aligns funding settings before projects reach DC stage • Maximises ability to support more projects overall • Supports earlier-stage delivery • Reduces risk of oversubscription of DC grant fund	• Requires careful communication and implementation • May create uncertainty for projects already in progress expecting 100% funding

61. **Option 3B: Short transition approach** (e.g. maintain 100% DC grant support for existing applications for limited period until 31 December 2026 before applying the revised funding level per Issue 2) **(recommended)**

Advantages	Disadvantages
• Provides certainty for current pipeline projects • Supports fairness for projects already progressed without early-stage funding • Enables smoother transition to new model • Reduces risk of unintended impacts on projects already near delivery • Allows Council to balance fairness to current applicants with the need to move toward a more sustainable funding model over time • Aligns with feedback from stakeholders and Te Rangapū	• Reduces funding available for early-stage support in the short term • May limit ability to support additional developments • Increases risk of a large portion of the fund being committed to existing projects

62. **Option 3C: Longer deferral** (e.g. 12 months)

Advantages	Disadvantages
• Provides additional time for current projects to progress under existing settings • Allows more time for applicants to adapt to changes in funding levels • Minimises immediate disruption to projects already underway	• Delays implementation of funding changes and limits ability to support earlier-stage development • Reduces flexibility to respond to current pipeline and funding pressures • Not considered viable, as most projects in the current pipeline are expected to reach the development contribution stage within this period

Issue 4: Review of the outcomes and processes

63. Council has agreed in principle to an annual staff-led review of outcomes and processes to ensure the objectives of both funds are being met and to support continuous improvement.

64. Given the changes to funding allocation, the evolving pipeline of papakāinga developments, and potential national policy reforms, Council must determine the appropriate approach to reviewing outcomes and processes to ensure funding remains effective and aligned with strategic objectives.

65. Regular review will enable Council to assess whether the revised funding approach is achieving its intended outcomes, including supporting more developments to progress, improving equitable access to funding, and maintaining project viability at build stage. It also provides an opportunity to respond to changes in demand, funding availability, and the wider regulatory environment.

66. The policy is currently reviewed every three years.

67. **Option 4A: Status Quo - 3-yearly review**

Advantages	Disadvantages
• Aligns with existing policy settings • Minimises administrative effort	• Delays identification of issues or improvements in funding effectiveness

• Provides certainty of funding settings over time	• Does not support timely response to changes in the national policy or legislative environment (e.g. development contributions reform) • Does not align with Council's in-principle decision to introduce an annual staff-led review of outcomes and processes

68. **Option 4B: Annual review (recommended)**

Advantages	**Disadvantages**
• Enables regular monitoring of outcomes and funding utilisation • Supports timely adjustments if funding settings are not achieving intended outcomes • Improves visibility of pipeline progression and funding pressures • Enables Council to respond to changes in the wider policy and legislative environment • Implements Council's in-principle decision to introduce an annual staff-led review of outcomes and processes	• Requires additional staff resource • May introduce some uncertainty if funding settings are adjusted over time

FINANCIAL CONSIDERATIONS

69. The proposed changes are expected to be implemented within existing budgets by reallocating funding between the DC grant and the Papakāinga Housing Fund.

LEGAL IMPLICATIONS / RISKS

70. There are no significant legal risks associated with the proposed changes. Council retains discretion in how grant funding is allocated.

71. Key risks relate to implementation, timing, and potential impacts on applicants. Reducing the level of DC grant funding may affect project feasibility for some developments, particularly where applicants have planned on the basis of higher levels of support.

72. There is also a risk that changes to funding levels may create uncertainty or perceived inequity for projects already in progress. This risk is partially mitigated through the proposed transition approach, which provides greater certainty for current applicants while enabling a managed introduction of the revised funding model.

73. The timing of the current pipeline means that demand for development contribution funding is expected within the next 8–12 months. If funding levels are not adjusted appropriately, there is a risk that available funding may be rapidly committed, limiting Council's ability to support future developments.

74. Implementation risks also include system limitations in applying partial DC grants. The current mechanism enables Council to directly credit 100% of eligible development contributions to the invoice. System constraints limit the ability to apply partial credits. Work is underway to determine whether system changes can support partial application of the grant (for example, applying 75% of the total DC amount to the invoice).

75. If system changes are not feasible within required timeframes, an alternative approach may involve applicants paying the full development contribution upfront and subsequently

receiving reimbursement for the grant portion. This approach may create cashflow barriers for some applicants, particularly individual whānau, who may not have the financial capacity to carry the full cost prior to reimbursement. This risk will need to be considered in implementation design.

76. There is a reputational risk if changes to funding levels are perceived as reducing support for papakāinga development; this will be mitigated through clear communication and transition arrangements.

77. These risks are mitigated through retaining a level of DC grant support, applying a defined transition period and ongoing monitoring and review of funding outcomes and uptake.

TE AO MĀORI APPROACH

78. Supporting papakāinga housing enables whānau to return to and utilise their whenua, aligning with Te Ao Māori values and aspirations.

79. Engagement with Te Rangapū has been undertaken to ensure the proposed approach reflects the realities of local papakāinga developments and supports outcomes for whānau. Supporting papakāinga housing aligns with their strategic priorities, including enabling housing on ancestral land and supporting iwi and hapū aspirations. Te Rangapū supported a balanced approach to funding across the development pathway, a partial reduction in the DC grant, a defined transition period and emphasised the importance of clear and accessible communication with whānau to ensure funding changes are well understood.

80. Engagement has been undertaken with Māori land trusts and whānau progressing papakāinga developments, providing direct insight into the practical, cultural and governance considerations influencing development on Māori land. Feedback confirmed that while the DC grant is highly valued and provides important support at the build stage, the most significant barriers to delivery occur earlier in the development pathway.

81. Research from Te Puni Kōkiri (2025) reinforces that papakāinga housing is not solely a housing response, but a holistic expression of Te Ao Māori, supporting whanaungatanga, manaakitanga and intergenerational wellbeing. Papakāinga developments enable connection to whenua, strengthen cultural identity and support collective resilience, but require approaches that recognise the communal nature of Māori land, governance structures and decision-making processes. The research highlights that supporting papakāinga effectively requires not only funding, but also culturally responsive systems, capacity building and relationships that recognise the importance of kaupapa Māori approaches across all stages of development.

82. The proposed shift in funding recognises the importance of supporting earlier stages of development, where whānau often face the greatest barriers.

CLIMATE IMPACT

83. There are no direct climate impacts from the proposed changes. Supporting papakāinga development may contribute to more efficient land use and infrastructure in the long term.

CONSULTATION / ENGAGEMENT

84. Targeted engagement has been undertaken with previous grant applicants, Māori Land Trusts, sector advisors and Te Rangapū Mana Whenua o Tauranga Moana.

85. Te Puni Kōkiri were approached for feedback on the proposed changes but were unable to provide input within the timeframe for this report. Relevant research published by Te Puni Kōkiri has been used to inform this analysis.

86. There is moderate stakeholder interest. Given the targeted nature and low significance of the proposed changes, no formal public consultation is proposed.

SIGNIFICANCE

87. 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.

88. 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.

89. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance mainly due to the fact that this decision is a reallocation of existing approved funding.

ENGAGEMENT

90. 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

91. Following direction from the Council on the issues identified in this report, council staff will

    (a) finalise the updated policy and operational settings accordingly

    (b) update application processes and guidance materials

    (c) implement any required system or process changes

    (d) communicate changes clearly to applicants and stakeholders

    (e) monitor uptake, project progression, and funding utilisation

    (f) undertake review of the policy and report back on outcomes and any recommended changes.

ATTACHMENTS

1. **Revised Draft 2026 Grants for Development Contributions on Papakainga Housing Policy - A20654019** ⇩

GRANTS FOR DEVELOPMENT CONTRIBUTIONS ON PAPAKĀINGA HOUSING POLICY

Tauranga City

Policy type	City		
Authorised by	Council		
First adopted	4 October 2021	**Minute reference**	CO18/21/19
Revisions/amendments	14 November 2022	**Minute reference**	SFR11/22/1
	4 December 2023	**Minute reference**	SFR9/23/2
	21 July 2026	**Minute reference**	
Review date/process	This policy is to be reviewed ~~every three years~~annually in partnership with affected parties.		

1. PURPOSE

1.1 The purpose of this policy is to ensure a structured and transparent approach to the fair distribution of the Grant Fund for Papakāinga Housing ("Grant Fund") to Shareholders and/or Beneficial Owners of Māori land.

1.2 The purpose of the Grant Fund is to reduce the financial burden of development contributions on the development of Papakāinga housing developed for the benefit of Shareholders and/or Beneficial Owners of Māori land.

1.3 The purpose of the Grant Fund is to support the aspirations of Shareholders and/or Beneficial Owners of Māori land to return to their whenua through the provision of affordable, safe and healthy homes.

1.4 This policy supports papakāinga housing by enabling council funding to be applied across the development pathway, recognising that early-stage support is critical to enabling projects to progress to construction.

2. SCOPE

2.1 The Grant Fund is available only for Papakāinga housing developments within the Tauranga City Council ("TCC") boundaries.

2.2 The Grant Fund can only be used to subsidise citywide development contributions on Papakāinga housing developed or owned by Shareholders and/or Beneficial Owners of Māori land where the purpose is not primarily to achieve a commercial benefit from that housing development.

2.3 New-build, extension of existing dwellings and relocation of buildings for Papakāinga housing are in-scope for this policy, to the extent that citywide development contributions are payable.

2.4 Only citywide development contribution fees are in scope for this policy. Local development contribution fees are out of scope for this policy.

2.5 Council fees other than development contribution fees are out of scope for this policy.

3. DEFINITIONS

3.1 For the purposes of this policy, the following terms and definitions apply:

Term	Definition
Council	The governing body of Tauranga City Council
Development contributions (DCs) *Note: these are plain English definitions, please refer to TCC's Development Contributions Policy for technical definitions.*	Enabled under the Local Government Act 2002, development contributions are effectively a partial cost-recovery mechanism to help Council fund the new or improved infrastructure required as a result of growth – like water and wastewater networks, roads, playgrounds and community facilities like BayWave. Development contribution fees are payable to TCC when developments are consented, e.g. subdivision, building (in some cases also altering, expanding or relocating existing buildings), connecting to TCC's water and/or wastewater networks. There are two types of development contributions (DCs) used by TCC, local DCs and citywide DCs.
1. Citywide development contributions (Citywide DCs)	Go toward infrastructure that services the entire city, e.g. a new wastewater treatment plant. Citywide DCs are charged per dwelling (or housing unit equivalent) and the rate is the same right across the city. Citywide DCs are usually payable on a building consent or service connection, but may be charged on a resource consent for land use.
2. Local development contributions (Local DCs)	*Note: Local DCs are not covered by this policy and are included here for completeness only.* Fund the infrastructure that services an area/catchment in which the development is taking place, e.g. small pipes, neighbourhood playgrounds. Local DCs are charged per additional lot, and the rate per lot is different for different parts of the city, depending on how much more infrastructure is needed in that area. Local DCs are usually payable on a resource consent for subdivision or land use, but may be paid on a building consent or service connection if it has not been charged earlier.
Grant Fund for Community Housing	A Council grant fund of $500,000 per year for the six years from 1 July 2021 to 30 June 2027. Its purpose is to assist registered community housing providers and accredited transitional housing providers to increase and retain the stock of community housing in Tauranga city. The method to achieve this is to fully or partially subsidise development contributions for community housing developments by registered community housing providers and accredited transitional housing providers.

Term	Definition
	This grant fund has been funded from the proceeds of the sale of Council's Elder Housing portfolio.
Grant Fund for Papakāinga Housing	A Council grant fund of $500,000 per year for the six years from 1 July 2021 to 30 June 2027. Its purpose is to reduce the financial burden of development contributions on the development of Papakāinga housing on Māori land for the benefit of its Shareholders and/or Beneficial Owners. This is to support the aspirations of Māori Shareholders and/or Beneficial Owners to return to their whenua through the provision of affordable, safe and healthy homes. This grant fund has been funded from the proceeds of the sale of Council's Elder Housing portfolio.
Hapū Partition	A division of Māori land granted in accordance with Te Ture Whenua Māori Act 1993.
Licence to Occupy	A licence granting the holder a personal right to occupy the land.
Māori land	Māori customary land and Māori freehold land as defined in Te Ture Whenua Māori Act 1993.
Māori land Beneficial Owner	The owner of a beneficial interest in Māori land.
Māori land Shareholder	The shareholder of an interest in Māori land.
Occupation Order	An Order granting a legal interest in Māori land in accordance with Te Ture Whenua Māori Act 1993.
Papakāinga housing	Housing and related amenities located on Māori land for the benefit of its Shareholders and/or Beneficial Owners. Related amenities include shared facilities that might otherwise be located within individual dwellings, such as shared ablution areas or shared kitchen facilities. Related amenities do not include other Papakāinga activities such as kohanga reo, kura kaupapa, health clinic, horticulture or agriculture, sports and/or recreational areas, urupa and heritage sites.
Registered community housing provider (registered CHP)	A community housing provider registered with the Community Housing Regulatory Authority (CHRA). Registration with the CHRA requires the CHP to retain ownership of the community housing and to continue to operate it as community housing in the longer term.

Term	Definition
Accredited transitional housing providers (accredited THPs)	A transitional housing provider with Level 3 Ministry of Social Development (MSD) Social Sector Accreditation and a Transitional Housing Services Agreement. Accreditation with MSD requires regular reporting and accountability.
TCC	Tauranga City Council
Year	1 July to 30 June in any particular year.

4. PRINCIPLES

4.1 The Grant Fund will operate on a 'first come first served' basis, applying any eligibility criteria identified in this policy.

4.2 The Grant Fund will be used to ~~fully~~ subsidise 75% of citywide development contributions payable for eligible Papakāinga housing in any Year.

4.3 It is recognised that one development may contain both community housing and Papakāinga housing. For each eligible dwelling or lot, Council will only approve funding from either the Grant Fund for Community Housing or the Grant Fund for Papakāinga Housing, i.e. one dwelling or lot may not attract funding from both grant funds.

5. POLICY STATEMENT

5.1 General

5.1.1 Council allocates the Grant Fund from a limited pool of money, which has a fixed life of six years from 1 July 2021 to 30 June 2027.

5.1.2. The Grant Fund is available to subsidise citywide development contribution fees payable on eligible developments.

5.1.3 TCC citywide development contributions are only payable for development within the Tauranga city boundaries, therefore only Papakāinga housing developments within the Tauranga city area are eligible for this grant.

5.1.4 Any budgeted funding unallocated in one year will be carried through to the following year, being added to that Year's funding pool. Any budgeted funding unallocated after the fixed life of the grant will remain in the funding pool to be used for this purpose until it has all been allocated.

5.1.5 For the avoidance of doubt, this policy is not retrospective. Only development contributions payable from 1 July 2021 will be eligible under this policy.

5.1.6 Council funding for papakāinga housing operates across the development pathway, with early-stage support provided through the Papakāinga Housing Fund and build-stage support provided through the Grant Fund.

5.1.7 Council may transfer funding from the Grant Fund to the Papakāinga Housing Fund on an as-needed basis as determined by Council resolution.

5.1.8 Any transfer of funding will be undertaken to support papakāinga development across the development pathway, while ensuring sufficient funding remains available to meet the purpose of the Grant Fund.

5.2 Funding eligibility

5.2.1 In general, Papakāinga housing that is developed for the benefit of Shareholders and/or Beneficial Owners of Māori land, with demonstrated appropriate approvals, are eligible for a grant from the Grant Fund.

5.2.2 Appropriate approvals include:

- Hapū Partition or Occupation Order from the Māori Land Court, or
- Licence to Occupy from the relevant Māori Land Trust.

These are the approvals also required as part of a building consent application for development on Māori land.

5.2.3 Only Papakāinga housing developed or owned by Shareholders and/or Beneficial Owners of Māori land where the purpose is not primarily to achieve a commercial benefit from that housing development are eligible for a grant from the Grant Fund.

5.3 Funding level

5.3.1 For applications for which development contributions are assessed, invoiced and eligible for grant funding under this policy prior to 31 December 2026, the grant will be fully subsidised (100%).

5.3.2 For application for which development contributions are assessed, invoiced and eligible for grant funding under this policy from 1 January 2027, the grant will be subsidised at 75%.

5.4 Funding allocation process

5.~~3~~4.1 The Papakāinga housing grant distribution will be via an internal TCC transaction from the grant fund to directly ‘pay’ a partial or full credit to the citywide development contributions invoice for an eligible Papakāinga housing development. This will largely be an automatic process once grant eligibility has been established and grant fund availability has been confirmed.

5.~~3~~4.2 A list of all successful grant applications will be reported to Council in an open meeting at least annually, within three months of the end of the Year.

5.~~3~~4.3 The process is outlined in **Schedule 1**, with key steps being:

1. Papakāinga housing developer contacts TCC prior to lodging a building consent to discuss their intention to develop Papakāinga housing and/or refers to the ‘Building on Māori land’ page on TCC’s website
    - Papakāinga housing developer gains awareness of the grant availability, eligibility criteria and application process.
2. Papakāinga housing developer applies to the Grant Fund for Development Contributions on Papakāinga Housing for their development.
3. TCC assesses the grant application for eligibility for a Papakāinga housing grant for citywide development contributions (refer section 5.2 above), and determines current grant fund availability.
    - TCC signals an in-principle decision to the grant applicant, to be confirmed when development contribution fees are finalised at building consent approval stage.
4. Applicant (or landowner) lodges a building consent application with TCC.
5. TCC assesses the consent application, including:
    - The building consent application itself, and
    - Calculating the development contribution fees incurred, and signalling these to the applicant (or landowner)
6. TCC approves *or does not approve* the consent application, advising the applicant (or landowner) of the outcome.

Where the consent application is approved:

7. TCC raises the consent fee invoice and the development contribution fee invoice(s) and payment is as follows:
    - The applicant pays the consent fee invoice, including any local development contribution fees that are incurred.
    - If grant eligibility and grant fund availability has been confirmed:
        - The citywide development contribution fee invoice is raised to TCC and a portion (i.e. 75%) is ‘paid’ directly by TCC from the grant fund.
        - The remainder of the citywide development contribution is paid by the applicant.
    - If grant eligibility is confirmed but there is insufficient remaining in the grant fund to ‘pay’ the invoice:
        - The citywide development contribution fee invoice will be raised to the applicant (or landowner) and is payable by them.

- TCC staff will also prepare a report to Council on the circumstances.
- If grant eligibility is not confirmed:
  - the citywide development contribution fee invoice is raised to the applicant (or landowner) and is payable by them.

8. Once all invoices have been paid, consent is issued by TCC.

5.4.4 Where system limitations prevent partial application of the grant, the grant may be applied through reimbursement following payment of development contributions. TCC will seek to minimise any cashflow impacts on applicants.

~~8.~~

5.~~4~~5 Transparency and accountability

5.~~4~~5.1 TCC will ensure that all administrative and decision-making processes about the Grant Fund are presented in a way that can be easily understood by the community.

5.~~4~~5.2 The extent of the due diligence undertaken by TCC staff and the amount of information requested in regard to this policy will be relative to the amount of grant funding received.

5.~~4~~5.3 TCC is statutorily required to ensure the lawful, transparent and prudent expenditure of public funds. This applies to the distribution of grant funding under this policy.

5.~~4~~5.4 A failure to meet all relevant terms and conditions associated with this Grant Fund may result in termination of funding or decline of future funding.

5.~~4~~5.5 Conflicts of interest will be identified and appropriately managed.

5.~~4~~5.6 TCC will ensure that adequate records are kept at each stage of the funding lifecycle to support internal and external audit requirements and evaluate the impact of the grants programme.

5.~~4~~5.7 Any methods of monitoring undertaken or required will be proportional to the amount of funding and the funding recipient and not impose an unnecessary burden on recipients.

5.5.8 TCC will clearly communicate the funding level of the grant, how the grant will be applied and any transition arrangements and timing.

5.~~5~~6 Policy review

5.~~5~~6.1 As this is a new grant fund and a new funding allocation approach, this policy was initially reviewed annually in 2022 and 2023, and thereafter every three years.

5.~~5~~6.2 The policy review is to be undertaken by TCC in partnership with affected parties. Affected parties include Te Rangapū Mana Whenua o Tauranga Moana and the group of Māori Land Trusts involved in developing this policy, as well as any other party or parties that have applied for a grant from the Grant Fund.

5.6.3 With the introduction of provisions enabling the transfer of funding to the Papakāinga Housing Fund, the policy will now be subject to an annual review. This review will consider the outcomes and processes to ensure the objectives of both the Papakāinga Housing Fund and the Grant Fund are being met, and to support continuous improvement.

6. RELEVANT DELEGATIONS

6.1 The implementation of this policy is delegated to the Chief Executive and their sub-delegates.

7. REFERENCES AND RELEVANT LEGISLATION

7.1 Local Government Act 2002

7.2 Te Ture Whenua Māori Act 1993 (or the Māori Land Act 1993)

8. ASSOCIATED POLICIES/PROCEDURES

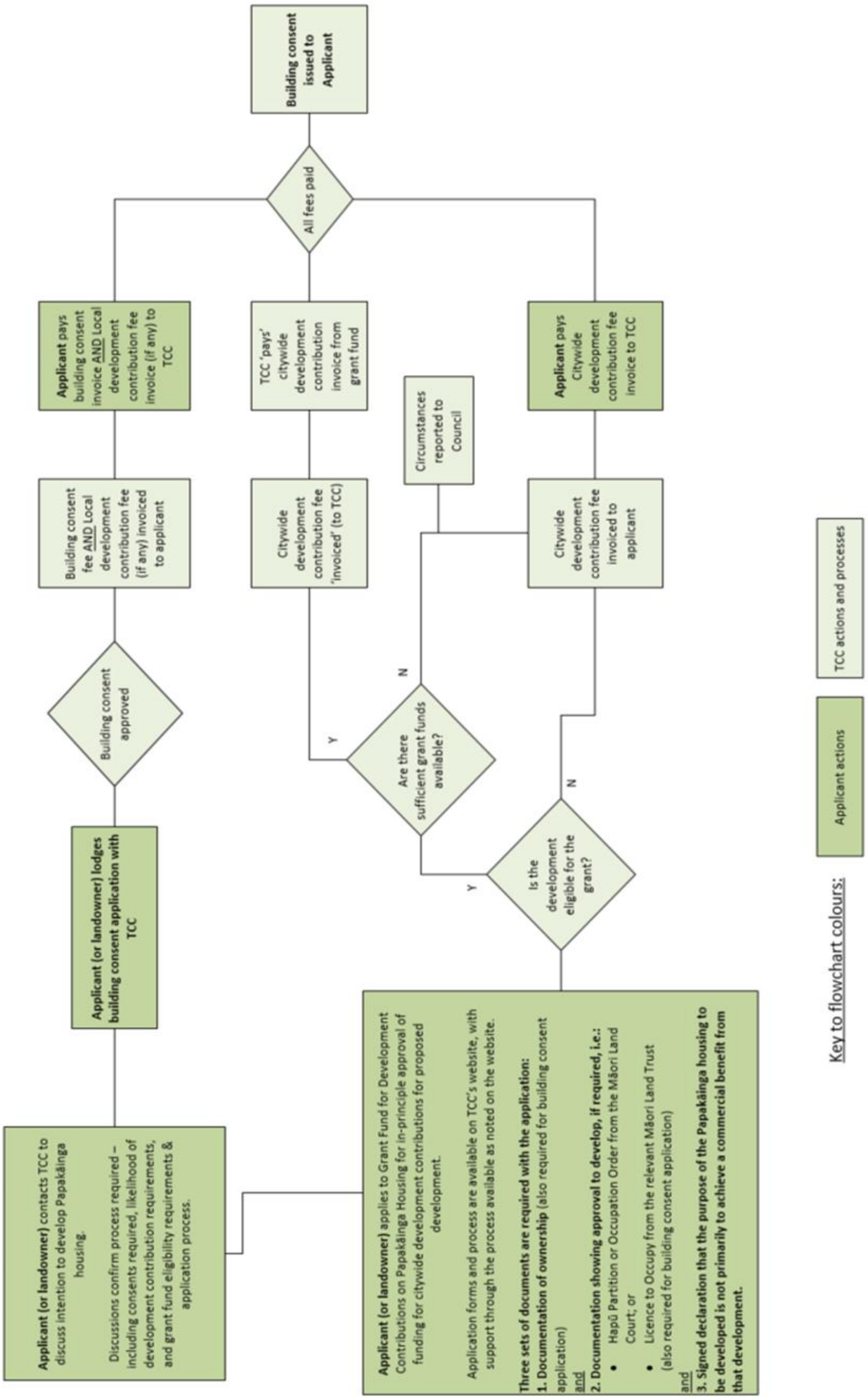
8.1 Grants for Development Contributions on Community Housing Policy

8.2 Development Contributions Policy

9. SCHEDULES

1. Simplified flowchart of grant process

<u>Schedule 1</u>: Simplified flowchart of grant process for BUILDING consents (citywide development contributions)



<u>Grants for DCs on Papakainga Housing Policy -Draft 2026 (A20583612)</u>~~Final Grants for DCs on Papakainga Housing Policy 2023 (A15380440)~~ ~~04/12/2023~~<u>21/07/2026</u> Page 9

11.5 Remits to Local Government New Zealand 2026

File Number: A20705987

Author: Monique Etherington, Senior Advisor: Elected Members and Operations

Authoriser: Gareth Green, Head of Office - Manager of the Mayoral Office

PURPOSE OF THE REPORT

1. To consider Council's position on nine remits that will be voted on at the Local Government New Zealand annual general meeting on 31 July 2026.

RECOMMENDATIONS

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	
2	Improved regulation of vape retailers	
3	Financial support for government reform implementation costs	
4	Removal of Representation Review requirements during Simplifying Local Government reform	
5	Devolution of place-naming authority to Territorial Authorities	
6	Enhanced role for government in supporting subnational diplomacy	
7	Bulk funding of transport activities	
8	Improving LTP audit requirements	
9	A fairer approach to uneconomic transport infrastructure funding	

Priorities

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

	Priority (A to I)
Remit 1 (if successful)	
Remit 2 (if successful)	

Remit 3 (if successful)	
Remit 4 (if successful)	
Remit 5 (if successful)	
Remit 6 (if successful)	
Remit 7 (if successful)	
Remit 8 (if successful)	
Remit 9 (if successful)	

OR

(d) Delegates responsibility to those representatives to determine a view on priorities of the successful remits and convey this to the annual general meeting as required.

EXECUTIVE SUMMARY

2. This report facilitates Council decision-making on nine remits to be voted on at the upcoming Local Government New Zealand annual general meeting.
3. Staff commentary is provided on the nine remits to assist Council in making a decision on whether to support the remit.
4. Supported remits form part of Local Government New Zealand's future work programme.
5. There are no financial implications, legal implications, or risks directly associated with the decisions required in this report.

BACKGROUND

6. Each year at the Local Government New Zealand ("LGNZ") annual general meeting ("AGM") member councils vote on 'remits'. Remits allow member councils to propose policy changes or work programmes for LGNZ. If a remit is passed at the AGM, it becomes official policy for LGNZ to action.
7. The 2026 AGM will be held on 31July online. At the time of writing, Mayor Drysdale, Deputy Mayor Scoular and Councillor Rod Taylor will be attending on Council's behalf
8. There are nine remits to be considered at this year's AGM. They cover:
    - Dog control reform
    - Regulation of vape retailers
    - Funding support for government reforms
    - Relief from representation review requirements
    - Devolution of place-naming authority
    - Support for subnational diplomacy
    - Bulk funding for transport activities
    - Improvements to LTP audit requirements
    - Fair funding for uneconomic transport infrastructure

9. A full copy of each remit including the proposing council or councils, the support obtained to get the remit onto the agenda, and background information is available as **Attachment 1** to this report

10. Staff commentary on the remits is included as **Attachment 2** to this report. This is included to assist Council's consideration of whether to support each remit.

STATUTORY CONTEXT

11. The remits, if successful and prioritised, feed directly into LGNZ's work programme. The ambition of all nine remits is to ultimately change legislation or other central government statutory tools.

STRATEGIC ALIGNMENT

12. 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. Voting on the remits themselves has no direct impact on strategic community outcomes. However, if supported and then if LGNZ's further work leads to legislative or other change, significant impacts may occur.

OPTIONS ANALYSIS

14. There are three layers of decision to be made by Council, each with its own options. The layers are:

(a) Whether to provide direction on each remit to the delegates, or to allow the delegates to determine Council's position on each remit and vote accordingly while at the AGM.

(b) Whether to support or not support each individual remit (assuming that the 'provide direction' approach is taken above).

(c) The relative priority for LGNZ's work programme of all remits supported at the AGM.

15. For layer 1, past elected councils have traditionally provided direction on each remit to the delegates.

FINANCIAL CONSIDERATIONS

16. There are no direct financial considerations associated to this report.

RISKS AND LEGAL IMPLICATIONS

17. There are no direct legal implications or risks associated with this report.

TE AO MĀORI APPROACH

18. There are no direct implications for Council's Te Ao Māori approach arising from this report.

19. If supported, Remit 4 may have future implications for Māori representation arrangements. Similarly, if Remit 5 is supported there are likely future implications for Council's engagement and partnership with mana whenua in relation to geographic place naming.

CLIMATE IMPACT

20. There are no direct climate impact implications associated with this report.

CONSULTATION / ENGAGEMENT

21. No specific formal engagement has occurred with stakeholders or the community on the nine matters covered in the remits.

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 decision.

    (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 decision is of low significance.

ENGAGEMENT

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

NEXT STEPS

26. Council's delegates will take Council's direction to the LGNZ AGM on Friday 31 July 2026.

ATTACHMENTS

1. **LGNZ AGM Remits_2026 - A20675618** ⇩
2. **Remits to Local Government New Zealand 2026 - Staff Commentary - A20707669** ⇩

Ko Tātou LGNZ.

Remits

// Remits to LGNZ's Annual General Meeting

// 2026

1. Priorities for Dog Control Act reform

Proposed by:	**Rotorua Lakes Council**
Supported by:	Invercargill City Council, Gisborne District Council, Tauranga City Council, Hamilton City Council and Far North District Council
Remit:	*That LGNZ advocate to government for the reform of the Dog Control Act 1996 to provide councils with more effective powers and tools to undertake their dog control responsibilities including:*

- *greater scope for earlier intervention*
- *stronger consequences for non-compliance*
- *better ability for councils to set minimum requirements for dog owners - including for desexing and containment*

Why is this remit important?

Councils across New Zealand are experiencing increasing issues with dog aggression, uncontrolled breeding, roaming dogs, and low compliance with microchipping and desexing requirements. Current provisions in the Dog Control Act 1996 limit councils' ability to respond effectively to these challenges. Without stronger tools and clearer powers, these issues will continue to pose real and ongoing health and safety risks to the communities we serve. Legal advice indicates that many of the measures needed to deliver sustainable, long-term improvements can only be achieved through amendments to the Act itself, rather than through a Local Bill or council bylaw. For this reason, advocacy through LGNZ is important to help enable the legislative change needed to better protect communities and support responsible dog ownership and councils' regulatory role in this.

Background and context

Councils across New Zealand are experiencing increasing challenges relating to dog aggression, uncontrolled breeding, roaming dogs, and low compliance with microchipping and desexing requirements. These issues are occurring within the framework of the Dog Control Act 1996, which was introduced to promote responsible dog ownership, ensure public safety, and minimise nuisance caused by dogs. However, many councils now find the Act limits their ability to respond effectively to modern dog control issues. Recent tragic dog attack incidents across the country have heightened public concern and renewed calls from communities and councils for stronger tools to manage high-risk dogs and irresponsible ownership. Local authorities report increasing numbers of roaming dogs, dog attacks, and ongoing pressure on council pounds due to the statutory seven-day minimum impoundment period. Enforcement can also be difficult where dogs are not microchipped or cannot be easily traced to an owner.

Rotorua Lakes Council and many other councils have explored a range of options to address these issues locally. This includes reviewing dog control bylaws, strengthening local enforcement practices, and seeking legal advice on whether a Local Bill or bylaw amendments could introduce measures such as mandatory desexing of impounded dogs, mandatory vaccination for pound-released dogs, or extending microchipping requirements to working dogs. However, legal advice confirms that many of these measures cannot be implemented through local bylaws because they would be inconsistent with the provisions of the Dog Control Act 1996. For example, working dogs are currently exempt from mandatory microchipping under the Act, meaning councils cannot require this through a bylaw. Similarly, councils are limited in their ability to require mandatory desexing except in very specific circumstances, and there is currently no legislative basis for requiring vaccinations such as parvovirus. Other challenges include outdated infringement penalties (currently capped at $3,000 for many offences), delays in prosecution and destruction order processes, and limited powers to intervene early in escalating risk situations.

Because dog control is a national regulatory issue rather than a district-specific one, legal advice indicates that a Local Bill would have little prospect of success. As a result, meaningful and consistent improvements will require amendments to the Dog Control Act 1996 at a national level. Many councils have signalled support for changes such as mandatory microchipping for all dogs, stronger seizure powers, improved containment requirements for high-risk dogs, reduced impoundment periods, and updated penalties and enforcement tools. Collectively, these changes would strengthen councils' ability to manage risk and better protect communities.

How does this remit relate to LGNZ's current work programme?

This remit directly relates to LGNZ's strategic purpose to serve members by championing, connecting and supporting local government and advocating for local government on critical issues.

How will the proposing council help LGNZ to make progress on this remit?

Rotorua Lakes Council has already shared proposed legislative improvements with LGNZ and the Minister of Local Government to support advocacy work already underway to strengthen the Dog Control Act. Rotorua Lakes Council is committed to continuing to support this work and is willing to provide further information, operational insights and data, and feedback to assist any review of the Act. Our first-hand experience with dog control and enforcement provides useful evidence about the challenges councils face and the legislative barriers that currently limit effective responses. We are also willing to work closely with LGNZ, other councils, and sector partners to help build support for these changes. This includes sharing data, contributing to working groups, assisting with policy development, and supporting advocacy to central government. Rotorua Lakes Council has proactively started work in this space and is ready to further contribute to the collaborative work needed to make meaningful improvements to the Act and ensure councils have the tools needed to better protect their communities.

2. Improved regulation of vape retailers

Proposed by:	**Wairoa District Council**
Supported by:	Manawatū District Council, Stratford District Council, South Taranaki District Council, Gisborne District Council, Napier City Council, Hastings District Council and Central Hawke's Bay District Council
Remit:	*That LGNZ advocate to central government for legislative change to provide territorial authorities with greater regulatory and enforcement powers over vape retailers, including the ability to control the location, density, operation, advertising, product visibility and compliance standards of vape stores within their districts.*

Why is this remit important?

The rapid growth of vape retailers across New Zealand has raised increasing concerns regarding youth exposure, public health impacts, community wellbeing and the concentration of vape stores near schools, community facilities and town centres. Territorial authorities currently have limited ability to influence where vape retailers operate; how many may establish within a district or how vaping products are promoted and accessed locally.

Councils are increasingly responding to community concerns regarding the normalisation of vaping among rangatahi, and the long-term social and health impacts associated with nicotine dependence. However, unlike alcohol or gambling regulation, councils currently lack sufficient legislative tools to effectively manage vape retailers through local planning, licensing or policy mechanisms.

This remit seeks stronger local government powers to enable councils to respond appropriately to local circumstances, protect vulnerable communities and ensure communities have a greater role in shaping decisions that impact public health, youth wellbeing and the character of local town centres.

Background and context

The number of vape retailers operating throughout New Zealand has increased significantly in recent years, including within smaller provincial and rural communities. Many councils are experiencing growing public concern regarding the concentration of vape stores near schools, playgrounds, community hubs and town centres, and the increasing visibility and normalisation of vaping among young people.

Vaping products are primarily regulated under the Smokefree Environments and Regulated Products Act 1990 (SERPA) and associated regulations administered by central government.

Current legislation includes restrictions on sales to persons under 18 years of age, advertising and promotion controls, product safety requirements and specialist vape retailer approvals through the Ministry of Health.

Despite these controls, territorial authorities currently have very limited ability to influence:

- where vape retailers establish within a district;
- the concentration or density of vape stores;
- proximity of retailers to schools or youth facilities;
- shopfront presentation, signage or visibility, or
- local licensing or consent requirements.

Unlike alcohol regulation under the Sale and Supply of Alcohol Act 2012 or gambling venue policies under the Gambling Act 2003, councils currently have no equivalent statutory mechanisms to manage the local impacts of vape retailers.

Communities have raised concerns regarding youth access and exposure, increasing nicotine dependence among rangatahi, retail saturation in vulnerable communities, and inconsistent compliance monitoring and enforcement. These concerns are particularly significant in rural and provincial communities already experiencing inequitable health outcomes.

While councils are increasingly expected to respond to these issues, existing legislative pathways through district plans or bylaws are limited and not specifically designed to regulate vape retail activities. This creates uncertainty and inconsistency nationally.

This remit seeks legislative reform to provide councils with fit-for-purpose powers to regulate the location, density and operation of vape retailers, better protect vulnerable communities and ensure local communities have greater input into decisions affecting public health, youth wellbeing and town centre environments.

How does this remit relate to LGNZ's current work programme?

This remit aligns with LGNZ's broader advocacy focus on strengthening local decision making, improving community wellbeing outcomes, and ensuring councils have fit-for-purpose legislative tools to respond to emerging community issues.

The proposed remit supports LGNZ's advocacy regarding public health, community resilience and empowering local government to respond to place-based challenges. It also aligns with wider conversations around community safety, youth wellbeing and ensuring local authorities have appropriate regulatory mechanisms to manage activities that significantly impact local communities.

This remit does not duplicate existing legislative mechanisms currently available to councils and instead seeks to address a recognised regulatory gap within the current framework.

How will the proposing council help LGNZ to make progress on this remit?

Wairoa District Council would support LGNZ by sharing local experiences, community feedback and operational challenges associated with the growth of vape retailers within provincial and rural communities. Council would also assist in identifying the impacts that vape retailer concentration can have on youth wellbeing, public health outcomes and town centre environments.

The Council would be willing to participate in sector discussions, working groups and engagement processes relating to vaping regulation and local government powers. This may include contributing to the development of national policy positions, providing practical case studies and supporting evidence gathering to demonstrate the need for stronger local regulatory tools.

Wairoa District Council would also support collaboration with other councils and Zone networks to identify common concerns, share approaches and collectively advocate for legislative reform. In addition, Council would be prepared to engage with central government agencies and relevant stakeholders to help develop practical, enforceable and locally responsive regulatory solutions that better enable councils to respond to community expectations and local circumstances.

Vape Retail Regulation – Supporting Statistics Snapshot

National Vaping Trends

- Daily vaping among NZ adults increased from 3.5% in 2019/2020 to 11.7% in 2024/2025.[1]
- Over 509.000 New Zealander's now vape daily.[2]
- Approximately 23% of 18-24 year olds vape daily.[3]

Youth & Māori Impacts

- Daily vaping among 15-17 year olds increased from 2.6% to 13.6% since 2019/2020.[4]
- Māori youth continue to experience disproportionately high vaping rates.[5]
- School stand-downs for vaping/smoking increased by 73% between 2021-2023.[6]

Vape Retailer Concerns

- Approximately 71% of vape retailers nationally operate within 800m of schools.[7]
- Around 29% of vape retailers are within 400m (5 minute wak) of schools.
- Research shows vape retailers are disproportionately concentrated in higher deprivation communities. [8]

Legislative Gap

Under the Smokefree Environments and Regulated Products Act 1990, councils currently have limited powers to:

- Restrict vape shop locations or density.
- Prevent vape stores near schools.
- Introduce local licensing frameworks; or
- Manage local retail visibility and concentration.

Unlike alcohol regulation under the Sale and Supply of Alcohol Act 2012 or gambling venue policies under the Gambling Act 2003, councils currently have no equivalent statutory tools to manage local vape retail impacts.

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[1] Annual Update of Key Results 2024/25: New Zealand Health Survey | Ministry of Health NZ
[2] Vaping prevalence and trends: Findings from the 2024-25 NZ Health Survey | PHCC
[3] Annual Update of Key Results 2024/25: New Zealand Health Survey | Ministry of Health NZ
[4] Vaping prevalence and trends: Findings from the 2024-25 NZ Health Survey | PHCC
[5] Vapefree schools | Health Professionals
[6] 'Kids are doing this everywhere': New Zealand wrestles with rise of primary school vaping | New Zealand | The Guardian
[7] New Zealand researchers find more vape stores in deprived areas and near schools
[8] Investigating the spatial and temporal variation of vape retailer provision in New Zealand: A cross-sectional and nationwide study - ScienceDirect

3. Financial support for government reform implementation costs

Proposed by: **Whangārei District Council**

Supported by: LGNZ Zone 1

Remit: *That LGNZ advocate to central government to provide specific targeted financial support to councils to implement the operational and governance changes that are proposed through the legislative reform programme, for example Simplifying Local Government and RMA reforms.*

Why is this remit important?

It is recognised that the Department of Internal Affairs is providing great support across the board for district and regional councils throughout the various reform programmes that are underway.

The toll of the changes and implementation is being felt at a local level, and it would be appropriate for central government to recognise this burden on the local government sector and provide some financial certainty to ratepayers by providing ring-fenced financial support for the reforms. Additional support could be included that ensures nationwide alignment on approach, or the provision of a suite of core document templates for use by all with a view to reducing workload at a local level.

Background and context

Since September 2025, central government has introduced significant legislative reforms affecting local government, including amendments to the Local Government Act and the replacement of the Resource Management Act.

These changes impose substantial new statutory, planning, system, and reporting obligations on councils, many of which involve one off and transitional implementation costs not provided for in existing funding arrangements.

We want to acknowledge that the Department of Internal Affairs is providing great support across the board for district and regional councils throughout the various reform programmes that are underway. This includes the support that has been provided over the last couple of years in relation to the water reforms.

It does need to be recognised that a council's ability to raise revenue is constrained. This is due to the current cost of living crisis and the proposed rates caps to be introduced in this triennium. Council is asking LGNZ to recognise that the toll for the legislative changes and their implementation is being felt at a local level and it would be appropriate for central government to recognise this burden on the local government sector and provide some financial certainty to ratepayers by providing ring-fenced financial support for the reforms.

Central government funding is required to enable timely and effective implementation of these mandated reforms, while avoiding significant increase in the cost to ratepayers or reduction in existing services.

How does this remit relate to LGNZ's current work programme?

LGNZ has an influencing role with central government, and they understand that New Zealanders need to value their local council and trust that it is financially sustainable. LGNZ has a key priority in maintaining a constructive relationship with central government but also to ensure that the membership base has the support it needs to implement changes that come from updated legislation. We believe that this remit is directly aligned to LGNZ's current work programme.

How will the proposing council help LGNZ to make progress on this remit?

Whangarei District Council will support LGNZ in conversations in relation to this remit. We are willing to provide evidence of additional costs, some of which is already gathered in public meeting agendas, and additional resource requirements the Council is having to support without any budget to fund these activities.

4. Removal of Representation Review requirements during Simplifying Local Government reform

Proposed by: **Waikato District Council**

Supported by: LGNZ Zone 2

Remit: *That LGNZ advocate to the Government, on behalf of its members, for compliance relief from the upcoming representation review requirements in light of the significant reforms proposed through the Simplifying Local Government programme and the recent Head Start pathway, which may render any review undertaken before the 2028 elections redundant.*

Why is this remit important?

Councils are required under the Local Electoral Act 2001 to undertake a representation review in preparation for the 2028 local government elections.

The current local government reform environment creates significant uncertainty about the long-term relevance and durability of representation arrangements determined through this review process.

Key contributing factors include:

- the Government's Simplifying Local Government reform programme;
- the recently announced Head Start pathway;
- potential future structural and governance changes, and
- the removal of Māori wards from some districts from 2028 onwards.

Requiring councils to commence representation reviews at this time would impose unavoidable and unjustifiable costs when ratepayer affordability pressures are already significant.

It would also require communities to participate in a complex statutory process that is likely to be superseded and ultimately rendered redundant by current government reform proposals, potentially necessitating a second review shortly thereafter.

Background and context

Representation reviews are a statutory requirement under the Local Electoral Act 2001 and must be undertaken by all local authorities at least every six years.

The purpose of a representation review is to determine how communities are democratically represented through local government arrangements. This includes consideration of:

- electoral voting systems (FPP or STV);
- Māori representation arrangements;
- the number of elected members;
- ward structures and boundaries;
- community board structures;
- population equity requirements;
- governance effectiveness, and
- compliance with Local Government Commission requirements.

Waikato District Council's last representation review was completed in 2021 for implementation at the 2022 local elections. The programme ran from March 2020 to September 2021 and included elected member workshops, a governance working group, public consultation, and hearings. The review was extensive, resource-intensive, and required substantial operational support across the Council.

A further key consideration for the upcoming representation review is the binding 2025 poll on Māori wards, through which the Council did not retain its two Māori wards. This position will vary across the country depending on the outcomes of local referendums. As a result, Māori wards in Waikato District will cease from 2028 onwards. This creates an additional structural change that must be considered as part of any future representation arrangements.

In February, the Waikato Mayoral Forum wrote to the Minister of Local Government and the Minister for the Environment in response to the Simplifying Local Government proposal and reinforced the need for compliance relief in key areas affected by the reform, including representation reviews.

In March 2026, Mayor Bech wrote to the Minister of Local Government seeking relief or a formal transition arrangement from the upcoming representation review requirement. This followed earlier engagement with both the Department of Internal Affairs and the Electoral Commission, each of which advised that it had no legal authority to grant relief. The letter set out concerns that undertaking a full review during a period of significant national reform would create unnecessary duplication, cost, and uncertainty.

The Mayor's correspondence specifically referenced:

- the Government's Simplifying Local Government reform programme;
- potential future boundary and governance changes;
- the removal of Māori wards;
- the lack of legislative discretion available for councils to defer reviews; and

- the estimated $80,000–$100,000 cost of undertaking a full representation review process.

While the Minister's office acknowledged receipt of the letter, no formal relief mechanism had been provided at the time this paper was submitted (22 May 2026).

How does this remit relate to LGNZ's current work programme?

This remit aligns closely with LGNZ's current advocacy on the Simplifying Local Government reforms and practical transition pathways for councils navigating significant system change.

This remit supports that advocacy by seeking practical compliance relief for councils currently required to undertake representation reviews during a period of significant reform uncertainty.

It reinforces LGNZ's broader focus on localism, reducing unnecessary duplication, supporting fiscally responsible decision making, and ensuring councils can direct resources towards delivering long-term community outcomes rather than potentially redundant statutory processes.

The remit complements rather than duplicates LGNZ's existing reform advocacy by seeking a nationally coordinated response on behalf of affected councils.

How will the proposing council help LGNZ to make progress on this remit?

Waikato District Council would be willing to actively support LGNZ in progressing this remit through sector advocacy, evidence gathering, and engagement with central government agencies.

The Council has already undertaken significant work in this area, including:

- preparing a strategic governance paper outlining the implications of the Head Start pathway and wider reform programme for representation review obligations;
- engaging directly with the Minister of Local Government, the Department of Internal Affairs, and the Electoral Commission to seek transitional relief, and
- working collaboratively across Zone 2 councils to raise shared concerns regarding reform sequencing, affordability, and duplication risks.

The Council would be willing to:

- share analysis, correspondence, and supporting material to inform LGNZ advocacy;
- contribute to discussions with Ministers, DIA, and sector working groups;
- support the development of a nationally consistent position on representation review relief and transition arrangements, and
- provide practical insight into the operational, governance, and financial implications of undertaking representation reviews during a period of significant reform uncertainty.

The intent of this remit is not to avoid statutory obligations, but to ensure that councils are not required to undertake potentially duplicative and resource-intensive processes while broader local government reform remains unresolved.

5. Devolution of place-naming authority to Territorial Authorities

Proposed by:	**Far North District Council**
Supported by:	Northland Regional Council, Porirua City Council, Kāpiti Coast District Council, Rangitīkei District Council and Whakatāne District Council
Remit:	*That LGNZ advocate for legislative changes to devolve authority for officiating geographic place names from the Minister for Land Information to local authorities.*

Why is this remit important?

Local communities are best placed to make decisions about names that reflect their identity, history, and sense of belonging. While councils already name roads and streets, authority over official geographic names - such as mountains, rivers, towns, and bays - sits with the New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa and the Minister for Land Information under the New Zealand Geographic Board Act 2008. This centralised system has produced outcomes that lack local knowledge, overlook iwi and hapū relationships, or fail to reflect a community's lived history. Councils have highlighted examples such as the decline of locally supported historical names (Russell, Kororāreka), or cases where official spellings have been approved that do not reflect how names are commonly used, spoken, or understood locally.

Devolving authority to local government, in partnership with mana whenua, would ensure place naming is grounded in authentic local voice while reducing unnecessary bureaucracy. At the LGNZ Rural and Provincial meeting in November 2025, Minister Penk indicated support for this remit and the localised outcomes it seeks to achieve.

Background and context

Under the New Zealand Geographic Board Act 2008, the New Zealand Geographic Board Ngā Pou Taunaha o Aotearoa (NZGB) holds sole authority to assign, approve, alter, or discontinue official geographic place names. While the Board includes representatives from local government and Māori development, its decision-making framework remains national, centralised, and governed by statutory processes that do not always reflect local identity or lived experience.

Local authorities already demonstrate strong capability in place-based naming through their delegated authority for naming roads and streets. These decisions routinely incorporate local history, community values, and the guidance of mana whenua. However, when it comes to naming mountains, rivers, settlements, bays, and other significant features, councils and iwi must defer to a national body, even in cases where local expertise, whakapapa, and historical evidence are well established.

This centralised model can create a disconnect between official names, and the communities that hold whakapapa and lived connection to those places. Consultation occurs but local knowledge is not determinative and decisions may not align with regional dialects, historical narratives, or cultural contexts. Councils have highlighted examples where locally supported names or spellings were not adopted or where national decisions did not fully recognise the depth of local iwi and hapū relationships with place. In the Far North, we refer to the name restoration process for Russell (Kororāreka) which while strongly supported at a local level, failed to receive centralised support.

Returning decision making to local authorities would strengthen the integrity and authenticity of geographic names. It would allow naming processes to better reflect regional narratives, uphold te reo Māori orthographic conventions, and ensure communities have a meaningful role in shaping the identity of the landscapes they inhabit. Devolving authority would also streamline the process by reducing a layer of central bureaucracy while retaining opportunities for national consistency through guidelines and shared standards.

How does this remit relate to LGNZ’s current work programme?

This remit aligns strongly with LGNZ’s long term goal of “local decisions matter”, and aligns with LGNZ’s advocacy for:

- strengthened local decision making;
- improved Crown-local government-iwi partnerships, and
- recognition of local identity and community driven governance.

It also enhances LGNZ’s ongoing work to promote localism, reduce unnecessary centralisation, and strengthen community wellbeing through place-based decision making.

How will the proposing council help LGNZ to make progress on this remit?

The Far North District Council will support LGNZ’s advocacy on this remit by contributing sector leadership and local, practical insights. We have extensive experience working with LINZ on the correction and officiating of Māori place names, including active participation in the “Approving of Unofficial Place Names” workstream. With 1,682 unofficial Māori place names currently progressing through LINZ processes, we hold a strong understanding of the challenges and opportunities within the present system.

FNDC is committed to supporting this remit’s progression alongside LGNZ.

6. Enhanced role for government in supporting subnational diplomacy

Proposed by: **Palmerston North City Council**

Supported by: Metro Sector

Remit: *That LGNZ advocate to government and the Ministry of Foreign Affairs and Trade to formalise and increase its role in supporting subnational diplomacy including developing clear policy and capability to support and grow local government's contribution*

Why is this remit important?

Subnational diplomacy (such as the work councils do through their sister cities) extends the reach of national diplomacy by connecting communities and exporters from local areas with overseas communities and export opportunities. This has been demonstrated by the complementary role sister city relationships with cities in China has played in maximising the benefits of the free trade agreement.

Background and context

A number of other nations play a more explicit role in supporting and setting direction for sub-national diplomacy.

Examples of countries which engage in this space include:

- United States of America – the US Department of State has a specific Subnational Diplomacy Unit headed by a Special Representative for City and State Diplomacy. This unit, and the ambassador, supports US national security priorities by integrating local ideas into foreign policy and fostering connections among cities, municipalities, and communities in the United States and abroad.
- Australia – the Australian Department of Foreign Affairs and Trade has offices across each state capital which supports local and state government foreign and trade relationships.

How does this remit relate to LGNZ's current work programme?

This remit aligns with LGNZ's long-term goal that New Zealanders value councils given the direct financial benefits this could provide. There is also potential alignment with the Advocacy Priority resilient communities, economies, and environments.

7. Bulk funding of transport activities

Proposed by: **Waikato Regional Council**

Supported by: Zone 2

Remit: *That LGNZ calls on government, opposition parties and NZTA to support a move to bulk funding for basic and repeatable transport activities, thereby acknowledging the efficiency and financial gains, and reduction in funding risk, this change would provide to local government, and supports a trial of this proposed bulk-funding approach for the 2027-2030 funding round amongst a group of councils which have demonstrated strong performance in delivering public transport services and/or maintaining transport infrastructure.*

Why is this remit important?

Central government via NZTA tightly controls the distribution of transport funding to achieve national outcomes even though around 50% of all costs are funded via rates.

Most transport funding is approved project by project, requiring achievement of defined business case and approval requirements, before funding is committed. Stringent compliance and reporting requirements are imposed on the local government sector, increasing costs for councils, and reducing efficiency and productivity.

Accelerating the move to bulk funding for basic transport activities, as is seen in many countries globally, would enable local government to operate more flexibly, optimising investment and improving efficiency. Councils have detailed knowledge of their networks, good awareness of resilience and lifeline requirements, and a good understanding of local need.

Maintenance and renewal programmes, public transport services, and the delivery of safety and minor works packages would all benefit from predictable, multi-year funding certainty.

Background and context

In the OECD context, New Zealand is highly centralised. Central government via NZTA tightly controls the distribution of transport funding to achieve national outcomes.

Internationally, bulk funding models for transport are widely used to provide transport authorities with predictable, flexible, multi-year funding approvals. This enables the central government focus to shift from assessing and approving individual projects to supporting strategic policy outcomes. It also enables a reduction in compliance and reporting requirements. It supports local and regional stewardship of networks while improving procurement and delivery performance. A SWOT analysis and global examples of bulk funding for public transport services are provided in Attachment One.

Councils across the country are about to commence work on Long Term Plans and the Regional Land Transport Plan. These are delivered as required by the Local Government Act and the Land Transport Management Act (LMTA). The LTMA requires regions to demonstrate alignment to the priorities of central government even if around 50% of the funding comes from ratepayers rather than the Crown.

Due to this complex legislative structure, transport programmes (in all respects, from maintenance and renewals to public transport services, and from safety works to minor and major improvements) are required to follow multiple local, regional and national processes to secure funding.

The process of prioritising and funding transport activities could be simplified and de-risked significantly if central government and NZTA trusted local government to act in good faith on behalf of communities, and, with the reassurance of accountability and appropriate performance frameworks, provided bulk funding (perhaps at regional level and perhaps in 3 or 5 year blocks) for simple, repeatable, ongoing work programmes. This would enable regions and communities to prioritise and optimise their investment in transport through smarter procurement, resulting in lower administrative and regulatory burden.

Recently announced local government reform is focussed solely on amalgamation within regions and currently proposes no change to the delivery of transport activities.

Over recent funding rounds, NZTA is acknowledged for making limited progress in moving towards bulk funding, for example for some smaller councils. There may be further tweaks in the 2027-30 funding round.

This remit supports the progress made and seeks acceleration of this for all other basic, repeatable transport activities nationally. There are multiple benefits that could be achieved from this change.

At national level, removal and de-politicisation of basic transport activities (estimated at approximately 80% of the total spend) would enable the Minister of Transport, via the Government Policy Statement on Land Transport, to fully focus on prioritising significant investment (the remaining 20%) on central government priorities such as resilience, safety, emissions reduction or roads of national significance.

There would be a large reduction in the requirements of the National Land Transport Programme prepared by NZTA. Bulk funding of basic transport activities would save NZTA significant time and cost.

Regional Land Transport Plans could be simplified and would be fully focussed on more significant inter-regional and system-change priorities. This presents a resource and cost-saving to regional councils.

Local and regional government would be able to undertake the transport portion of their Long Term Plans with less risk and more funding certainty.

How does this remit relate to LGNZ's current work programme?

The issue directly relates to several of LGNZ's 'key issues for councils'.

- Transport: New Zealand needs greater investment from central government and more joined-up central and local government planning that prioritises building and better asset management. The current approach to investment and planning is not working, nor is it fit for the future. How to make public transport more affordable and accessible.
- Funding & Financing: Advocacy for a 'toolbox' approach to funding and financing to provide councils with a range of options to align national goals with local needs.
- Localism: Harnessing the power, knowledge, skills and views of local people to drive better outcomes.

How will the proposing council help LGNZ to make progress on this remit?

Zone 2 councils are willing to trial this proposed bulk-funding approach for the 2027 to 2030 funding round, including development of appropriate accountabilities and performance frameworks.

Attachment One: Further Information

SWOT Analysis – Bulk Funding compared with Project-based Funding

Definition and focus

Bulk funding

- Funding is provided as a programme-level envelope (often multi-year).
- The funder agrees *what outcomes and activity types* the money is for, but not every individual project.
- The recipient has delegated authority to prioritise and deliver works within agreed rules.

Project-based funding

- Funding is approved project by project.
- Each project must meet defined appraisal, business-case, and approval requirements before funding is committed.
- Control is retained centrally by the funder at each decision point.

Decision-making and flexibility

Aspect	Bulk funding	Project-based funding
Decision locus	Decentralised (recipient decides within limits)	Centralised (funder approves each project)
Ability to re-prioritise	High – funding can shift within the programme	Low – changes often require re-approval
Response to changing conditions	Fast (e.g. weather damage, demand shift)	Slower, constrained by approval cycles

Implication: Bulk funding suits environments where needs change frequently and trade-offs must be made continuously. Project funding suits situations where scope is fixed and certainty is required.

Transaction and administrative cost

Bulk funding

- Fewer funding applications and approvals.
- Lower appraisal cost per dollar spent.
- More emphasis on ex-post performance monitoring.

Project-based funding

- High upfront transaction costs (business cases, reviews, approvals).
- Repeated effort for similar or small projects.
- Strong ex-ante assurance but higher overhead.

Implication: Bulk funding is more efficient for many small or routine activities; project funding is defensible for large, discrete investments.

Risk allocation

Risk type	Bulk funding	Project-based funding
Delivery risk	Largely sits with recipient	Shared or retained by funder
Cost overrun risk	Managed within programme envelope	Often escalated back to funder
Portfolio risk	Actively managed by recipient	Managed implicitly via approvals

Implication: Bulk funding assumes the recipient is capable of portfolio and asset-management discipline. Project funding reduces funder exposure to poorly governed organisations but can shift risk management into bureaucratic processes.

Accountability and performance

Bulk funding

- Accountability is outcomes- and performance-based.
- Requires strong monitoring frameworks (KPIs, benchmarking, audits).
- Less visibility of individual project decisions, more focus on results.

Project-based funding

- Accountability is project- and compliance-based.
- Easier to trace decisions and costs to specific assets.
- Can encourage compliance behaviour rather than outcome optimisation.

Implication: Bulk funding works best where there is high trust and mature capability. Project funding suits lower-trust or high-scrutiny environments.

Suitability by activity type

Activity type	Better suited model	Why?
Routine maintenance & renewals	Bulk funding	Predictable, ongoing, portfolio-based

Public transport operations	Bulk funding	Requires service optimisation over time
Low-cost safety improvements	Bulk funding	Many small, standardised interventions
Major new infrastructure	Project-based funding	High cost, unique, high political and fiscal risk
Complex, novel investments	Project-based funding	Uncertainty requires detailed appraisal

Behavioural effects

Bulk funding encourages

- Long-term planning and asset stewardship.
- Trade-offs across a network.
- Innovation and adaptive management.

Project-based funding encourages

- Project promotion and "salami slicing".
- Optimisation of individual projects rather than systems.
- Risk-averse design to satisfy approval gates.

Strengths and weaknesses summary

Bulk funding

Strengths

- Efficient delivery at scale
- High flexibility and responsiveness
- Strongly aligned with asset-management principles

Weaknesses

- Requires mature governance and capability
- Harder for outsiders to see "what was funded"
- Risk of under-investment in politically visible projects

Project-based funding

Strengths

- High transparency at project level
- Strong control of large or novel investments
- Clear political and fiscal accountability

Weaknesses

- High transaction costs
- Slow to respond to change
- Can undermine network-level optimisation

Conclusion

- Bulk funding is best for *ongoing, repeatable, network-wide activities* where flexibility and value-for-money over time matter most.
- Project-based funding is best for *large, discrete, high-risk investments* where certainty, scrutiny, and one-off decisions dominate.

In practice (including in New Zealand), effective transport systems use both models together, allocating each to the activity types they are best suited for rather than treating them as competing alternatives.

International examples – Delivery of Public Transport Services

Internationally, bulk funding models for public transport are widely used to give transport authorities predictable, flexible, multi-year funding while shifting the focus from approving individual routes or projects to outcomes, performance, and network stewardship. Below is a structured overview of the main models in use globally, with concrete country examples.

Block grants to sub-national governments or transport authorities

How the model works

Central government provides a multi-year block grant for public transport. Money is not tied to specific projects or routes; instead, the recipient authority decides how to allocate funding across operations, service improvements, fleet renewal, or minor infrastructure within an agreed framework.

Countries using this model

- United Kingdom (England, outside London)
    - Local authorities receive consolidated Local Transport Grants, replacing older fragmented funding streams. These grants can be used for buses, public transport priority, accessibility, and service support, with local discretion over spending priorities.
- Germany
    - Federal "Regionalisation funds" are provided to Länder as block transfers to finance regional and local public transport services, especially rail, with states responsible for detailed allocation (documented by OECD trends).

- Canada
    - Cities and provinces receive long-term federal transfers (e.g. public transit streams under infrastructure programmes) that are broadly scoped rather than project-specific, supporting operational and capital needs.

Strengths: predictability, local optimisation, lower administrative burden.
Trade-off: relies on strong oversight and capable local institutions.

Formula-based operating subsidies (network or service level)

How the model works

Funding is allocated using objective formulas (population, service km, ridership, social need). The operator or authority manages services within the resulting financial envelope.

Countries using this model

- Sweden & Nordic countries
    - Regional Public Transport Authorities receive predictable operating funding largely detached from individual line approvals, enabling network-wide planning.
- Japan (urban public transport)
    - Local and national governments provide formula-driven operating support combined with fare revenue, with strong emphasis on efficiency and service quality benchmarks.

Strengths: stability for operators, incentives for efficiency at network scale.
Trade-off: formulas must be kept current to reflect demand and cost changes.

Earmarked payroll or local tax funding (hypothecated bulk revenue)

How the model works

A dedicated tax or levy is assigned directly to public transport authorities. Revenues flow automatically and can be used flexibly for both operations and investment.

Countries using this model

- France – Versement mobilité
    - A mandatory payroll levy on employers (≥11 employees) within transport authority areas. It is the single largest funding source for urban public transport and can be used as a bulk operating and capital funding pool.
- United States (selected metro areas)
    - Local sales taxes (e.g. Los Angeles, Seattle) fund transit agencies through dedicated, voter-approved taxes allocated as multi-year funding envelopes (OECD comparative analysis).

Strengths: stable, locally controlled, strongly aligned with beneficiaries.
Trade-off: revenue growth tied to economic cycles.

Service contracts with global budgets (gross-cost or net-cost)

How the model works

Public authorities enter multi-year contracts with operators. Instead of funding individual routes, a global operating budget is set, with performance incentives and penalties.

Countries using this model

- Europe (widely used): Germany, Netherlands, France
  - Authorities specify service outputs and quality standards while paying operators via bulk payments, often linked to punctuality, reliability, or customer satisfaction.
- Australia (bus networks)
  - State governments fund metropolitan bus networks through long-term contracts with operators, using bulk payments rather than route-by-route approval (OECD evidence).

Strengths: cost control, clear accountability, flexibility to redesign networks.
Trade-off: requires sophisticated contract management.

City-region multi-year settlements (outcome-based bulk funding)

How the model works

Large metropolitan regions receive bespoke, multi-year funding settlements covering all local transport, including public transport operations, sometimes linked to agreed performance outcomes.

Countries using this model

- United Kingdom (mayoral city-regions and London)
  - City-region transport authorities receive long-term settlements enabling integrated planning across buses, metro, rail, and active transport.
- France (Île-de-France Mobilités)
  - Combines national funding, payroll levy revenue, and regional contributions into a large, flexible funding pool for the Paris region's transport system.

Strengths: supports system integration and long-term planning.
Trade-off: complex negotiation and governance arrangements.

Summary

Bulk funding model	Typical users	Key feature
Block grants	UK, Germany, Canada	Local discretion within national envelope
Formula-based subsidies	Nordics, Japan	Predictable, objective allocation
Hypothecated taxes	France, US metros	Dedicated, stable revenue source

Global service contracts	EU, Australia	Budget + performance incentives
City-region settlements	UK metros, Paris	Integrated, outcome-focused funding

Conclusion

Across countries, bulk funding for public transport is used to stabilise finances, enable network-level optimisation, and reduce transaction costs. While design details vary, successful models share three features:

1. Multi-year certainty,
2. Local discretion paired with accountability, and
3. Performance or outcome-based oversight rather than project approval.

8. Improving LTP audit requirements

Proposed by: **Gisborne District Council**

Supported by: Central Hawke's Bay District Council, Hastings District Council, Stratford District Council, Taranaki Regional Council, New Plymouth District Council, Wairoa District Council, Manawatū District Council, South Taranaki District Council, Tararua District Council, Rangitīkei District Council, Hawke's Bay Regional Council and Horowhenua District Council

Remit: *That LGNZ advocate to government for improvements to the efficiency, proportionality, and cost-effectiveness of audit requirements for Long Term Plans and Consultation Documents, including:*

1. *Greater proportionality in audit requirements, ensuring that audit effort is aligned with council size, complexity, risk, and materiality; and*
2. *Reducing duplication across audit stages, particularly where similar information and assumptions are subject to repeated review; and*
3. *Improving standardisation, transparency, and cost control in audit delivery, to reduce rework and improve consistency across the sector, and to constrain excessive or escalating audit fees through greater transparency of audit pricing and benchmarking of costs across the sector.*

Why is this remit important?

Local authorities are required to prepare Long Term Plans (LTP) that are subject to statutory audit by the Auditor-General. While audit plays a critical role in supporting transparency and accountability, the current approach imposes significant direct and indirect costs across the sector.

Audit requirements apply at multiple stages, including the consultation document and final LTP, and involve detailed supporting information, iterative review, and tight timeframes. This creates substantial organisational pressure and requires significant staff time, consultant input, and rework.

Audit effort is applied consistently across councils regardless of size, complexity, or risk, and can be disproportionate to risk or materiality.

As these requirements are set through legislative and assurance frameworks, individual councils have limited ability to influence them. Sector-level advocacy is required to ensure audit processes remain proportionate, efficient, and cost-effective while maintaining appropriate assurance.

Background and context

The Local Government Act 2002 (LGA) requires local authorities to prepare and adopt an LTP using the special consultative procedure, supported by an Auditor-General's audit opinion. This includes audit of both the consultation document and the final LTP.

These requirements are intended to support transparency, accountability, and sound long-term decision making. However, in practice, the audit component of the LTP process has become a significant cost driver for councils.

Audit processes apply at multiple stages and require extensive supporting information, detailed modelling, and iterative engagement with auditors. Councils must respond to audit queries, revisit assumptions, and undertake rework within constrained statutory timeframes. This creates sustained organisational pressure across finance, strategy, infrastructure, and governance functions.

The cost of audit is not limited to external audit fees. It includes substantial internal staff time, consultant support, and opportunity costs associated with diverting resources from service delivery and implementation.

Audit requirements are applied consistently across the sector, regardless of council size, complexity, or risk profile. This can result in audit effort that is disproportionate to the scale or materiality of the underlying issues.

In addition, the requirement to audit both the consultation document and final LTP creates duplication, with similar information and assumptions subject to repeated review.

This issue is sector-wide and cannot be addressed by individual councils, as audit requirements are set through legislative and assurance frameworks. There is an opportunity to improve the efficiency and cost-effectiveness of audit processes while maintaining appropriate levels of assurance.

How does this remit relate to LGNZ's current work programme?

This remit aligns with LGNZ's role in advocating on matters of sector-wide significance and improving the effectiveness and efficiency of local government.

It supports LGNZ's focus on value for money, reducing unnecessary costs, and ensuring regulatory and assurance settings remain proportionate to risk and scale.

The remit is targeted and practical, focusing specifically on statutory audit requirements that apply across all councils and contribute to rising costs and organisational pressure.

Based on publicly available information, this issue does not appear to be the subject of a specific LGNZ workstream. The remit would support LGNZ to advocate for improvements to audit processes that maintain transparency and accountability while improving efficiency and cost-effectiveness.

How will the proposing council help LGNZ to make progress on this remit?

Gisborne District Council will:

- work with LGNZ and other councils to articulate the practical impacts of current LTP audit requirements;
- provide evidence of direct and indirect costs, including audit fees, staff time, and organisational impacts;
- contribute examples where audit effort is not proportionate to risk, scale, or materiality;
- support the development of practical improvements, including proportional audit approaches, reduced duplication, and improved pricing transparency, and
- participate in any sector engagement, working groups, or discussions with the Auditor-General and Government to progress improvements to audit processes.

The Council is committed to supporting sector-wide solutions that reduce unnecessary cost while maintaining robust public accountability.

9. A fairer approach to uneconomic transport infrastructure funding

Proposed by:	**Stratford District Council**
Supported by:	South Taranaki District Council, New Plymouth District Council, Rangitīkei District Council, Manawatū District Council and Wairoa District Council
Remit:	*That LGNZ advocate for a fairer approach towards uneconomic transport infrastructure, where either NZTA commits to co-funding this infrastructure if councils remain legally obligated to own and maintain it, and/or the Government provides clearer guidance and support for councils downgrading or ceasing service to low traffic volume areas*

Why is this remit important?

The development of the Roading Activity Management Plan includes the replacement of our structural assets. Included in the 2027-2037 Long Term Plan (LTP), we have four uneconomic bridges that require replacement at an estimated cost of $4.5m. If NZTA will not co-fund these replacements and we cannot opt out of ownership, the burden will fall on ratepayers. We are not alone in this scenario: this is a national issue that New Zealand has to resolve.

Background and context

Within the Stratford District there are 18 bridges that will fall into the category of uneconomic transport infrastructure. The definition of this category being “bridges built and currently maintained by council that generally only provide access to individual properties, or bridges built by council that are for private use.”. It should be noted that NZTA is considering a position whereby it will not co-fund the replacement of any uneconomic bridge unless it can be clearly demonstrated that the Gross Domestic Product generated from the land served by the bridge exceeds the cost of replacing the structure over its lifecycle. Legal advice obtained in 2016 states that “if the Council previously maintained/erected the bridge, then the responsibility for maintaining the bridge continues.”. In layman’s terms, if a public body (County, Borough or District Council), has spent public funds either constructing or maintaining a bridge, irrespective of its location, whether it is located on a maintained road or an un-maintained road (paper road), the Council still has a responsibility to maintain this bridge.

How does this remit relate to LGNZ's current work programme?

LGNZ is focussed on helping councils meet the costs of maintaining their transport networks as part of its infrastructure work programme, especially in the face of rapidly rising costs for labour and materials. The unwillingness of the NZTA to fund this sort of infrastructure while still requiring councils to maintain it could also be considered a form of unfunded mandate imposed by central government, which has long been a focus area for LGNZ.

How will the proposing council help LGNZ to make progress on this remit?

We have requested clarification of NZTA's stance on this issue through our relationship with the Director, Regional Relationships.

We are happy to make our existing legal opinion on Road Controlling Authority responsibilities available.

We are open to any other contribution that would be helpful.

Remits to Local Government New Zealand 2026 – Staff Commentary

#	Remit Title	Remit Summary	Staff Commentary	Recommendation (if any)
1	Priorities for Dog Control Act reform	Seeks reform of the Dog Control Act 1996 to give councils stronger powers for earlier intervention, tougher enforcement, and clearer requirements for responsible dog ownership such as desexing and containment.	Tauranga City Council faces the same challenges in dog control as other councils around the country. We have liaised, encouraged, and supported Rotorua Lakes Council in making this submission. Tauranga City Council has been involved in a recent DIA re-writing of the Dog Control and Enforcement Guidelines, which sits alongside the Dog Control Act 1996. What was especially evident from this working group is that the Act is being utilised to the maximum extent by councils but still falls short. The Act, as it is, was written for a society in a different time and a vastly different dog population, then layered with inconsistencies. The resulting intricacies and omissions in the Act constantly leave councils unable to take meaningful actions to meet the needs and expectations of the communities we are trying to keep safe. Tauranga City Council supports a full review and re-write of the Act.	Support
2	Improved regulation of vape retailers	That LGNZ advocate to central government for legislative change to provide territorial authorities with greater regulatory and enforcement powers over vape retailers, including the ability to control the location, density, operation, advertising, product visibility and compliance standards of vape stores within their districts.	We note the 2025 Government legislation enacted about the number and location of vape stores, however an ability to have greater local control over retailer numbers, locations, and operation would be supported. From a community safety perspective, the increasing number and visibility of vape retailers is affecting perceptions of safety, particularly through youth congregation and loitering. Council is aware that the number and location of vape stores is of concern to our urban centre partners and stakeholders (Mainstreet's). In addition to the matters outlined in the remit, there are emerging waste management and safety implications associated with vaping products that warrant consideration. Disposable vapes and related items contain lithium-ion batteries and hazardous components that present fire risk when disposed of in general waste or recycling streams. There is an opportunity for national regulation to address these risks through mechanisms such as product stewardship under the Waste Minimisation Act, which could require retailers to provide	Support

			takeback and ensure safe end-of-life management. Incorporating these considerations alongside retail regulation would support a more holistic approach to managing the full impact of vaping products on communities and council services.	
3	Financial support for government reform implementation costs	Requests targeted central government funding to help councils meet the operational and governance costs of implementing major legislative reforms, including Simplifying Local Government and RMA changes.	The reforms have been proposed by central government at short notice and require expenditure that is outside councils core business as usual (BAU) operations. The short notice means that they have not been factored into the annual plan budgets so will constitute a spend above budget. Significant reform costs are loan funded as they are one-off and would not normally sit within rates funding for services to the community. Borrowing for these reforms must be paid back by the community and the debt to fund reform reduces the infrastructure that can be afforded. It also redirects resources and reform itself contributes to uncertainty regarding the future decision-making environment. The costs of the work to support these reforms will be akin to the costs of setting up the waters entities which for TCC has involved costs over two years of about $8m. With additional system development costs, a further $5m-$6m for TCC's share. Ongoing loan funding of operating costs related to reform is affecting Council's balanced budget metrics and its credit assessment by the rating agencies that look to year on year operating surpluses and deficits.	Support
4	Removal of Representation Review requirements during Simplifying Local Government reform	Seeks relief from upcoming representation review requirements on the basis that current local government reforms may make reviews undertaken before the 2028 elections unnecessary or short-lived.	Tauranga is one of the councils required to conduct a representation review ahead of the 2028 elections. This process has already started with an elected member briefing session held on 21 May 2026. Separately, but entirely related, Council voted on 2 June 2026 to hold a binding poll on the retention of the Te Awanui Māori ward. The legislation currently requires the binding poll to be held before 28 March 2027. The results of that poll would be a critical input to the referendum review. Such a poll is likely to cost approximately $600,000. Undertaking a full representation review is a complex process involving multiple legislative steps. Community views are typically	Support

			sought at the outset of the process, as well as formal consultation and then appeal processes later in the process. Undertaking this work by staff, elected members, and the community for a model of local governance that may not exist by the time the 2028 local authority elections are held is not considered good value-for-money. Additionally, running two seemingly very similar parallel engagement & consultation processes with our communities runs the risk of creating confusion in our communities and risking the perception of bureaucratic inefficiency and unnecessary cost. As noted in the Remit paper, *"Requiring councils to commence representation reviews at this time would impose unavoidable and unjustifiable costs when ratepayer affordability pressures are already significant."* As is legislatively required, and on recent advice from the Department of Internal Affairs, staff will continue to work on the representation review. Staff support any efforts to remove this statutory process until the shape of local governance in Tauranga and the Bay of Plenty is determined either through the Head Start pathway or the Backstop approach to the government's Simplifying Local Government policy programme.	
5	Devolution of place-naming authority to Territorial Authorities	Advocates for legislative change to transfer authority for official geographic place names from central government to local authorities, so decisions better reflect local identity, history and iwi relationships.	Tauranga City Council agrees that devolving place-naming authority to territorial authorities would better reflect local identity, history, and community connection. Councils are already experienced in place-based decision-making, including road and street naming, and have established relationships with mana whenua and local communities to ensure names are culturally appropriate and locally meaningful. In a growth context, particularly with new developments and expanding urban areas, having greater local control over place naming would allow councils to apply consistent, timely processes that align with local planning, infrastructure delivery, and community expectations. We also support the intent to reduce unnecessary centralisation and enable more efficient, locally informed decision-making. The current model can result in delays or outcomes that do not fully align with local knowledge or usage. ***If this remit progresses, it will be**	Support ***With conditions**

			important to establish a clear and consistent national framework or process for councils to follow, including expectations for engagement with mana whenua and alignment with national standards. This would ensure decisions remain locally driven while maintaining appropriate consistency and integrity across the country.	
6	Enhanced role for government in supporting subnational diplomacy (Sister Cities)	Calls for government and MFAT to formalise and strengthen support for councils' international relationships and subnational diplomacy, including clearer policy direction and capability support.	Tauranga City Council has sister city relationships with Yantai and Hitachi. These arrangements provide for cultural, civic and economic partnerships that benefit both parties. With Government support, these relationships could be of even greater value, and new relationships can be developed in emerging economies, supporting local businesses to expand into new markets.	Support
7	Bulk funding of transport activities	Seeks a shift from project-by-project transport funding to bulk, multi-year funding for routine and repeatable activities, with a trial proposed for the 2027–2030 funding round.	Moving to multi-year, bulk funding for transport would improve budget certainty, reduce council planning overheads, and better align investment across infrastructure sectors. It would give councils more flexibility to respond to local needs and emergencies while maintaining accountability through programme-level reporting. Bulk-funding would also improve procurement efficiency, deliver better value for money, and provide greater certainty for suppliers incentivising investment in local skills and employment. Programme funding allocations have been used successfully across NLTP periods for the Road Safety and Demand Management activity class. The approach can be broadened to include maintenance and renewals, safety and minor improvements using common methods and standards across LGAs for basic transport investments. TCC notes NZTA has indicated a shift to a more programmatic approach in the 2027–30 NLTP for improvement activities and will provide further guidance on implementation.	Support
8	Improving LTP audit requirements	Advocates for more efficient, proportionate and cost-effective audit requirements for Long Term Plans and consultation documents, including less duplication and greater transparency of audit costs.	The current Long Term Plan audit process is highly resource intensive and increasingly misaligned with statutory timeframes, creating pressure on councils to deliver consultation and adoption within required deadlines. Audit effort is not always proportionate to risk, and duplication across audit stages introduces avoidable delays at critical points in the process.	Support

			A more proportionate, risk-based approach, alongside reduced duplication and improved consistency and transparency, would better support timely LTP delivery while maintaining appropriate assurance.	
9	A fairer approach to uneconomic transport infrastructure funding	Calls for a fairer funding approach where NZTA co-funds uneconomic transport infrastructure councils are still legally required to maintain, or government provides clearer support for service downgrading or cessation.	We acknowledge the tension between serving communities that are dependent on this infrastructure and the cost to non-users, particularly where the assets serve a small number of individuals. However, the cost of maintaining and replacing the assets is beyond the capacity of LGAs, with an undue burden on ratepayers. Councils are being asked to carry an unfunded mandate, and a commitment from NZTA to fund the work or a clear workable pathway to manage a downgrade of the level of service is necessary.	Support TCC supports the request for **clarification on funding** uneconomic transport infrastructure like rural bridges.

Informal briefing notes for Mayor

Purpose: Quick speaking notes for discussion with the Mayor on the nine LGNZ 2026 remits. Overall, staff recommend support for all nine remits.

1. **Dog Control Act reform – Rotorua Lakes Council.**
   Supported by: Invercargill City Council, Gisborne District Council, Tauranga City Council, Hamilton City Council and Far North District Council.
   This remit seeks a full reform of the Dog Control Act 1996 so councils have stronger tools for earlier intervention, tougher consequences for non-compliance, and clearer powers around responsible dog ownership, including desexing and containment. Staff commentary is **strongly supportive.** Tauranga faces the same dog control challenges, has supported Rotorua Lakes Council's work, and considers the current Act outdated, inconsistent and no longer fit for purpose.
2. **Improved regulation of vape retailers – Wairoa District Council.**
   Supported by: Manawatū District Council, Stratford District Council, South Taranaki District Council, Gisborne District Council, Napier City Council, Hastings District Council and Central Hawke's Bay District Council.
   This remit asks for councils to have greater regulatory and local enforcement powers over vape retailers, including location, density, operation, advertising, visibility and compliance standards. **Staff support** greater local control, noting concerns from an urban centre/community safety perspective, including youth congregation, Mainstreet stakeholder concerns, and emerging waste and fire risks from disposable vapes and batteries.
3. **Financial support for government reform implementation costs – Whangārei District Council.**
   Supported by: LGNZ Zone 1
   This remit seeks targeted central government funding to help councils implement major legislative reforms, including Simplifying Local Government and RMA changes. **Staff support** this because reform costs are significant, often unbudgeted, and can displace infrastructure investment. For TCC, water reform transition work has involved about $8m over two years, with further system development costs estimated at $5m–$6m.

4. **Relief from representation review requirements – Waikato District Council.**
   Supported by: LGNZ Zone 2
   This remit seeks compliance relief from representation review requirements while the Simplifying Local Government reform programme is unresolved. **Staff support this**. Tauranga is required to undertake a representation review for 2028 and has already started the process, while also needing to hold a binding poll on the Te Awanui Māori ward before 28 March 2027 at an estimated cost of about $600,000. Staff consider the current process poor value for money while local governance arrangements remain uncertain.
5. **Devolution of place-naming authority – Far North District Council.**
   Supported by: Northland Regional Council, Porirua City Council, Kāpiti Coast District Council, Rangitīkei District Council and Whakatāne District Council.
   This remit seeks legislative change so official geographic place-naming authority sits with local authorities rather than central government. **Staff support the intent**, as councils are well placed to work with mana whenua and communities on names that reflect local identity, history and usage. Staff note that a clear national framework would still be needed to ensure consistency, integrity and appropriate mana whenua engagement.
6. **Enhanced support for subnational diplomacy – Palmerston North City Council.**
   Supported by: Metro Sector.
   This remit asks government and Ministry of Foreign Affairs and Trade to formalise and strengthen support for councils' international relationships, including sister city arrangements. **Staff support this**. Tauranga has sister city relationships with Yantai and Hitachi, which provide cultural, civic and economic opportunities. With stronger government support, these relationships could deliver greater value and help local businesses connect with emerging markets.
7. **Bulk funding of transport activities – Waikato Regional Council.**
   Supported by: LGNZ Zone 2
   This remit seeks a move from project-by-project transport funding to bulk, multi-year funding for routine and repeatable transport activities, with a possible 2027–2030 trial. **Staff support this** as it would improve funding certainly, reduce planning

overheads, support better procurement, and allow more flexible responses to local needs and emergencies. Staff note NZTA has already signalled a move towards a more programmatic approach for the 2027–30 NLTP.

8. **Improving LTP audit requirements – Gisborne District Council.**
   Supported by: Central Hawke's Bay District Council, Hastings District Council, Stratford District Council, Taranaki Regional Council, New Plymouth District Council, Wairoa District Council, Manawatū District Council, South Taranaki District Council, Tararua District Council, Rangitīkei District Council, Hawke's Bay Regional Council and Horowhenua District Council.
   This remit seeks more efficient, proportionate and cost-effective audit requirements for Long Term Plans and consultation documents, including less duplication and more transparency around audit costs. **Staff support this.** The current process is resource intensive, can be disproportionate to risk, and creates pressure on statutory timeframes. A more risk-based approach would maintain assurance while improving timeliness and efficiency.
9. **Fairer approach to uneconomic transport infrastructure funding – Stratford District Council.**
   Supported by: South Taranaki District Council, New Plymouth District Council, Rangitīkei District Council, Manawatū District Council and Wairoa District Council.
   This remit asks for either NZTA co-funding for uneconomic transport infrastructure that councils are legally required to maintain, or clearer government guidance and support for downgrading or ceasing service. **Staff support** the request for funding clarity. The key issue is that councils can be left carrying an unfunded mandate for infrastructure that serves very small numbers of users but is costly to maintain or replace.

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

File Number: **A19417621**

Author: **Caroline Lim, CCO Specialist**

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

PURPOSE OF THE REPORT

1. To receive the final Statements of Intent FY27-29 for Tauranga City Council's council-controlled organisations as required by the Local Government Act (2002).

RECOMMENDATIONS

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.

EXECUTIVE SUMMARY

2. The draft statements of intent (SoIs) for Bay Venues Limited (Bay Venues), Tauranga Art Gallery Trust (TAGT), Tourism Bay of Plenty (TBoP), Te Manawataki o Te Papa Limited (TMoTPL), Te Manawataki o Te Papa Charitable Trust (TMoTP Charitable Trust), and Bay of Plenty Local Authority Shared Services Limited (BoPLASS) were received by the Council in March 2026 and shareholder feedback were provided in April 2026.

3. Following delivery of their draft SoIs, the council-controlled organisations (CCOs) have since delivered their final SoIs by the statutory deadline of 30 June 2026.

4. The Council meeting on 21 July 2026 is the first opportunity to formally receive the final SoIs. At the time of writing this report, the Local Government Funding Agency's final SoI will be presented separately on 4 August 2026 at the City Delivery Committee.

5. Overall, staff are satisfied that the CCOs' final SoIs (**Attachments One to Six**) have met the statutory requirements under the Local Government Act 2002 (LGA), responded constructively to shareholder feedback, and are aligned with the Letters of Expectations (LoE) dated 17 December 2025.

6. The final SoIs reflect key shareholder feedback points and the Council's primary expectation for the CCOs to maintain service levels despite no increase in opex funding (including no CPI adjustment) for FY27.

7. No financial risks or other risks, or legal implications have been identified with this report or the final SoIs. The SoIs include the financial forecasts for FY2027-2029.

8. No options analysis is required, as this report fulfils the Council's responsibility to formally receive the final SoIs.

9. Further detail on the shareholder feedback and changes from the draft version to the final SoIs for the substantive CCOs is provided in the Background section below.

BACKGROUND

10. Under the LGA, the Council's CCOs must prepare an annual SoI. The SoI outlines each organisation's activities, performance measures, and financial forecasts over a three-year period, and is approved by the CCO Boards.

11. Draft SoIs must be provided to the Council by 1 March each year for shareholder feedback. The Council must provide feedback by 1 May, ahead of adoption and delivery of the final SoIs by the CCO Boards by 30 June.

12. The Council provides feedback to its substantive CCOs, namely Bay Venues, TAGT, TBoP and TMoTPL.

13. As TMoTP Charitable Trust is jointly governed by the Council and the Otamataha Trust, and BoPLASS is owned by nine councils, the Council does not provide LoEs or feedback on their SoIs unless significant issues arise.

14. TBoP's updated draft SoI has been formally received by its joint shareholder, Western Bay of Plenty District Council (WBoPDC), at their council meeting scheduled on 28 May 2026.

Bay Venues Limited, Tauranga Art Gallery Trust, Tourism Bay of Plenty and Te Manawataki o Te Papa Limited's Final Statements of Intent – Highlight of changes from draft to final version

15. Staff are satisfied that the substantive CCOs have responded appropriately to the Council's feedback in their final SoI and that their final documents are aligned to the Council's expectations.

16. The following outlines the changes of the SoIs from the draft to the final version for Bay Venues, TAGT, TBoP and TMoTPL.

Bay Venues Final Statement of Intent – Shareholder feedback response summary (Attachments One and Seven):

Shareholder feedback	Response in final SoI	SoI references
Council brand and strategic alignment: • Increase visibility of the Tauranga City Council brand. • Strengthen alignment to Council's community outcome of "A vibrant city that embraces events". • Broaden the focus beyond Bay Venues-managed facilities to a citywide perspective. • Ensure strategic pillars are community-focused rather than internally focused.	• Stronger recognition of Tauranga City Council ownership and funding role. • Explicit acknowledgement of Council branding and communications. • Strategic pillars aligned to Council's strategic direction and priorities. • Strategic pillars reordered to place greater emphasis on community experiences, spaces and partnerships.	• Page 3 – Bay Venues identified as kaitiaki of Council facilities and Council recognised as primary funder and owner. • Page 6 – Strategic pillars aligned with Council priorities and reordered to elevate community outcomes. • Page 22 – Council contribution acknowledged through signage and customer communications.
Staff safety and anti-social behaviour: • Staff safety must remain paramount. • Outline initiatives that support staff wellbeing and	• Safety and inclusion embedded as core organisational principles. • Health and safety leadership reinforced throughout the document.	• Page 3 – Commitment to safety, inclusion and resilience; Board focus on health and safety. • Page 6 – Goal 4: Safe, vibrant and fit-for-purpose

safety in response to increasing anti-social behaviour.	• Specific safety goals and measures included. • Health, safety and security improvements established as a key organisational focus area.	spaces. • Page 6 – Goal 9: Safe organisational culture. • Page 7 – Zero serious harm incidents performance measure. • Page 7 – Health, safety and security improvements identified as a major organisational focus.
Mount Hot Pools: • Avoid language that may alarm the community or suggest predetermined decisions regarding the future of the Mount Hot Pools.	• Language revised to remain neutral and future-focused. • Closure decisions are not pre-empted. • Scenario-based assumptions used where required for financial planning.	• Page 3 – Future of Hot Pools discussed collaboratively with Council, mana whenua and community. • Page 8 – Scenario-based assumption regarding potential reopening. • Page 13 – Neutral description of current closure due to landslide damage.
Financial stewardship, prudency and capital programme: • Increase clarity around financial stewardship and prudent financial management. • Contribute to development of the Sport and Recreation Investment Programme for the Long-term Plan (LTP) 2027-2037. • Support consideration of whole-of-life investment implications for facilities.	• Stronger emphasis on disciplined financial stewardship and value for money. • Financial performance measures expanded. • Support for Council investment planning highlighted. • Capital programme clearly presented. • Asset management and renewal planning linked to LTP priorities.	• Page 3 – References to disciplined financial stewardship, efficiency and value for money. • Page 7 – Financial performance measures including surplus, capex delivery and subsidy efficiency. • Page 7 – Commitment to supporting Council investment priorities and projects. • Page 10 – FY27 capital programme outlined. • Page 20 – Asset management planning aligned with Council priorities and LTP.
Partnership with Tangata Whenua: • Strengthen Bay Venues' partnership with Tangata Whenua and continue progressing the Memorandum of Understanding (MoU).	• Stronger references to partnerships with tangata whenua throughout the SoI. • Māori Engagement Strategy identified as a strategic programme. • Commitment to building enduring relationships with iwi and hapū reaffirmed.	• Page 6 – Goal 6 includes strong partnerships with tangata whenua. • Page 7 – Māori Engagement Strategy included in organisational game plan. • Page 22 – Commitment to strengthening relationships with iwi and hapū.
Staff inflationary adjustments:	• Budget provision included for staff remuneration	• FY27 budget includes provision for an average remuneration increase of

• Include staff inflationary adjustments within the final SoI.	increases.	2%.
Information requested for Council decision-making: • Provide information regarding the approximately $320,000 funding gap relating to the annual facility painting programme and operation of the Queen Elizabeth Youth Centre.	• Requested paper prepared and presented to Council to support decision-making.	• Paper provided and presented to Council as requested.
Additional expectation – recognition of Council as principal funder: • Ensure recognition of Tauranga City Council as the principal funder across Bay Venues operations and services.	• Recognition of Council's ownership and funding role incorporated throughout the final SoI. • References embedded across board statements, strategic priorities, communications and partnership sections.	• Council ownership, funding contribution and strategic partnership referenced throughout the final document.

Tauranga Art Gallery Trust Final Statement of Intent – Shareholder feedback response summary (Attachments Two and Eight):

Shareholder feedback	Response in final SoI	SoI references
Comfort with growth benchmark of 5% and would like pre-closure visitor numbers reported.	• Growth benchmark has been included.	• Page 6 – growth benchmark included. • Page 9 – Target 13 growth benchmark included in the priorities table. • Pre-closure visitor numbers – response in the letter (Attachment Eight), will be reported in their next Annual Report FY26.
Visitor satisfaction and data capture: • Provide greater detail on the customer satisfaction survey, including its methodology, alignment with national practice, respondent selection, and the collection of visitor and demographic data, to ensure robust information supports future decision-making.	• Establishing a baseline and looking into the future sections have been confirmed.	• Page 6 – Sections 3.2 and 3.3. • Page 9 – Target 13 visitor satisfaction of at least 80% highly satisfied. • In their letter (Attachment Eight), more information is provided on visitor data collection.
Specific reporting about the reopening of the gallery: • Provide reporting against the exhibitions featured in the gallery's launch presentation to provide	N/A.	• In their letter (Attachment Eight), reopening reporting will be included in their next Annual Report FY26.

meaningful insights into the success and impact of the gallery reopening.		
Budget information: • Provide the final budget statements when available. • Specifically, clarifications are requested on the significant decrease in Other Income (from $600k to $56k) and Other Expenses (from $179k to $117k), including whether the reduction in expenses relates to the gallery reopening.	• Final budget has been provided.	• Page 13 – Financial Climate and explanation of overall deficits provided. • Page 19 – Final budget provided. • Explanation is provided in the letter (Attachment Eight) on the two specific clarifications requested.
Additional expectation: • TCC is recognised as the principal funder across the CCO's various platforms.	• Additional expectation has been included.	• Page 7 – Target 3 included in the priorities table.
Minor edits to be actioned.	• Minor edits have been actioned.	• Page 10 – added Dave Guruge as a Trustee (section 4.2). • Page 11 – replaced 'HAVC' systems with 'HVAC' systems (section 5).

Tourism Bay of Plenty Final Statement of Intent – Shareholder feedback response summary (Attachment Three):

Shareholder feedback	Response in final SoI	SoI references
Overall feedback: • Overall, this is a good document. • The working group is comfortable with the draft Statement of Intent and supportive of the direction this CCO is taking.	N/A.	N/A.
Information requested for Council decision-making: • The key focus for Council will be the paper being presented on 21 April, which outlines the three projects requiring funding: Our Tauranga Region Place Brand, iSite Visitor Services capital expenditure, and the Digital Wayfinding Network Content management.	• Requested paper prepared and presented to Council to support decision-making.	• Supporting paper provided and presented to Council as requested.
Additional expectation: • TCC is recognised as the	• Additional expectation has been included.	• Page 10 – last paragraph.

principal funder across the CCO's various platforms.		
Minor edits to be actioned.	• Minor edit has been actioned.	• Page 6 – replaced 'joint' with 'separate' letter of expectation (section 4).

Te Manawataki o Te Papa Limited Final Statement of Intent – Shareholder feedback response summary (Attachment Four):

Shareholder feedback	Response in final SoI	SoI references
Overall feedback: • Overall, the working group is comfortable with the draft Statement of Intent. • The targets are well-aligned and clearly presented.	N/A.	N/A.
Additional expectation: • TCC is recognised as the principal funder across the CCO's various platforms.	• Additional expectation has been included.	• Page 12 – performance measures and targets table.
Minor edits to be actioned.	• Minor edits have been actioned.	• Page 3 – replaced Letter of Expectations dated '13 April 2023' with '17 December 2025' (Chair's foreword section). • Page 4 – replaced for the years '1 July 2025 to 30 June 2028' with '1 July 2026 to 30 June 2029' (Chair's foreword section). • Page 4 – replaced 'Civil' Development with 'Civic' Development (Chair's foreword section). • Page 4 – replaced '2007 to 2009 period' with '2027 to 2029 period' (Chair's foreword section). • Page 5 – replaced 1 July '2027' with 1 July '2026' (introduction section).

Te Manawataki o Te Papa Charitable Trust Final Statement of Intent

17. As the Council and the Otamataha Trust jointly govern TMoTP Charitable Trust, there was no LoE provided to this CCO.

18. At the TMoTP Charitable Trust's half-year meeting on 11 May 2026, this CCO confirmed that the current SoI is still fit for purpose as its new SoI FY27-29, from 1 July 2026 to 30 June 2027 (**Attachment Five**).

19. This CCO's key performance targets include:

    - Reviewing annually the Statement of Intent and finalising by 30 June

- Providing Annual and Half-Yearly reporting and monitoring
- Reviewing redevelopment projects, and
- Ensuring that the history of Te Papa is captured and protected for future generations by establishing an archive of stories and knowledge.

Bay of Plenty Local Authority Shared Services Limited Final Statement of Intent

20. As the Council is one of nine shareholder members, there was no LoE provided to BoPLASS.

21. The focus of BoPLASS' five performance targets is maximising value for money and benefits for its members (**Attachment Six**).

22. This CCO has also confirmed that it will continue to manage a variety of joint procurement projects and shared services across FY27-29 including Infrastructure Insurance, Aerial Imagery and LiDAR, CCTV Centralised Monitoring, and GIS Web Services.

Purpose of a Statement of Intent under the Local Government Act 2002:

23. The legislative requirements are set out in Section 64 of the LGA. The legislation states that the purpose of a statement of intent is to:

    a) state publicly the activities and intentions of the council-controlled organisation for the year and the objectives to which those activities will contribute, and

    b) provide an opportunity for shareholders to influence the direction of the organisation, and

    c) provide a basis for the accountability of the directors to their shareholders for the performance of the organisation.

Council-controlled organisations' core purpose:

24. The following table outlines the core purpose of each CCO:

Council-controlled organisation	Core purpose
Bay Venues Limited	To connect the community with exceptional experiences through hosting activities and events at community facilities across Tauranga including aquatic centres, indoor sport and fitness facilities, event venues, community centres and halls, and the Adams Centre for High Performance.
Tauranga Art Gallery Trust	To create and deliver exceptional art experiences that engage, inspire, challenge and educate visitors through exhibitions, public programmes and events.
Tourism Bay of Plenty	To lead the sustainable growth of the Western BoP visitor economy, the management of the region as a visitor destination, and the management of iSITE Visitor Information Centres at Tauranga, Mount Maunganui and the Port of Tauranga (during the cruise season only).
Te Manawataki o Te Papa Limited	To govern the effective delivery of a suite of projects across Tauranga city centre, to benefit the whole community.
Te Manawataki o Te Papa Charitable Trust	To own the land referred to as 'Site A' of the Te Manawataki o Te Papa civic precinct, and to provide certainty on how the land will be used in the future, so that everyone in the community benefits.
Bay of Plenty Local Authority Shared Services	To foster collaboration in the delivery of shared services and joint procurement on behalf of the participating councils, maximising cost savings and developing opportunities for sharing of services.

STATUTORY CONTEXT

25. The SoI is one of the CCO's key governance and planning documents.

26. Engaging with the CCOs throughout the development of the annual SoIs is one of the main ways the Council can influence its CCOs while ensuring they are aligned with the Council's strategic outcomes.

STRATEGIC ALIGNMENT

27. The CCOs actively work in partnership with the Council, tangata whenua and our community to contribute towards great outcomes, value for money, and delivering more with less resources.
28. Examples include providing leisure, arts, cultural, aquatic, and event services that foster connection and participation for people of all backgrounds, operating community facilities sustainably, supporting businesses to be more carbon-conscious, and aligning their work to the Council's action and investment plans:

	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	✓

OPTIONS ANALYSIS

29. There is no options analysis as the Council is formally receiving the final SoIs.

FINANCIAL CONSIDERATIONS

30. Financials for all CCOs, including the Council's opex grant funds, are included in the final SoIs across the FY27-29.
31. For the Council's substantive CCOs, there is $0 increase to the opex grant funds and no CPI adjustment for FY27.

LEGAL IMPLICATIONS / RISKS

32. There are no risks or legal implications with either this report or the final SoIs.
33. Each of the CCOs has met the SoI legislative requirements under the LGA.
34. For the Council's substantive CCOs, each organisation has incorporated the shareholder feedback into their final documentation.
35. The CCOs will report on progress with their half-yearly and annual reports during FY27.

TE AO MĀORI APPROACH

36. Te Ao Māori approach is important to the CCOs and are included in their final SoIs.
37. For example, TMoTPL is committed to continue working with representatives of the Otamataha Trust, who act as Cultural Advisor to the Te Manawataki o Te Papa Limited Civic Development Advisory Group. This ensures tangata whenua voice and perspectives are incorporated from the very outset of a project.

CLIMATE IMPACT

38. Climate issues are important to the CCOs and are included in their final SoIs.
39. For example, Bay Venues is committed to reducing energy consumption across the network of facilities and being aligned to the Council's Climate Action and Investment Plan.

CONSULTATION / ENGAGEMENT

40. It is not required or expected to consult with the public on an SoI under the Local Government Act (2002).

41. As part of the LGA SoI requirements, the CCOs have provided their draft SoIs for shareholder feedback by the statutory deadline of 1 March, the Council has provided feedback on the draft SoIs of its substantive CCOs by the statutory deadline of 1 May, and the feedback have been incorporated into the final documents and delivered to the Council by the statutory deadline of 30 June.

SIGNIFICANCE

42. 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.

43. 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.

44. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the matter is of low significance as it is a standard decision required of a governing body regarding its CCOs.

ENGAGEMENT

45. Taking into consideration the above assessment, the incorporation of shareholder feedback into the final documents, and 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

46. The CCOs will be informed of the Council's consideration of this report, and the final SoIs will be made available to the public via the Council's website.

ATTACHMENTS

1. **Bay Venues: Final Statement of Intent - A20632109 (Separate Attachments 1)**
2. **TAGT: Final Statement of Intent - A20652261 (Separate Attachments 1)**
3. **TBoP: Final Statement of Intent - A20632125 (Separate Attachments 1)**
4. **TMoTPL: Final Statement of Intent - A20598237 (Separate Attachments 1)**
5. **TMoTP Charitable Trust: Final Statement of Intent - A20261607 (Separate Attachments 1)**
6. **BoPLASS: Final Statement of Intent - A20634056 (Separate Attachments 1)**
7. **Bay Venues - Letter to TCC - A20632113 (Separate Attachments 1)**
8. **TAGT - Letter to TCC - A20652257 (Separate Attachments 1)**

11.7 Water Organisation Joint Committee - Tangata Whenua Remuneration

File Number: **A20707595**

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

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

PURPOSE OF THE REPORT

1. To seek Council decision on remuneration for Tangata Whenua representatives on the Water Organisation Joint Committee. The remuneration approved at this 21 July 2026 meeting would supersede the rates approved by resolution at the Council meeting on 2 June 2026.

RECOMMENDATIONS

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.

BACKGROUND

2. As part of the commercial term discussions regarding the establishment of the Water Organisation (WO) with Tauranga City Council (TCC), it was agreed that a Joint Committee would be established.

3. At the Council meeting of 2 June, the following resolution was made:

   *Approves remuneration for the Tangata Whenua representatives on the City Future Committee, the City Delivery Committee, the Audit and Risk Committee and the Water Organisation Joint Committee (Water Organisation Joint Committee **subject to support by Western Bay of Plenty District Council)** at $1,118 per full day and $559 per half day of meeting hours, effective from 2 June 2026.*

4. Western Bay of Plenty District Council, at their meeting on 25th June, passed the following resolution:

   That Council confirms the remuneration for the Tangata Whenua representatives on the Water Organisation Joint Committee at $816 per full day and $408 per half day of meeting hours, effective from 2 June 2026.

REMUNERATION RATE APPROVAL

5. As the condition in the TCC resolution of "subject to support by Western Bay of Plenty District Council" has not been met, there is no approved remuneration rate for the Water Organisation Joint Committee.

6. It is proposed that a rate for the Tangata Whenua Water Organisation representatives is set mid-way between that resolved to date by each of the parties. This would be at a rate of $967 per full day and $484 per half day of meeting hours.

7. The part of the 2 June resolution relating to other TCC Committees would be retained (as they were not subject to support by WBOPDC).

STRATEGIC ALIGNMENT

8. 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	☐

TE AO MĀORI APPROACH

9. Remuneration for Tangata Whenua representatives facilitates tangata whenua being able to be involved in the Water Organisation Joint Committee.

SIGNIFICANCE

10. 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.

11. 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.

12. In accordance with the considerations above, criteria and thresholds in the policy, it is considered that the decision is of low significance.

ENGAGEMENT

13. 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.

14. The appointed Tangata Whenua representatives have been advised of the resolutions passed by both Councils and the proposal to set the remuneration mid-way between those rates.

ATTACHMENTS

Nil

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 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 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 - 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

14 CLOSING KARAKIA