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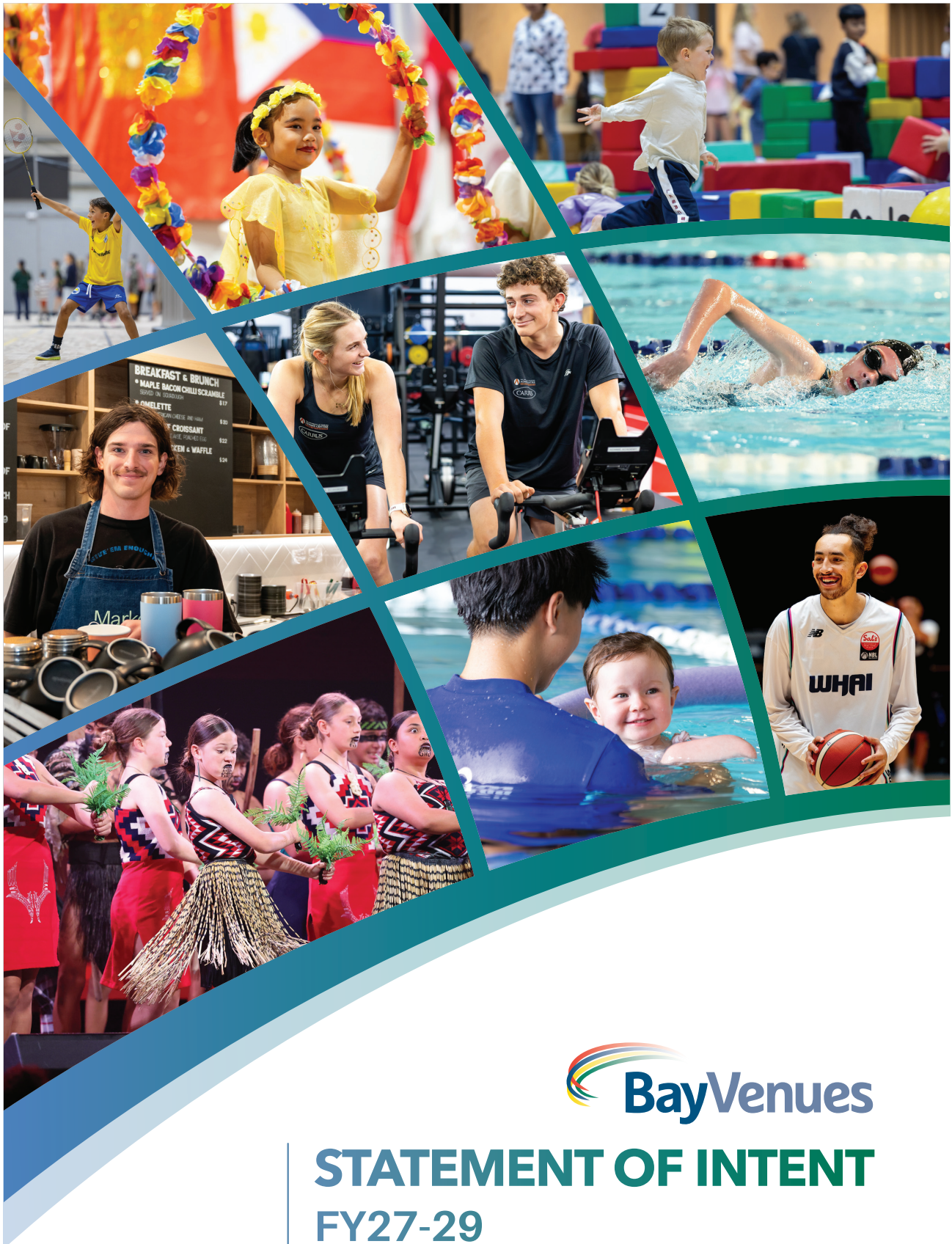
ATTACHMENTS

**Ordinary Council meeting
Separate Attachments 1**

Tuesday, 21 July 2026

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STATEMENT OF INTENT

FY27-29

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Facilities

- Mercury Baypark (Arena, Stadium and Pavilions)
- Adams Centre for High Performance
- Three Community Centres
- Five Sports Centres
- Five Aquatic Facilities
- Six Community Halls



Tauranga City

These facilities are operated by Bay Venues, a Tauranga City Council organisation.

BayAudioVisual

BayHubs

**TAURANGA
POOLS**

BayActive

BaySwim

Mercury
BAYPARK

CLUBfit

Baywave
by TECT sports technology

**MOUNT
HOT POOLS**

**ADAMS CENTRE
FOR HIGH PERFORMANCE**

BayCatering



BOARD STATEMENT

Bay Venues is proud to be the kaitiaki of Tauranga City Council's network of community facilities, delivering exceptional experiences that enhance the health, wellbeing and connection of residents and visitors to our growing city.

We note receipt of Tauranga City Council's Letter of Expectations for 2026/27 and acknowledge that we are operating in a constrained funding environment and are acutely conscious of the cost-of-living pressures facing our community and customers.

The Board is committed to **delivering value for money** for ratepayers by continuing to "deliver more for less," while protecting the core community outcomes that sit at the heart of our purpose.

We also note that in the forthcoming financial year Council has confirmed no CPI increase to our annual operating grant from FY25/26 so the Board will continue its focus on disciplined financial stewardship, tough prioritisation decisions, and a pragmatic focus on efficiency. The financial outlook for years two and three of the Statement of Intent assume the annual operating grant will include CPI increases. We stress the requirement for long term inflation increases to ensure Bay Venues remains financially sustainable.

While we will continue to seek further efficiencies, the Board is clear that sustained value for money cannot come at the expense of safety, equitable access, or the long-term integrity of our facilities.

It is likely that any further cost reductions or efficiencies will need to be funded by a mix of reducing service levels and/or increasing user charges (beyond the budgeted increases assumed in this SOI). We look forward to transparently partnering with Council to make these decisions.

The January 2026 **Mauao landslide** and consequential damage to the Mount Hot Pools is an unexpected challenge for the city and Bay Venues. As a premier tourist destination and one of Bay Venues' key facilities, the Mount Hot Pools attracts around 300,000 visitors per year and generates an EBITDA surplus of around \$1.6m per annum.

We are working closely with Council, mana whenua and the community to understand the future of the Mount Hot Pools and achieve the best outcome for the city.

As Tauranga City Council's largest Council Controlled Organisation, Bay Venues plays a critical role in **balancing commercial and community outcomes**. The Board recognises that commercial activity and profitability is not an end in itself, but a means of protecting affordability, access and inclusion across our network. Revenue generated through events, concerts, speedway, catering, cafes, gyms, partnerships and advertising helps subsidise community pools, courts, community programmes and inclusive initiatives.

"Community at Heart, Commercial in Mind"

In the 2025/26 financial year Bay Venues is on track to achieve a budgeted surplus, which includes absorbing an 8.5% reduction in our operating and interest grant. Bay Venues has a track record of achieving financial targets in recent years and is committed to achieving a surplus budget again in 2026/27.

We are tracking towards an operating surplus of \$40,571 (NSBT) for FY26/27, not including the impact of the current Mount Hot Pools closure. However, that closure will have a significant impact, the extent of which is currently unknown. Financial projections included in our Statement of Intent assume that the Mount Hot Pools will reopen in January 2027. Based on that possible scenario, we expect to deliver a net operating deficit of \$234,811 (NSBT). Alternate opening scenarios have been addressed in the financial performance section (page 8).

Looking after what we have is a core responsibility of the Board. We are prioritising asset stewardship through a strong focus on renewals, maintenance and safety that align with Council's Long-term Planning. Key projects such as roof replacements, court resurfacing, pool plant renewals, accessibility improvements and sustainability initiatives are essential to managing risk and avoiding future cost escalation.

At the same time, we are working with Council to prepare for **future-focused investment decisions**, including the relocation of the Tauranga Netball Centre to Mercury Baypark, the Memorial Park Aquatic Centre development, and proposed Mercury Baypark Arena extension, while being transparent about the challenges and risks associated with ageing assets across the network.

Safety, inclusion and resilience are non-negotiable foundations of our service delivery. The Board remains highly focused on **health and safety leadership**. We are committed to accessible facilities, being culturally responsive, and ensuring our venues are prepared to support the community during emergency events.

The Board recognises that strong **partnership, transparency and accountability with Council** are essential to maintaining public trust. We view the Council-CCO relationship as a mature partnership built on shared objectives, clear roles and open communication. We are committed to robust and transparent reporting, timely information sharing, and clearly articulating the value for money delivered on behalf of the community. We also acknowledge Council as the primary funder and owner of Bay Venues and will continue to actively promote this relationship. The Board remains committed to governance best practice, ongoing development, and constructive engagement through the Long-term Plan and beyond.

Ki te kotahi te kākaho, ka whati; ki te kāpuia, e kore e whati

When we stand alone, we are vulnerable, but together we are unbreakable



Simon Clarke
Chair, Bay Venues Limited



OUR PURPOSE



Spaces to Belong, Experiences to Connect

We connect our communities through shared experiences in vibrant spaces – places where people feel welcome, included and part of something bigger than themselves.

That connection happens every day across Tauranga: when a child gains water confidence, when communities gather for festivals and events, when athletes train and compete, and when people of all ages come together to move, celebrate and connect. These shared experiences – both everyday and extraordinary – strengthen our city and the people who live here.

As kaitiaki of Tauranga City Council's community facilities, Bay Venues protects and enables these spaces for current and future generations. Our purpose is simple and enduring: to create the conditions for belonging and connection, through spaces that matter and experiences that bring people together.

Bay Venues strategically balances community needs with commercial opportunities – catering, cafes, events, gyms, and a swim school – which helps to offset the costs of running the city's network of public facilities. By leveraging these revenue-generating operations, we ensure sustainable outcomes that benefit both the community and the city's economy.

This is the Bay Venues Statement of Intent (SOI) for FY27-29. This document outlines Bay Venues' strategic approach to meeting Tauranga City Council's expectation of "delivering more for less".

This Statement of Intent meets the requirements of section 64(1) of the Local Government Act 2002 and incorporates the expectations of Council as outlined in the revised Enduring Statement of Expectations adopted in December 2023, along with the annual Letter of Expectations dated 17 December 2025. It outlines our activities, strategic direction and objectives for the year ahead, and the performance targets by which we will be measured.



WHO WE ARE AND WHAT WE DO



Our commercial operations help offset the cost of more than **20** community facilities



We host more than **2.1m** visits and more than **75** significant events a year



We permanently employ **~300** members of our community

We do all of that while consistently achieving over **85%** customer satisfaction



STRATEGIC PILLARS

OUR STRATEGIC PILLARS

We have recently created a new strategy to guide what we do and how we do it. We have four strategic pillars that also align with Tauranga City Council's strategic direction and priorities of Delivering More for Less, Balanced Delivery, and Community-Centric Outcomes.

These Strategic Pillars and their associated outcomes are:

EXPERIENCES Accessible, Diverse & Engaging	SPACES Safe, Vibrant & Fit for Purpose
Goal 1: We safely host accessible, diverse and engaging activities Goal 2: We maximise events and activities across our venues Goal 3: We consistently deliver exceptional customer experiences	Goal 4: Our spaces are safe, vibrant and fit for purpose Goal 5: We plan for future community needs
PARTNERSHIPS Collaborative, Valuable & Aligned	PEOPLE Capable, Accountable & Inspired
Goal 6: We add value by fostering strong partnerships based on shared values with community groups and stakeholders, tāngata whenua, and industry/city partners Goal 7: We deliver value for money outcomes for our community	Goal 8: We are a capable, adaptable and accountable team that delivers Goal 9: Our culture keeps people safe and inspires people to contribute their best Goal 10: We provide technology and systems that amplify people's impact



SUCCESS MEASURES AND GAME PLAN

OUR SUCCESS MEASURES

In all of the above, we are focused on the following key success measures.

1. Delivering Value for Money

- Net surplus before tax vs. budget
- Capital expenditure vs. budget
- Cost of Bay Venues per resident per annum
- TCC subsidy percentage against other revenue

2. Community Reach & Participation

- 2.1m* visits across Bay Venues facilities per annum

3. Delivering Outstanding Experiences

- Customer satisfaction score of 80-85%*

4. Protecting Our People and Community

- Zero serious harm incidents under Bay Venues' control

*Targets to be reviewed considering Mount Hot Pools closure.

OUR ORGANISATIONAL GAME PLAN

In order to deliver on our aspirations in the People, Partnerships, Spaces and Experiences areas, as an organisation we have selected three organisational-wide focus areas for our financial year, being:

- Health, Safety & Security Improvements (link to Goal 1, 4 and 9)
- Leisure Management System Replacement (link to Goal 2, 3 and 10), and
- Baywave 20 year renewal and maintenance closure (link to Goal 1, 3, 4, and 5).

On top of that, we have a number of core improvement programmes that we will continue to build on during FY27. Specifically –

Led by Bay Venues

- Data Strategy
- Brand Strategy
- Learning Management System
- Māori Engagement Strategy
- Stakeholder Engagement Strategy

Alongside Our Partners

- Future of Mount Hot Pools
- Memorial Park Aquatic Centre development
- Tauranga Netball Centre relocation
- Mercury Baypark Arena extension
- Adams Centre for High Performance development
- Long Term Plan preparation

As the operator of many of Tauranga's community facilities we are well placed to apply our expertise to support Council investment priorities and projects. We welcome the opportunity to be involved wherever we can add value and are already involved in several significant future-focused projects, some of which are listed above.



FINANCIAL PERFORMANCE

STATEMENT OF INTENT FINANCIALS

The 2026/27 budget has been prepared in a challenging financial environment, reflecting ongoing cost pressures across the business and no CPI increase in Bay Venues' Operating Subsidy from Tauranga City Council. On top of this, the Mount Hot Pools closure will have a significant impact on 2026/27 financial results.

The 2026/27 budget has been prepared on the basis that the Mount Hot Pools will re-open in January 2027. Unadjusted Net Surplus before Tax (NSBT) is -\$234,811, which includes six months of closure and also takes into account insurance proceeds. Adjusting for the impact of the Mount Hot Pools closure would increase NSBT to \$40,571, returning to a surplus position as expected in Bay Venues funding principles.

If the current closure of the Mount Hot Pools continues past January 2027 it will cost an estimated \$1m for every six months of closure, shown as a financial deficit for the 2026/27 year. This includes foregone profit generated by the Mount Hot Pools, plus costs incurred while the facility is closed.

Bay Venues Statement of Comprehensive Income & Expenses (000's)	Forecast 25/26	Budget 26/27	Forecast 27/28	Forecast 28/29
Revenue				
User Revenue	22,529	21,955	26,646	27,822
Other Revenue	990	1,061	338	348
TCC Operational Grant	7,355	8,013	7,427	7,427
Other Subsidies	788	1,040	1,063	1,088
Total Operational Revenue	31,662	32,069	35,475	36,686
Expenditure				
Employee Expense	18,947	19,434	21,504	22,149
Administrative Expense	1,680	2,383	2,455	2,528
Consulting & Governance Expenses	876	767	791	814
Operating Expenses (incl. COGs)	8,829	8,360	9,284	9,562
Repairs & Maintenance Expense	1,049	1,199	1,235	1,272
Total Operation Expenses	31,381	32,143	35,268	36,326
EBITDA	281	(74)	207	360
Depreciation	114	145	162	273
Debt Servicing Costs	12	16	14	17
Net Surplus before Tax (Un-funded)	155	(235)	31	70
Adjustments for other transactions				
Add: TCC Renewal Funding	8,020	15,604	10,487	8,832
TCC Debt Servicing Grant	929	814	822	822
Less: Profit/Loss on Disposal	0	0	0	0
Finance Expense	919	891	940	1,088
Depreciation & Amortisation Expense	9,957	10,445	11,470	12,488
Surplus/(Deficit) Before Tax	(1,771)	4,847	(1,069)	(3,852)
Income Tax Expense	496	(1,357)	299	1,079
Surplus/(Deficit) After Tax	(1,275)	3,490	(770)	(2,773)
TCC New Capital Funding	1,560	2,472	9,179	7,828

Notes on FY27 Financial Trends

Other Revenue: This includes insurance proceeds for MHP closure of \$0.76m

Operational Grant: This includes Software as a Service (SaaS) funding of \$0.37m and Annual Facility Painting funding of \$0.27m

Administrative Expenses: Expenses related to above SaaS funding comments plus additional \$0.2m IT licensing costs

Repairs and Maintenance: Expenses related to above annual facility painting comment

Surplus is driven by significant LTP renewals programme (renewal income is fully recognised when asset is acquired)



FINANCIAL PERFORMANCE

Bay Venues Ltd Statement of Financial Position (000's)	Forecast 25/26	Budget 26/27	Forecast 27/28	Forecast 28/29
Assets				
Current Assets				
Cash & Cash Equivalents	184	606	648	371
Inventories	427	427	427	427
Debtors & Other Receivables	3,000	3,000	3,000	3,000
Total Current Assets	3,611	4,033	4,075	3,798
Non-Current Assets				
Intangible Assets	380	380	380	380
Property, Plant & Equipment	161,231	169,487	178,511	186,188
Total Non-Current Assets	161,611	169,867	178,891	186,568
Total Assets	165,222	173,900	182,966	190,365
Liabilities				
Current Liabilities				
Employee Entitlements	2,056	1,445	1,301	1,171
Creditors & Other Payables	3,500	3,500	3,500	3,500
Borrowings - UoW Adams Centre Loan	1,000	1,000	1,000	1,000
Total Current Liabilities	6,556	5,945	5,801	5,671
Non-Current Liabilities				
Borrowings	19,370	21,340	22,440	25,997
Deferred Tax	21,886	23,243	22,943	21,862
Total Non-Current Liabilities	41,256	44,582	45,383	47,859
Total Liabilities	47,812	50,528	51,184	53,529
Net Assets	117,410	123,373	131,782	136,836
Equity				
Share Capital	84,232	84,232	84,232	84,232
Retained Earnings	(43,639)	(40,405)	(41,439)	(44,481)
Other Reserves	577	832	1,097	1,365
Revaluation Reserves	56,584	56,584	56,584	56,584
Loan Conversion	19,657	22,129	31,308	39,136
Total Equity	117,410	123,372	131,781	136,836

Bay Venues Ltd Statement of Cashflows (000's)	Forecast 25/26	Budget 26/27	Forecast 27/28	Forecast 28/29
Operating Activities				
Cash Received From Customers	22,529	21,955	26,646	27,822
Grants Received	17,093	25,471	19,800	18,169
Dividend Received	0	0	0	0
Cash Received From Other Sources	990	1,061	338	348
	40,612	48,487	46,784	46,340
Payments to Employees	(18,947)	(19,434)	(21,504)	(22,149)
Payments to Suppliers	(12,434)	(12,438)	(13,763)	(14,176)
Interest Paid	(919)	(891)	(940)	(1,088)
Goods & Services Tax (Net)		0	0	0
	(32,299)	(32,763)	(36,207)	(37,413)
Net Cash Flow From Operating Activities	8,312	15,724	10,577	8,926
Cash Flows From Investing Activities				
Proceeds from Sale of Property, Plant and Equipment	63	63	63	63
Purchases of Property, Plant and Equipment	(10,197)	(19,364)	(21,698)	(21,567)
Net Cash Flow From Investing Activities	(10,134)	(19,301)	(21,635)	(21,504)
Cash Flows from Financing Activities				
Proceeds from Borrowings	1,000	4,000	11,100	12,300
Repayment of TCC Borrowings				
Net Cash Flow From Financing Activities	1,000	4,000	11,100	12,300
Net Increase / Decrease in Cash Held	(822)	422	42	(278)
Cash & Cash Equivalents at Beginning of Year	1,005	184	606	648
Cash, Cash Equivalents, and Bank Overdrafts at the End of the Year	184	606	648	371



FINANCIAL PERFORMANCE

Bay Venues Statement of Changes in Equity (000's)	Forecast 25/26	Budget 26/27	Forecast 27/28	Forecast 28/29
Share Capital				
Share Capital at Beginning of the Year	84,232	84,232	84,232	84,232
Share Capital at End of the Year	84,232	84,232	84,232	84,232
Retained Earnings				
Retained Earnings at Beginning of Year	(42,118)	(43,639)	(40,405)	(41,439)
Surplus/(Deficit) for the Year	(1,275)	3,490	(770)	(2,773)
Transfer to Mercury Reserve	(149)	(158)	(167)	(171)
Transfer to University of Waikato Reserve	(97)	(97)	(97)	(97)
Disposal of Property, Plant & Equipment				
Retained Earnings at End of the Year	(43,639)	(40,405)	(41,439)	(44,481)
Asset Revaluation Reserves				
Asset Revaluation Reserves at Beginning of Year	56,584	56,584	56,584	56,584
Net Revaluation Gain/(Loss)				
Asset Revaluation Reserves at End of the Year	56,584	56,584	56,584	56,584
Other Reserves				
Other Reserves at Beginning of the Year	330	577	832	1,097
Mercury Reserve	149	158	167	171
University of Waikato Reserve	97	97	97	97
Other Reserves at End of the Year	577	832	1,097	1,365
Equity Contribution from Owners				
Loan Conversion at Beginning of the Year	18,097	19,657	22,129	31,308
Loan Conversion				
New Capital Funding	1,560	2,472	9,179	7,828
Loan Conversion at End of the Year	19,657	22,129	31,308	39,136
Equity at End of the Year	117,410	123,372	131,781	136,836

BAY VENUES CAPITAL PROGRAMME FY27

Area	Renewals (\$)	New Capital (\$)
Aquatics	9,634,522	1,604,100
Sports	1,191,086	75,350
Events	2,936,716	550,000
Compliance	1,146,406	1,517,550
Community Centres & Halls	295,289	33,000
Associated Activities	0	220,000
Total	15,204,019	4,000,000

The areas outlined above encompass a range of projects grouped under broader themes. Within this programme, only a small number of projects represent significant renewals and capital investments across the network, with budgets exceeding \$500k. The largest of these is the Baywave 20-year maintenance and renewals programme. In addition, there is a project to undertake seismic strengthening design for Mercury Baypark Arena. Subject to safety assessments, a further major project may involve the rebuild of Mount Hot Pools, which includes funding carried forward into the current financial year to re-drill the bore and renew the seawater supply line.



REPORTING AND ENGAGEMENT

Bay Venues is committed to supporting Council's strategic priorities and objectives. Bay Venues will endeavour to respond promptly and appropriately on issues raised by Council and will provide Council with the following information:

Statement of Intent (SOI)

Provide Council with a draft SOI by 1 March 2026 and a final SOI by 30 June 2026.

Annual Report

Provide an Annual Report to Council within two months after the end of the financial year. This will comply with section 68 of the Local Government Act 2002 and include the following:

- Board report including summary of the financial results, a report of the operations, a comparison of performance in relation to objectives and any recommendation as to dividend;
- Audited financial statements for the financial year in respect of the Company, and the Auditor's report on:
 - Those financial statements; and
 - The performance targets and other measures by which performance has been judged in relation to the objectives.
- The audited financial statements shall consist of:
 - Statement of Financial Position; and
 - Statement of Comprehensive Income; and
 - Statement of Movements in Equity; and
 - Statement of Cashflows; and
 - Disclosure of Related Party Transactions; and
 - Notes to the Financial Statements; and
 - Such other statements as may be necessary to fairly reflect the financial position of the Company and its subsidiaries, the resources available to the Company and its subsidiaries and the financial results of the operations of the Company and its subsidiaries.

The Annual Report is to be presented in the format prescribed by Council to enable consolidation into the Group.

Quarterly Reports

As soon as practicable after the conclusion of each quarter, Bay Venues will provide Council with a report of performance against the SOI including Summary of Financial Performance, Report on KPIs year to date, Commentary on performance for the preceding quarter, Commentary on expected performance for the next quarter. A Quarterly Report will not be required for Q2 where a Half Year Report is provided instead.

Bay Venues & Council Meetings

Upon request by Council, members of the Board of Bay Venues will meet with Councillors and/or their appointed representative(s) in a confidential, informal workshop to discuss and review issues of common interest.

Governance to Governance Meetings

Upon request by Council, the Mayor and CEO of Council will meet with the Chair and CEO of Bay Venues, to discuss and review any issues of common interest.

Regular meetings will be held with operational management/staff.

No Surprises

Notwithstanding the reporting requirements, the Board will operate on a 'no surprises' basis to ensure that Council is appraised as soon as is practicable, of any event or the possibility of an adverse effect of an economic, social or political nature.

OTHER MATTERS

The Board's Approach to Governance

The Directors of Bay Venues are responsible for the stewardship and future well-being of the organisation. The Directors assist the organisation to meet its objectives and requirements in the Statement of Intent. Directors exercise leadership, enterprise, integrity, and judgement in directing the organisation so as to provide assurance of its continuing and lasting prosperity and effectiveness. In discharging their responsibilities, Directors have a duty to act in the best interest of Bay Venues as a whole, irrespective of personal, professional, commercial, or other interests, loyalties or affiliations. Directors' first duty and loyalty must be to the Company as per section 131 of the Companies Act, noting however that under clause 11.2 of the Constitution that Directors may also act in the best interest of the Shareholder. More detailed obligations in relation to both the Directors obligations to Bay Venues and Council's obligations to Bay Venues are outlined in the Enduring Statement of Expectations (ESE).

Board Performance Reviews

A Council-led bi-annual review was undertaken in October 2023 by an independent entity, with results reported to Council. The independent review's conclusions were very positive, and a number of minor improvement opportunities were identified that the Board has implemented. The next review will be undertaken in 2027.



OTHER MATTERS

Ratio of Consolidated Funds

In the 2023 ESE it was resolved that Bay Venues Debt to Equity Ratio should be maintained at 20:80. To help ensure this, 80% of the debt relating to all new assets added in the Bay Venues 'funded network' during the year is apportioned to Council.

Estimate of Commercial Value

The Board estimate that the commercial value of the Council's investment in Bay Venues is represented by the net assets of Bay Venues. This value is calculated from total assets less liabilities. As at 30 June 2025 this was \$117.1m.

Accounting Policies & Other Compliance

Financial statements will be prepared in accordance with generally accepted accounting practice (GAAP), NZ International Financial Reporting Standards, Companies Act 1993, Local Government Act 2002 and Financial Reporting Act 1993. It is noted that due to Bay Venues' revenue now exceeding \$30m that Tier 1 reporting for audit is required.

Procedures for Acquisition of Other Interests

Pursuant to the Constitution, Bay Venues will only invest in the shares of a new or existing company or organisation with the prior approval of Council. Where the Board consider the size of the acquisition warrants it, they will have due diligence carried out prior to any binding agreement being made.

Dividend Policy

Bay Venues will not be in a position to pay a dividend anytime in the short to medium term and acknowledges that any retained surpluses over \$500,000 (net after depreciation and interest) must be approved by Council unless otherwise agreed or prevented due to legal requirements. If a surplus over \$500,000 is achieved, Council may decide to retire debt and/or reinvest part or all the surplus into Bay Venues if Bay Venues establishes a sound investment proposal. In

determining funds that are 'surplus', Council will consider the operating result against budget including the accounting surplus, the underlying cash surplus, and surpluses generated from particular activities.

Other Matters Agreed Between the Board and Shareholder

Bay Venues shall enter, where necessary, such agreements with Council giving effect to any restrictions, requirements and obligations required by Council.

Under the funding structure agreed in the 2024-34 LTP, Bay Venues is committed to achieving a breakeven budget to ensure long term financial sustainability. However, in FY26/27 Bay Venues will likely deliver a deficit operating budget due to the current closure of the Mount Hot Pools.

Transactions between Related Parties

Transactions between Council and Bay Venues will be conducted on a commercial basis (fair and reasonable) and if appropriate, contestable basis.

Other related party transactions will be on a commercial basis and in accordance with Bay Venues' procurement policy.

Compensation from Local Authority

Compensation for any services provided to the Council has been agreed as per the revised Enduring Statement of Expectations and the Letter of Expectations.

Council will provide Bay Venues with an operating grant of \$8.01m in FY27, which does not include the normal annual CPI increase. Council's operating grant to Bay Venues helps deliver:

- Community related outputs which apply only to the facilities and activities that have a community focus
- Business related outputs, which apply across all facilities

The outputs expected of Bay Venues are detailed in this Statement of Intent.

APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

AQUATIC FACILITIES

Mount Hot Pools



An iconic and unique hot ocean water pool complex and world-class tourist attraction, providing rest, relaxation, and rejuvenation/rehabilitation for a broad range of visitors and Tauranga locals. The nationally award-winning Mount Hot Pools hosts around 300,000 visits a year. There are six outdoor pools, including a hot relaxation pool, a mild hydrotherapy pool, a children's pool with a slide, a freshwater cold plunge pool, and two spas, as well as three indoor private sanctuary pools. This popular facility at the base of Mauao also provides massage therapy and aqua exercise classes, as well as aqua play sessions for parents and their young ones.

The Mount Hot Pools had a maintenance closure in late 2023 that saw all the hot pools fully re-tiled, along with pool maintenance and renewals, and improvements to the changing facilities including the addition of underfloor heating.

The Mount Hot Pools is currently closed after sustaining significant damage in the Mauao landslide.



Baywave



This is an aquatic and leisure centre, recognised regionally as providing a wide variety of recreation and leisure, competition, aquatic education, exercise, physical therapy, and health and wellbeing activities. There is a 25-metre lap pool, a leisure pool (with waves), a learners' pool, hydroslide, spa, sauna, and steam room.

The configuration of the lap pool also accommodates synchronised swimming, water polo and underwater hockey as well as regional and national aquatic events. Baywave hosts around 450,000 visits a year and is home to several water-based sporting clubs/squads. In 2019, an aqua play facility for children was added. As this venue marks 20 years of operation, a regular renewals plan is required to maintain its efficiency. The last maintenance closure was in early 2023, the next closure is planned for FY27.

Several secondary business units operate within the complex and are complementary to the overall purpose of the facility:

- BaySwim (learn to swim and water safety programmes)
- Clubfit (health and fitness club)
- Café
- Merchandise
- Massage Therapy

APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

Greerton Aquatic & Leisure Centre



An aquatic and leisure centre, providing a variety of fun, safe, and well-managed aquatic and physical therapy activities for the local community. There is a 25-metre lap pool, a learners' pool, and an 18-metre hydrotherapy pool, which is popular for rehabilitation and senior adults. Other activities that complement the centre include:

- BaySwim (learn to swim and water safety programmes)
- Aqua Exercise Classes
- Clubfit (health and fitness club)

Greerton Aquatic & Leisure Centre hosts about 90,000 visits a year and has had significant refurbishment improvements over the last few years to ensure this much-loved facility continues to deliver exceptional aquatic experiences now and into the future.



Ōtūmoetai Pool



Ōtūmoetai Pool is open year-round and has a 25-metre lap pool and learners' pool. It is a safe, clean, convenient aquatic facility for the local community, in particular the neighbouring college during school hours. This is an older outdoor pool that had a marquee-style roof installed over it more than 20 years ago.

Ōtūmoetai Pool hosts around 35,000 visits annually and upgrades are planned over the coming years.

New Memorial Park Aquatic Centre

A new aquatic centre is proposed to be built at Memorial Park. It will be a modern, fit-for-purpose facility that will play a crucial role in addressing the current shortfall in the city's Aquatics network.

It will be a destination complex for the central city and surrounding suburbs.

Tauranga City Council is currently considering options for this project.

The new aquatic centre is proposed to be built on the site of the outdoor seasonal Memorial Pool which closed in April 2026 after 70 years. The old Memorial Pool was originally built in the 1950s and was part of the city's War Memorial Scheme. The pool's legacy as a living memorial will be acknowledged and included in the design of the proposed new Memorial Park Aquatic Centre, extending the memorial to include veterans of all wars.

Aquatic Merchandise

Bay Venues operates small retail outlets at its aquatic facilities selling swimming apparel and associated products.

APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

BaySwim

BaySwim delivers a quality Learn to Swim programme catering to all ages, at Baywave, Greerton Aquatic & Leisure Centre, Ōtūmoetai Pool, Te Puke Memorial Pool, and Dave Hume Pool in Katikati, teaching thousands of people to swim each year.

BaySwim



BaySwim also provides water safety education for primary school groups as part of our funded Water Safety NZ 'Water Safety for Life' programme. In recent years, BaySwim has extended its offering to include swimming lessons in te reo Māori, Korean, Mandarin and sign language. It has also supported an ethnic women's swimming initiative and created several other innovative programmes and initiatives to break down barriers and reach more people in the community.

Western Bay of Plenty Pools



Bay Venues manages two seasonal community pools, Te Puke Memorial Pool and Dave Hume Pool in Katikati, on behalf of Western Bay of Plenty District Council as part of a pool service delivery contract and partnership signed in 2025.

APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

INDOOR SPORTS FACILITIES



Mercury Baypark Arena

Mercury Baypark Arena is Tauranga's key sporting venue for indoor sports such as basketball, netball, volleyball, pickleball and futsal. The six-court side of the facility named the University of Waikato Sport and Recreation Centre has a focus on community sport. The three-court side, the Lion Foundation Centre, is also utilised for community sport when it is not being used to host large events, including professional sports fixtures and tournaments such as ANZ Premiership Netball and the New Zealand Festival of Squash.

Mercury Baypark Arena also provides a range of pay-for-play social sports leagues and sport and play programmes for the community. Within the facility is a licensed cafe providing a quality food and beverage service, relaunched and rebranded in 2026 as Plentie.

Queen Elizabeth Youth Centre (including Memorial Hall)



Located at Memorial Park, this facility has for decades provided the inner city with an indoor court venue suitable for hosting community sport and recreational activities, as well as cultural groups and events. It has also hosted a variety of regional and national sports tournaments and fixtures, as well as pay-for-play social sports leagues, and community programmes.

This facility hosts a variety of community sports, including badminton, volleyball, basketball, pickleball, table tennis, sports for disabled people, netball, and more.

Queen Elizabeth Youth Centre and Memorial Hall (QEYC) were set to be decommissioned as part of the Memorial Park Aquatic Centre development. With the new aquatic centre now planned to be built elsewhere on the Memorial Park site, QEYC will remain open and now needs investment to ensure it remains safe and fit for purpose.

Aquinas Action Centre (Community Share Facility)

Situated on the grounds of Aquinas College, this facility features a single court gymnasium suitable for hosting sport, recreational and cultural activities outside of agreed school access hours, which were recently updated.

Merivale Action Centre (Community Share Facility)

This facility is located on the grounds of Merivale Primary and features a single court gymnasium suitable for hosting sporting/recreational groups and community activities outside of agreed school access hours.



Mount Maunganui Sport & Recreation Centre

Located at Blake Park, this facility features a single court gymnasium suitable for hosting sporting and recreational groups, community activities and minor events.

The venue had maintenance and renewals work completed in early 2026, including removing asbestos from and replacing the roof.



APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

The University of Waikato Haumaru Sport & Recreation Centre



Located on Cameron Road, this facility opened in 2025 and is home to a variety of community sports, including volleyball, basketball, pickleball, sports for disabled people, netball, and more.

There is enough space in the facility for four basketball-size courts, or three netball-size courts, or 13 badminton and pickleball-size courts, or six volleyball-size courts. There are also changing rooms, storage, and around 220 on-site car parks.

The primary use of this facility is structured community sport and recreation and also sports tournaments. There are also many regular opportunities for casual bookings as well as other use by the wider community.

COMMUNITY CENTRE-RUN PROGRAMMES

Bay Venues runs several community-focused programmes across the venue network for preschoolers, children, youth, and adults including the popular Tumble Time, Funky Fun Days, coaching clinics, sports days, birthday parties, social badminton and more. Team building and school holiday offerings are also provided.

Sports Leagues

Bay Venues organises and facilitates social sports leagues at Mercury Baypark Arena, Queen Elizabeth Youth Centre, and Haumaru, for indoor netball and futsal.



Adams Centre for High Performance



Located at Blake Park, opposite Bay Oval, the Adams Centre for High Performance is a high quality facility that includes a state-of-the-art gym, plunge pools, physiotherapy, massage and rehabilitation rooms, a sport science laboratory with performance testing, research and acclimatisation facilities, meeting rooms and an athletes' lounge. It is a High Performance Sport NZ Approved Training Facility that caters to a wide range of athletes competing at a national and international level. High performance sport organisations, sports science research, and athlete medical support services are also based at the Adams Centre. Current tenants include New Zealand Rugby, Bay of Plenty Rugby, Body in Motion's High Performance Sports Clinic, and the University of Waikato. Strong demand for space in the facility along with potential development on neighbouring sites has prompted investigations into potential expansion options. Bay Venues also operates the Adams Academy, a development programme with around 130 aspiring and established local athletes across 27 sporting codes and counting.

Clubfit



Clubfit is made up of two gyms located at Baywave and Greerton Aquatic & Leisure Centre, with a total membership of 2,700. Both facilities provide health and fitness programming to members who have access to mid-to-high quality equipment. The profit from Clubfit assists to offset the running of community facilities.

APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

COMMUNITY HALLS & CENTRES

Arataki Community Centre

This venue provides a high quality, versatile indoor space with rooms of varying sizes and flooring as well as equipment, to enable community groups to host their activities.



Elizabeth St Community & Arts Centre

This is a facility for community groups to host a variety of activities. It also provides space for individuals to host private functions. The facility is in average condition and its future needs to be considered in conjunction with Tauranga City Council's investment in the new civic precinct.

Greerton Hall

This is a facility for local community groups to host a variety of activities. It also provides space for individuals to host private functions. The hall has recently undergone a refurbishment to enhance its appearance, making it a more modern and appealing venue for users.

Matua Hall

This venue provides space for local community groups and individuals to host a variety of activities and private functions. The hall has recently been refurbished to improve user enjoyment.



Pāpāmoa Community Centre (at the Library)

This venue provides a high quality, versatile indoor space with rooms of varying sizes and flooring as well as equipment, to enable community groups to host their activities. During weekdays, PlayTime hosts an OSCAR programme at the facility. The venue also provides visitors with useful information including activities and services available in the community.

Pāpāmoa Sports & Recreation Centre

Located at Gordon Spratt Reserve, this indoor facility has rooms of varying sizes as well as a range of equipment, to enable community groups to host their activities. There is also a commercial kitchen and licensed bar for groups, businesses and individuals to host functions.

Welcome Bay Hall

This venue provides space within the local community for groups to host a variety of activities. It also provides space for individuals to host private functions. The hall has recently been refurbished, improving its appearance and usability. While not directly connected to the adjacent community centre, there remains an opportunity to further enhance and integrate the facility in the future.

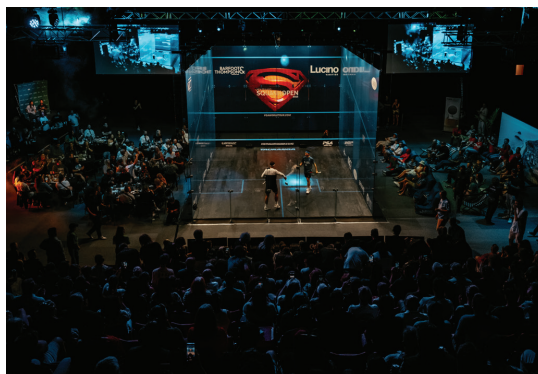


APPENDIX 1: BAY VENUES FACILITIES & ACTIVITIES

EVENT FACILITIES

Mercury Baypark Arena

This popular, versatile and multi-purpose facility is home to community sport and event entertainment across three distinct areas. The three-court Lion Foundation Centre is a key indoor event facility for the region, hosting everything from televised sport to black-tie gala dinners. The six court University of Waikato Sport & Recreation Centre is the home to indoor community sport, including basketball, volleyball, pickleball, sports leagues, children's recreation and much more. Upstairs is four versatile suites that are perfect for business meetings and smaller events.



Mercury Baypark Stadium

This is Tauranga's largest outdoor stadium. It has the capacity for crowds of up to 17,000 people, including seated and corporate hosting areas. It features a 480-metre oval clay speedway track and a basic grass area (inside the track). The primary activity is speedway race meetings (~15 per annum). In July 2025 Tauranga City Council decided, following community consultation, that Speedway would be staying at Mercury Baypark Stadium until at least 2039 under a new Stadium ownership and operating model and agreement, which is nearing confirmation.

Mercury Baypark Stadium is also a venue for other events and activities suited to outdoor spaces (for example, drifting). Corporate boxes and a premium lounge are also available for businesses to utilise for hosting functions or meetings.

Mercury Baypark Stadium Lounge

Mercury Baypark Stadium Lounge is a self-contained venue connected to Mercury Baypark Stadium, offering a secure and private environment to host public and private functions. Suitable for meetings, conferences, gala dinners, school balls, private functions, weddings and small trade shows, this venue can comfortably accommodate up to 500 people for dinner or 900 for performances. For major stadium events, this facility offers the client added flexibility for hosting corporate hospitality or pre and post event activities. The facility is undergoing remedial investment to ensure it remains fit for purpose.

External Areas

Various external areas around Mercury Baypark are used for events, most notably concerts and festivals over the busy summer holiday period, as well as other events. Most of the infrastructure for events like these is brought in on a temporary basis. These larger outdoor events can draw crowds in excess of 15,000 people.

Tauranga Netball Centre will be relocating to Mercury Baypark as part of the Baypark Master Plan. Detailed design and consenting are underway and contract negotiations are due to commence in early 2026.

Bay Catering

This business unit primarily provides catering services at venues managed by Bay Venues as well as some off-site catering at other venues connected with event catering. Bay Catering also operates food and beverage outlets throughout Mercury Baypark venue as well as the cafes at Mercury Baypark Arena, Baywave, the University of Waikato Tauranga campus, and at the Historic Village.

Bay Audio Visual

A sound, lighting and audio-visual equipment and support unit that provides services primarily at the Mercury Baypark Arena, Mercury Baypark Stadium and some external off-site events and venues. Along with enhancing the event experience, this team also ensure the venues systems are fit for purpose to host a wide range of events, from community sport to large-scale events.



APPENDIX 2: COUNCIL EXPECTATIONS

COUNCIL EXPECTATIONS AND KEY DELIVERABLES OF BAY VENUES

Tauranga City Council has outlined the following expectations and key deliverables of Bay Venues in the Letter of Expectations for 2026/27. We have noted these below, along with our response.

Focus Area	Council Expectations	Bay Venues Response
Financial Stewardship and Prudency	Continue delivering value for money to Tauranga residents by: - Aligning facility renewals planning with Council's strategic priorities and the 2024/34 Long-term Plan - Reviewing your capital and upgrade budgets to ensure the spending planned is both necessary and will deliver maximum value, with every opportunity to save or reduce cost considered - Demonstrating efficient, effective and economical use of public resources through transparent reporting and measurable outcomes.	Bay Venues continues to deliver value for money through aligned planning, disciplined investment decisions, and transparent reporting. Our Asset Management Plan is being developed in alignment with Council's strategic priorities and the 2024–34 Long-term Plan to ensure renewals are prioritised appropriately. Capital and upgrade budgets are regularly reviewed to confirm investments are necessary, cost-effective, and deliver maximum community value, with opportunities to reduce costs, improve efficiency, and strengthen long-term outcomes actively pursued. We support accountability through robust governance, including detailed reporting to the Board and quarterly reporting to Council. Capital projects are supported by business cases and reviewed against expected outcomes and return on investment where appropriate.
Capital Projects	Complete key renewals and upgrades including: - Mercury Baypark Arena's six-court resurfacing - Mercury Baypark's main kitchen and arena café refurbishment - Adams Centre's lift replacement - Accessibility improvements (for example: pool lifts, signage, handrails, etc.) - Supporting Council's Active Reserves Masterplans and Memorial Park Aquatic Centre development - Implementing sustainability initiatives such as solar panel installations, rainwater harvesting and waste minimisation, aligned with Council's Climate Action and Investment Plan - Progressing the relocation of Tauranga Netball Centre to Mercury Baypark - Confirming the lease and licence arrangements with Speedway until at least 2039, to allow them to stay at Mercury Baypark - Planning for the new ownership and operating model at Mercury Baypark Stadium.	Bay Venues continues to progress key renewals and upgrades aligned with Council priorities. The Mercury Baypark Arena six-court resurfacing, the main kitchen and arena café refurbishment, and a range of accessibility improvements have been successfully completed. Work is ongoing or in progress across the remaining initiatives.

APPENDIX 2: COUNCIL EXPECTATIONS

Focus Area	Council Expectations	Bay Venues Response
Commercial Initiatives	Expand revenue-generating activities by: • Launching new retail café concepts and securing additional catering contracts • Exploring further digital billboard opportunities • Securing new commercial partnerships to enhance financial resilience.	Bay Venues continues to progress initiatives to enhance commercial and financial outcomes. Plentie is now open at Mercury Baypark Arena, with planning underway to roll out to Baywave. Digital billboard opportunities have been explored and completed, with further options to be considered as funding permits. Work to secure new commercial partnerships and enhance financial resilience is ongoing.
Community-Centric Approach	Continue prioritising community needs through: • Culturally appropriate swim lessons (for example, for ethnic women and in Te Reo approach Maori, Korean, Chinese and New Zealand Sign Language) • Events and festivals celebrating Tauranga's diverse communities • Programmes for youth, disabled communities and under-represented or excluded teenagers • Maintaining customer satisfaction above 85% and ensuring zero unplanned facility closures of over four hours. • Collaborating with Council staff to embed universal design and accessibility across the facilities and services, including emergency egress, inclusive events, equitable gym access, and safe connection between Bayfair and Baypark. • Partnering with Council staff to ensure the facilities are prepared and available to support all community members during emergency events.	Bay Venues continues to provide inclusive and accessible community programmes and services. Culturally appropriate swim lessons are ongoing, and we will continue to explore opportunities as appropriate. Events and festivals celebrating Tauranga's diverse communities remain a focus, and we will continue to host these where possible. Maintaining customer satisfaction above 85% and ensuring zero unplanned facility closures of over four hours remains as priority focus areas for our organisation. We will endeavour to embed universal design and accessibility principles across facilities and services through significant upgrades, subject to funding, and continue to collaborate with Council staff to ensure facilities are prepared and available to support all community members during emergency events.

APPENDIX 2: COUNCIL EXPECTATIONS

Focus Area	Council Expectations	Bay Venues Response
Partnership with Mana Whenua	Continue strengthening this partnership by: • Completing the memoranda of understanding with 2-3 local iwi and hapu • Demonstrating, with Council staff, the opportunities to expand the network of facilities in partnership with Māori and private landowners.	Bay Venues remains committed to strengthening partnerships with tāngata whenua and the wider community. We are focused on building enduring and valued relationships with iwi and hapū, prioritising meaningful and constructive engagement over numerical targets. We are also open to developing partnerships and leveraging our expertise to support additional facilities in collaboration with Māori and private landowners where it aligns with community needs and strategic priorities.
Communication and Reporting	Continue transparent engagement with the community by: • Demonstrating how your organisation provides value for money, so the public understands the rationale for Council's continued investment and our joint role in providing high-quality amenities for our city • Acknowledging and promoting Bay Venues is a Council-Controlled Organisation and that Council is the main contributor to Bay Venues' operating cost, and highlighting the benefits of your organisation's operations and activities for the people of Tauranga • Providing and publishing quarterly, six-monthly and annual reporting, aligned to the requirements of the Local Government Act 2002, that highlights both performance and community impact; achievements; issues and challenges; what's planned; and any areas of improvements • Sharing information in a timely manner when requested by Council.	Bay Venues remains committed to transparent engagement with the community. We actively share stories that demonstrate the value of our facilities and hold annual user group forums to keep the community informed. Council's contribution is consistently acknowledged through signage at Bay Venues-operated facilities and in customer communications. We provide ongoing reporting in line with the Local Government Act 2002 and ensure information is shared promptly with Council when requested.

The Tauranga Art Gallery Trust

Statement of Intent 2026–2029



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1 Purpose of the Statement of Intent

In accordance with Section 64 of the Local Government Act 2002 and the Local Government Amendment Act 2019, this annual Statement of Intent (SOI) publicly outlines the activities and intentions of Toi Tauranga Art Gallery (TAG) for the next three years.

The purpose of the SOI is to:

- Provide an opportunity for stakeholders to influence the direction of the organisation; and
- Provide a basis on which the charitable trust can effectively use its resources to achieve its stated mission and underlying charitable trust purpose, with a focus on accountability, transparency, and the impact of its services.

The Statement of Intent is informed by the expectations of Tauranga City Council (TCC) as outlined in the Enduring Statement of Intent and the Letter of Expectation dated 17 December 2025. Through the Statement of Intent, Tauranga Art Gallery Trust (TAGT) is able to demonstrate synergies, alignment and outcomes.

2 About Tauranga Art Gallery Trust

Tauranga Art Gallery Trust is incorporated under the Charitable Trusts Act 1957 as a not-for-profit entity established to deliver and operate a public art gallery to serve residents of Tauranga, the Western Bay of Plenty and visitors to the region.

The Tauranga Art Gallery Trust has charitable status with New Zealand's Inland Revenue Department.

3 Toi Tauranga Art Gallery Strategic Priorities

Toi Tauranga Art Gallery's purpose is to build enduring relationships with art. We achieve this through creating exceptional art experiences that engage, inspire, educate and challenge.

The following five guiding principles give focus to Toi Tauranga Art Gallery as an organisation:

He Tauranga Auaha To be an anchor of innovation and creativity

Toi Tauranga Art Gallery is a destination for both city visitors and residents, providing the opportunity for all to learn about, engage with and benefit from art, and enjoy unique art experiences.

He Tauranga Matarau To be an anchor for diversity

Toi Tauranga Art Gallery is inclusive. The organisation promotes partnerships with tangata whenua, puts value on culture and diversity, and is a place in which people of all ages and backgrounds are included and feel safe, connected and healthy.

He Tauranga Whaihua To be an anchor of enduring success

Toi Tauranga Art Gallery is an organisation committed to being financially sustainable and will pursue opportunities to secure funding. All funds will be managed with prudence and care.

He Tauranga Haumarū To be anchor for development

Toi Tauranga Art Gallery will take all practical steps to ensure our people have the very best foundations to grow in their roles, are valued, supported and thriving, and feel safe and connected. The Gallery will offer the same care for artists.

He Tauranga Haukaha To be an anchor of great shelter

Toi Tauranga Art Gallery is a regional asset that is fit-for-purpose and meets international museum standards.

He Tauranga Taiao To be anchor in environmental sustainability

Toi Tauranga Art Gallery prioritises kaitiakitanga (guardianship) and sustainability of the natural environment through its redevelopment and operates in an environmentally responsible way.

3.1 Focus for Toi Tauranga Art Gallery

In the Letter of Engagement dated 17 December 2025, Tauranga City Council has encouraged The Tauranga Art Gallery Trust to consider how best to:

- Deliver ongoing financial, economic, social, cultural and environmental sustainability
- Work collaboratively, in alignment with Council's objectives
- Deliver value for money for ratepayers
- Demonstrate transparency and accountability in decision-making processes
- Demonstrate robust and transparent financial analysis; and
- Care for and maintain community assets and amenities

Further, Toi Tauranga Art Gallery will work with the Tauranga City Council to achieve strategic community outcomes as follows:

Tauranga Mataraunui / We are inclusive

Tauranga is a city that celebrates our past, is connected in our present and invested in our future. Where people of all ages, beliefs, abilities and backgrounds are included and feel safe, connected and healthy.

Tauranga - Tātai Whenua / We have a well-planned city

Tauranga is a city that is well planned with a variety of successful and thriving compact centres, resilient infrastructure and community amenities.

Tauranga a te kura / We support business and education

Tauranga is a city that attracts and supports a range of business and educational opportunities, creating jobs and a skilled workforce.

The above intentions shall be delivered through the Toi Tauranga Art Gallery Statement of Intent 2026-2027 priorities and measures outlined on the following pages.

Further, we wish to indicate our support for the Community Outcomes that shall be consulted over during the next Long Term-Plan process, particularly "A vibrant city that embraces events".

3.2 Establishing a Baseline

The Gallery reopened to the public 15 November 2025. Prior to this visitation had been greatly impacted by COVID. A review of other galleries and tourism around New Zealand indicates that they are only now reaching pre-COVID levels (2019).

To establish a baseline, we will take a value from 1 January to 30 June 2026 and estimating a 5% growth on this for the 2026-2027 financial year. Following this the Gallery will have a stronger sense of numbers. It is projected that this will grow year on year as Te Manawataki o Te Papa moves to completion and full operations from mid-2028.

3.3 Looking to the Future

How will we measure our ambition to be a 'renowned gallery'?

Initially, this will be through our community response:

- Positive regional media coverage
- Annual increase in visitor satisfaction, measured through surveys
- Annual increase in visitor engagement, measured through attendance, surveys, online analytics and financial contribution
- Annual increase membership and event engagement, measured through attendance, surveys and financial contribution

Then, to be recognised for the reputation of our programmes through:

- Benchmarking against other like galleries
- Positive media and critical review coverage at a national level
- Being a destination for domestic and international tourists, measured through attendance, surveys and financial contribution
- National partnerships and our exhibitions tour to other institutions
- Over time, the success of the artists we have shown
- Recognition through awards such as LGFA Taituarā Local Government Excellence and BEST Design awards

3.2 Statement of Intent Priorities 2026–2027

	Tauranga Art Gallery Trust Strategic Alignment	Tauranga City Council's Key Deliverables and Expectations of Tauranga Art Gallery Trust	Tauranga Art Gallery Trust Measures
		Financial stewardship and prudence Continue delivering value for money to Tauranga residents by:	
1	An anchor of economic sustainability	Demonstrate efficient, effective, and economical use of public resources through transparent reporting and measurable outcomes	Six-Monthly and Annual Audited Accounts are submitted on time and are accessible on the Gallery website Once Te Manawataki o te Papa branding is finalised, the Gallery shall incorporate it, along with TCC branding into comms, to acknowledge our place as part of the TMTOTP precinct Marketing and public presentations highlight Tauranga City Council and resident support, and value for money
2	An anchor of economic sustainability	Grow existing and develop new opportunities for revenue streams	At least 20% of annual income is generated through revenue sources other than TCC New donors (corporate and/or private) are confirmed which establishes a baseline for ongoing reporting A programme of venue hire and at least 10 ticketed events are delivered
3		Tauranga City Council is clearly recognised as the principal funder across various platforms	Public speeches, print and online platforms clearly communicate the role of TCC.
		Arts and culture offerings Continue providing a variety of arts and culture offerings to our local, regional and international visitors by:	
4	An anchor of innovation and creativity	Deliver a dynamic exhibition programme that showcases local, national and international artists	Deliver a programme of at least 15 exhibitions in accordance with the E100 Exhibition Policy Develop a 20 th anniversary celebration programme for October 2027

5	An anchor of innovation and creativity	Provide education initiatives that engage schools and youth	Deliver education programmes to at least 5,000 ECE, primary and secondary school students Deliver a range of holiday, afterschool and youth programmes which establishes a baseline for ongoing reporting
6	An anchor of diversity	Develop digital engagement tools and online access to collections and exhibition programmes	A range digital engagement tools are developed and available in-gallery and online
7	An anchor of great shelter	Enhance environmental sustainability through responsible resourcing; reducing waste; and recycling.	Participate in the Tauranga Circular Economy initiative and demonstrate improvement in sustainability actions.
		<i>Partnerships with ngā iwi o Tauranga Moana</i> Continue strengthening these partnerships by:	
8	An anchor of diversity	Demonstrate the fostering of relationships and integration of perspectives from local iwi and hapū	Continued mana whenua position on Trust bringing a Te Ao Māori perspective to governance With guidance from Te Kāhu ō Hinewa and the Māori Engagement Framework relationships are nurtured and strengthened
9	An anchor of diversity	Integrate Te Ao Māori perspectives into programming	Advisory Group Te Kāhu ō Hinewa review annual programmes from a Te Ao Māori perspective Toi Hāpai (The Journey) Framework is applied to education programmes Bi-cultural interpretation and storytelling is reflected in the Gallery and online As per E100 Exhibitions Policy and Māori Engagement Framework, mana whenua and tangata whenua are showcased annually in the exhibition and events programmes.

		Strategic collaboration Continue to collaborate and build strong enduring relationships by:	
10	An anchor of diversity An anchor of economic sustainability	Building strategic partnerships with arts organisations and funders to enhance programming and strengthen financial resilience	Gallery Director is on Creative New Zealand Advocacy Advisory Group Te Rōpu Mana Toi Partnerships with at least five other organisations to co-develop or present programmes Annual funding secured through TECT and at least two other Community Funders
11	An anchor of diversity	To maximise community outcomes, establish Toi Tauranga Art Gallery as a vital part of the Te Manawataki o Te Papa Civic Precinct whanau	Actively contribute to the Te Manawataki o Te Papa Civic Precinct Leadership Group Media and comms where appropriate communicate the TMTToTP relationship School visits to city centre are delivered in partnership with Tauranga City Libraries
		Community-centric approach Continue prioritising community needs through:	
12	An anchor of diversity	Foster inclusive access to the arts by supporting diverse audiences and delivering programmes that reflect and celebrate the unique identity of Tauranga and its multicultural communities.	Develop and implement Diversity Engagement Framework
13	An anchor of diversity	Maintain high visitor satisfaction and incremental growth in visitation numbers.	Visitor surveys demonstrate at least 80% highly satisfied At least 5% growth of numbers from previous financial year.

4 Approach to Governance

The Tauranga Art Gallery Trust is a Council Controlled Organisation (CCO) of the Tauranga City Council. The Tauranga Art Gallery Trust Board and management are committed to ensuring the organisation meets recommended best practice governance principles and maintains the highest ethical standards, as outlined in the Enduring Statement of Expectations. The Tauranga Art Gallery Trust Board of Trustees is appointed by the Council to govern and direct Tauranga Art Gallery activities. The Trustees appoint the Chair and Deputy. The Board is accountable to the TCC for the financial and non-financial performance of Tauranga Art Gallery. The Board works collaboratively with the TCC to ensure a bilateral “no surprises” relationship.

4.1 Trust Deed Guiding Objectives

The activities and operations laid out in this SOI are guided by our Trust Purpose in the Tauranga Art Gallery Trust Deed (4.1) to:

- a) Provide the establishment and management of a sub-regional public art gallery and ensure that its assets and collections are managed to a high standard.
- b) Provide public art gallery facilities and art experiences which are relevant and accessible to the Western Bay of Plenty, sub-regional communities and visitors to the area.
- c) Lead and promote activities to raise funds for the Gallery.

4.2 List of Trustees

Chair: Rosemary Protheroe
Deputy Chair, Chair Stakeholder Committee: Rachel Scott
Trustee: Alan Withrington, Chair Finance Audit and Risk
Trustee: Hanna Scott, Chair Human Resources Committee
Trustee: Dave Guruge
Trustee: Wayne Werder
Trustee: Allanah Winiata-Kelly
Associate Trustee: Tania Berryman
Observer: Grace Hakaria
Observer: Richard Cooper

5 Nature and Scope of Activity

Toi Tauranga Art Gallery is pleased to be a partner in Tauranga City Council's civic precinct development. Toi Tauranga Art Gallery's own redevelopment is a key precinct project that now showcases the vision of Te Manawataki o Te Papa and the value of the Tauranga City Council / Toi Tauranga Art Gallery Council Controlled Organisation partnership to achieve strong community-focused outcomes.

Recent Activity

November 2025 saw the successful reopening of the Gallery. It marked the completion of a reorientation of the entrance onto the precinct, seismic and structural strengthening, HVAC systems and refurbishment. The addition of a retail space and leased cafe to enhance the visitor experience and diversify revenue streams.

The opening celebrations and 1st month of operations saw a community reunited with their gallery and and for visitors a destination experience to enjoy. Nearly 19,000 people took in the art, shopped at the store or grabbed a coffee at the cafe.

New interactive experiences saw children enjoying activities in Curiosity Guides and hunting for hidden wonderboxes. Teens downloaded the app for Kereama Taepa's augmented reality experience *Whakairo*, whilst locals reconnected with *Old Friends* in the Gallery collection exhibition.

The month was rounded off with extensive positive media coverage from Radio New Zealand, Stuff, Herald, Spinoff, Listener, House and Garden, Bay of Plenty Times and many others.

5 Activity over the coming year

We are pleased once again to be a fully operational art gallery.

Over the coming year we will open over 15 exhibitions for the public ranging from art historical to modern and contemporary art. They will showcase a range of media from painting to ceramics, to sound works, sculpture, printmaking and photography.

A range of talks, events and workshops are scheduled. From Art History lectures to jewellery making workshops. Our Friends Members too will have early-bird options and discounted rates to take advantage of.

City centre workers can enjoy our 20 minute 'Art Bite' series and corporates can hire the venue for events.

Our education programmes will be in full swing creating the opportunity for over 5,000 local children to engage in-person with art.

Behind the scenes we are already planning shows for 2028, but most importantly our 20th birthday celebrations in October 2027.

Being at the heart of our community is what we are all about.



6 Financial Climate

Toi Tauranga Art Gallery is pleased to be a significant contributor to the local economy, employing a staff of creative professionals based in Tauranga and engaging (where possible) local suppliers.

The Trust and staff are committed to the realisation of Te Manawataki o Te Papa. Looking to the short term, staff are prepared for the challenges of reduced foot traffic, access and revenue generation as the city transforms and other infrastructure projects are completed. We look forward to seeing how this evolves over time particularly with the opening of the Library later in 2026, and the Museum in 2028.

Deficits are projected for the next three years due to the difficult financial environment, reduced Council funding and the Gallery still looking to re-establish itself after the closure for major redevelopment. These results are projected to progressively improve over the period, and achieve a cash operating surplus (EBITDA) by year 2.

The redeveloped building creates additional revenue streams with new hospitality, venue hire and retail options. We have forecast the value of these new revenue streams, and although we do see more growth potential in these, they will not be confidently known until the building has been operational for 12 to 24 months. On this basis, the Trust is taking a cautious approach to budgeting of revenue and covering regular operating costs — including those that depend on external funding. Further, staffing has returned to levels pre-development and will support achieving levels of service and revenue generation and growth.

The redeveloped building together with upgrade to internal fit-out, furniture and fittings completed October 2025, results in a 64% increase in depreciation from 2024-25. Because of a 7% decrease in the operational funding grant, effective 2025-26 financial year, the Gallery may need to assess levels of service.

The Gallery will face more economic challenges over the next three years, and we will continue to work diligently on building diverse revenue streams and working prudently within budget envelopes.

We continue to place an emphasis on the value of Tauranga City Council and the city's investment in the Gallery's activities to stakeholders and audiences, through our communication and marketing strategies.

The Trust and staff look forward to working in partnership with Tauranga City Council and Te Manawataki o Te Papa project, and we are excited about the opportunity to expand our capacity to deliver more enriching art and culture experiences for Tauranga.



7 Planning

Tauranga Art Gallery Trust will prepare and update a three-year Strategic Plan and Annual Business Plan with:

- Indicative rolling three-year forecasts of financial performance and position, separately identifying any significant intended expenditure
- Any likely requests for increased levels of funding from Tauranga City Council
- Key actions or initiatives to deliver on the objectives of the Trust
- Upcoming challenges, risks and opportunities for the Trust

Tauranga Art Gallery Trust will work collaboratively with Tauranga City Council to review, and as necessary update, the Enduring Statement of Expectation and the annual Letter of Expectation.

8 Reporting

Tauranga Art Gallery Trust will:

- Keep Tauranga City Council informed of matters affecting the Trust as outlined in Enduring Statement of Expectation
- Produce an annual report on both financial and non-financial performance
- Appraise the performance of the Trust Board / Trustees at least every two years

Annual Report

Within two months following the end of each financial year, Tauranga Art Gallery Trust shall deliver to the Tauranga City Council a draft Annual Report and, within three months after the end of each financial year, audited financial statements in respect of that financial year, containing the following information:

- A Trustees' report, including a summary of the financial results, a report of the operations and comparison of performance in relation to its objectives and recommendations for further funding requirements or opportunities
- Audited financial statements for that financial year
- An auditor's report

9 Financial Performance Targets

The Trust's financial performance targets are:

- Gross revenue is consistent with the agreed budget
- Expenditure is managed within the agreed budget
- Working capital ratio of no less than 1 (excluding current portion of term debt)
- Consolidated funds (total equity) are not less than 90% of total assets (all current and non-current assets)
- No debt is to be raised to finance operating expenses
- No distribution of income or capital to Tauranga City Council

Non-Financial Performance Targets:

- Indicative Non-Financial Performance Targets of planning and reporting requirements are met as per priorities framework above.

10 Accounting Policies

Financial statements will be prepared and applied consistently in accordance with New Zealand Generally Accepted Accounting Policies (GAAP). They will comply with International Financial Reporting Standards (IFRS) and other applicable Financial Reporting Standards, as appropriate to public benefit entities that qualify for and apply differential reporting concessions.

11 Asset Management

Tauranga Art Gallery Trust will prepare and implement Asset Management Plans for the building and other assets.

Commercial Values of Assets

Tauranga Art Gallery Trust operates a public service and not a commercial activity. It is not practical to provide a commercial value to assets. Fair value of land, building and artworks are determined by an independent valuer every three years and changes reflected in the financial statements. Fair value is reviewed annually. The next valuation is to be completed by 1 August 2026.

12 Transactions Between Related Parties

Transactions between Tauranga City Council and Tauranga Art Gallery Trust will be conducted on an arms-length basis.

13 Significant Decisions

Tauranga Art Gallery Trust will not undertake any activity of a significant nature or scope not outlined in the Enduring Statement of Expectation or the Statement of Intent without prior approval of Tauranga City Council.

In particular, the prior approval would be required for Tauranga Art Gallery Trust to:

- Form any subsidiary entity
- Purchase shares in any other entity
- Dispose of any significant assets, e.g., land or buildings
- Dispose of or deaccession any works within the Tauranga City Council Civic Art Collection
- Purchase any significant assets, e.g., land or buildings

14 Investment from TCC

15 Payment

Payment of the Tauranga Art Gallery management and operation will be made monthly in advance, as per the schedule.

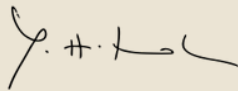
Compensation for any other services provided to or by the Council will be based on a service delivery agreement entered into by both parties.



Signed by:

Rosemary Protheroe

Chair, Tauranga Art Gallery Trust



Signed by:

Sonya Korohina

Director, Tauranga Art Gallery

16 Three-year forecasted budget

Tauranga Art Gallery Trust	Current Year Forecast 2025-26	Budget / Forecast		
		2026-27	2027-28	2028-29
Income				
Revenue from providing goods or services	283,330	354,319	384,638	409,058
Donations, fundraising or similar revenue	208,343	239,113	298,149	312,363
Interest, dividends or other investment revenue	67,468	42,344	42,344	42,344
TCC operational	1,427,122	1,427,122	1,427,122	1,427,122
WBOPDC	46,262	48,708	49,741	50,795
Other Income	578,991	56,213	59,320	61,038
Total Income	2,611,516	2,167,819	2,261,313	2,302,720
Less Operating Expenses				
Building	322,407	256,786	261,117	263,355
Expenses from providing goods or services	402,508	408,862	426,175	422,884
Volunteer & employee related costs	1,022,640	1,288,838	1,312,669	1,336,979
Trustees & governance	59,500	73,633	73,633	73,633
Other expenses	211,122	146,019	149,320	149,054
Total Operating Expenses	2,018,177	2,174,137	2,222,913	2,245,906
Operating Surplus/(Deficit)	593,340	(6,318)	38,400	56,814
Non-operating Expenses				
Depreciation	134,127	209,800	209,800	209,800
Net Surplus/(Deficit)	459,213	(216,118)	(171,400)	(152,986)

17 Assumptions and Notes

- No changes in Council funding over the three year period
- Non-council revenue will increase
- Costs to increase due to inflation





STATEMENT OF INTENT

FY27-29

TOURISM BAY OF PLENTY | TĀPOI TE MOANANUI Ā TOI

(WESTERN BAY OF PLENTY TOURISM AND VISITOR TRUST)



KO MĀTOU WAAHI HE NGĀKAU PAI, HE
TAKUTAI HAUMAKO RAWA, HE WAAHI PITO
MATA.

HE WAAHI AWHINA O NGĀ AHUREA
TUAKIRI KĀTOA. KO TE WAIRUA
MĀHORAHORA O TE TANGATA HE ORITE KI
TE PARITANGA HUANGĀ PAI O TE WHENUA.

HE WAAHI HURANGA – KO TĀ MĀTOU
PŪMANAWATANGA, TE MOTUHAKETANGA
ME TE WHAKAARO MURAMURA E
HONOHONO ANA MĀTOU KI TE AO.

HE TAURANGA MAI. HE TAURANGA ATU.

TE MOANANUI Ā TOI – HE WAAHI MŌU.

OURS IS A PLACE OF POSITIVE ENERGY; A
RICH COASTAL PARADISE BLESSED WITH
RAW POTENTIAL.

WHERE CULTURES EMBRACE
AND THE NATURAL GENEROSITY
OF OUR PEOPLE IS AS ABUNDANT AS OUR
FERTILE LAND AND OPEN SEAS.

A PLACE OF DISCOVERY –
OUR INGENUITY, DETERMINATION
AND BOLD THINKING CONNECT
US TO THE WORLD.

A LANDING PLACE. A LAUNCH PAD.

THE COASTAL BAY OF PLENTY –
A PLACE FOR YOU.



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2. Kia Ora from the Board Chair

Tourism Bay of Plenty is proud to be the Regional Tourism Organisation for Tauranga City and Western Bay of Plenty District Councils'. We take pride in our work and the outcomes we deliver on behalf of these stakeholders, and we have worked hard to establish and sustain strong engagement and relationships with operators, key agencies, partner CCO's, mana whenua and others critical to growing the prosperity of our people and place through tourism.

We note receipt of Tauranga City Council's Letter of Expectation for FY27 and acknowledge the expectations to 'deliver more for less', maintain a balanced programme of destination marketing and destination management, and demonstrate clear community-centric outcomes. We also acknowledge Western Bay of Plenty District Council as our other valued and supportive funding partner.

The Board recognises the constrained funding environment for FY27, including the confirmation of no CPI adjustment to operating grants, and the operational reality of cost pressures across insurance, utilities and supplier costs.

In this context, the Board is committed to disciplined financial stewardship, transparent reporting, and tough prioritisation - protecting core services where they most directly deliver value for money to ratepayers, the visitor economy, and the community.

The Board also acknowledges that there are currently three projects unfunded, which sit outside the key deliverables included in the letter of expectation. These include, Our Tauranga Region Place Brand project, iSite Visitor Services capital expenditure, and a content executive role to support our Digital Wayfinding Network. With support from the Board, Tourism Bay of Plenty will continue to lobby for funding provision to be provided, given the importance of the outcomes they would provide.

At the time of preparing this Statement of Intent (SOI), our region continues to navigate the post-impacts of the severe weather events, loss of lives and closure of key assets in and around the Western Bay of Plenty, specifically Mauao and the Mount Hot Pools. Accordingly, we will work closely with Councils, mana whenua, operators, key agencies and community partners to support our destination recovery, ensuring accurate information flow and reinforcement that Tauranga and the Western Bay of Plenty are open, welcoming and safe - albeit there is work ongoing for a time.

Finally, we acknowledge we have been provided with a confirmed operating grant funding for FY27 only. Accordingly, the outer-years outlook in this SOI are indicative and will be updated once funding and service-level expectations are confirmed through Council's Long-term Plan 2027 - 2037 process.



Russ Browne

Board of Trustees Chair

Tourism Bay of Plenty



3. Purpose of Statement of Intent

This SOI publicly states the intentions of Tourism Bay of Plenty for the three-year period FY27- FY29, with a detailed operational focus on FY27. It provides the foundation for accountability to our funding partners and the community, and establishes the performance measures against which our results will be assessed.

Tourism Bay of Plenty acknowledges the Enduring Statement of Expectations (ESE) and Letter of Expectation from Tauranga City Council and Western Bay of Plenty District Council. These articulate the focus areas for TBOP to contribute to the western bay's economic prosperity.

4. About Tourism Bay of Plenty

TBOP is incorporated under the Charitable Trusts Act (1957) and is a not-for-profit entity, established to promote and manage the western bay sub-region as a visitor and tourist destination. TBOP is a Council Controlled Organisation (CCO) which is accountable to Tauranga City Council (TCC) and Western Bay of Plenty District Council (WBOPDC) through a separate Letter of Expectation.

5. Objectives of Tourism Bay of Plenty

TBOP's purpose, as described in its Trust Deed, is to promote the economic welfare and development of the western bay region and its citizens through destination marketing, management and other related activities which maximise the region as a visitor destination. As the official Regional Tourism Organisation (RTO) for the region, TBOP's role is to:

- Lead, advocate and coordinate a cohesive approach to destination marketing and destination management for Tauranga and the Coastal Bay of Plenty.
- Provide visitor information services that enhance visitor experience, dispersal and safety.
- Work with mana whenua, operators, business partners and councils to ensure tourism growth is sustainable, inclusive and supported by our communities.

5.1 Alignment with Tauranga City Council's Community Outcomes & Priorities

TBOP will ensure program delivery and alignment to TCC's three priority themes being:

- **Delivering more for less:** This approach supports TCC's commitment to prudent financial management in the face of ongoing economic challenges and cost of living pressures that Tauranga ratepayers are experiencing.
- **Balanced delivery:** Maintain a strong programme of destination marketing and management, while expanding community engagement, sustainability initiatives and cultural inclusion.
- **Community-centric outcomes:** Support Council's current strategic vision - Tauranga, together we can prioritise nature, lift each other up, fuel possibility – through tourism initiatives, partnerships and storytelling that reflects Tauranga's diversity and vibrancy.

TBOP acknowledges TCC's emphasis on looking after what we have, affordability, robust and



transparent analysis, growth paying for growth, and value for money.

5.2 Alignment with Western Bay of Plenty District Council's Focus

WBOPDC's investment supports a strong and sustainable visitor economy across the wider Western Bay, including promotion of key events and experiences, tourism dispersal, and ensuring the economic benefits of tourism support community wellbeing. TBOP will continue to tailor support to the Western Bay to enhance district-wide events and experiences.

5.3 Principle Objectives

TBOP takes the lead role in the sustainable growth of the visitor economy and destination management of Te Moananui ā Toi | the Coastal Bay of Plenty. TBOP's purpose is 'to lead the prosperity of our people and place through tourism'. As such, our principal objectives are to:

- Help manage and promote the reputation of Tauranga and the wider coastal region nationally and internationally, to increase awareness and appeal.
- Create, identify, and support opportunities for tourism to have positive economic, social, cultural, and environmental outcomes for the region and residents.
- Share positive visitor sector stories to engage communities and to demonstrate the value of tourism to local residents (i.e., maintaining social license).
- Provide leadership, advocacy, and engagement across the visitor economy, in areas such as events, cruise, conferencing, destination management, destination marketing, and storytelling.
- Participate in conversations with both councils and in their subsequent workstreams, in relation to the development of their strategic directions. This includes contributing to Long-Term Plan conversations, the Te Manawataki o Te Papa project, and other similar large-scale council projects or reviews.
- Ensure the TBOP business continuity plan is up to date and that it includes contingency strategies, being mindful of relevant health and safety legislation whenever we're providing services to support the wellbeing of our communities.

5.4 Operating Principles

TBOP will adhere to the following operating principles whereby:

- We deliver value for our communities through prudent financial management, ensuring we plan and provide affordable fit-for-purpose services.
- Sustainability and resilience underpin our decision-making and service delivery, protecting the future of our city.
- We work in partnership with tangata whenua, our communities, sub-regional stakeholders, and central government.
- We manage the balance between the social, economic, cultural, and environmental wellbeing of our communities.



- We listen to our communities and make transparent, evidence-based decisions.

6. Approach to Governance

TBOP is a CCO of the Tauranga City and Western Bay of Plenty District Councils. The TBOP Board and management are committed to ensuring the organisation meets recommended best practice governance principles and maintains the highest ethical standards, as outlined in the ESE.

The TBOP Board of Trustees is appointed by both councils to govern and direct TBOP's activities. The Board is accountable to the councils for the financial and non-financial performance of TBOP. The Board works collaboratively with the councils to ensure a bilateral 'no surprises' relationship.

For transparency, TBOP will continue to publish up-to-date information online about what it does and how it operates on this page on our website: bayofplentynz.com/media-and-resources/resources/.

6.1 The Role of the Tourism Bay of Plenty Board of Trustees

The Board of Trustees are responsible for the direction of TBOP. In accordance with the ESE, this responsibility includes:

- Acting in accordance with the Trust Deed.
- Advocating on behalf of TBOP with key stakeholders.
- Approving Annual Plans, budgets, and the Statement of Intent (SOI).
- Maintaining Enterprise Risk and Health and Safety systems, policies, and controls.
- Monitoring financial performance and achievement of key initiatives and SOI objectives.
- Appointing and monitoring the performance and remuneration of the General Manager (GM).
- Ensuring the integrity of management information systems and policies.
- Assessing business opportunities and business risks.
- Ensuring TBOP policies enable a healthy organisational culture and staff engagement.
- Complying with relevant law.
- Ensuring TBOP exhibits a sense of social and environmental responsibility.
- Reporting to councils in a timely and transparent manner.
- Following the decision-making guidelines in the ESE and the TCC Appointment of Directors to Council Organisations Policy and the Significance and Engagement Policies.

The Trustees operate under the TBOP Code of Conduct and the Tauranga City Council Code of Conduct for Directors Appointed by Council-to-Council Organisations.

The Trustees delegate the day-to-day operation of TBOP to the General Manager (GM) of TBOP, who reports to the Board.



6.2 Tourism Bay of Plenty Trustees

As of 1 July 2026, the TBOP Board comprises of the following trustees:

- Russ Browne (Chairperson)
- Janine Tulloch (Deputy Chairperson)
- Brian Staunton
- Meghan Fleming
- Michelle Redward (Board Intern)

6.3 Communication Protocol

The Chairperson, Board members, and officers of TBOP adhere to the following communication protocols with the councils, in addition to the formal reporting requirements:

- Regular governance-to-governance meetings with each council's Councillors.
- Presentations of the Six-Month Report and Annual Report to both councils.
- Two-way dialogue and consideration of each council's strategic priorities and objectives.
- A bilateral 'no-surprises' approach to governance and the management of the organisation.
- Consultation, prior to external release, of any significant changes and/or developments.
- Early notification and collaboration on key matters of risk or reputation.
- Appraise the performance of the TBOP Board of Trustees at a minimum of every two years, alternating annually between a Board-led review and a Council-led review.
- Share details of any substantive engagement with central government and/or external agencies.
- Acknowledge our relationship with councils and use of logos where appropriate.

6.4 Statement of Intent

The SOI provides a three-year view, which is consistent with the ESE, to identify:

- An indicative rolling three-year forecast of performance and position.
- Identification of any significant intended expenditure.
- Any likely requests for increased funding from either council.
- Key actions or initiatives to deliver on the objectives of TBOP.
- Upcoming challenges, risks and opportunities for TBOP.



7. Strategic Pillars (FY27 Work Programme)

Tourism Bay of Plenty's purpose is:

To lead the prosperity of our people and place through tourism.

7.1 Council's Expectations & Key Deliverables for Tourism Bay of Plenty

TBOP's activities are structured to balance destination marketing, destination management and community outcomes within constrained funding settings. Specifically, TBOP acknowledges the following focus areas and expectations outlined by Councils:

Financial Stewardship and Prudence	Continue delivering value for money to Tauranga & WBOP residents.
Tourism Offerings	Continue delivering a variety of tourism offerings to our local, regional and international visitors.
Partnership with Mana Whenua	Continue strengthening this partnership.
Strategic Collaboration	Continue to collaborate and build strong enduring relationships
Communication and Reporting	Continue transparent engagement with the community.

We aim to achieve the above by delivering on the programmes and projects outlined below.

- Destination marketing campaigns targeting high-yield domestic and trans-Tasman markets.
- Low-season activation to support economic resilience.
- Cruise facilitation and visitor welcome coordination.
- Visitor information services (including digital platforms and wayfinding).
- Resident sentiment measurement to strengthen social licence.
- Sustainability enablement and Green Room network support.
- Business events development and event promotion support.
- Strategic placemaking support linked to Council investment projects.

TBOP also commits to liaising with the appropriate teams at both councils to better understand the destination opportunities identified, such as Te Manawataki o Te Papa, Ōmanawa Falls, McLaren Falls, TECT Park, and other recreational reserves, walking trails, cycling trails, and more.

In addition to Council's Letter of Expectation, TBOP recognises TCC's expectation that it be appropriately acknowledged as the principal funder in public communications, including speeches, printed publications, and online channels, where practical.



Key activity to be undertaken across the western bay region

7.2 Destination Marketing and Storytelling

- Maintain digital marketing and campaign activity aimed at stimulating local region and wider domestic audiences, with campaign bursts supporting shoulder and low-season travel.
- Continue to position Tauranga and the Coastal Bay of Plenty as a desirable and vibrant destination in the minds of international visitors through the likes of the Kiwi North trade collective and in partnership with travel trade, Tourism NZ and hosted media and key partners specifically in Australia, UK and North America.
- Strengthen earned media and storytelling activity that improves community understanding of the value of tourism and supports recovery messaging when required.

7.3 Visitor services and in-destination support

- Deliver core visitor information services through iSITE and in-market visitor touchpoints, with service levels aligned to funding and seasonal demand.
- Maintain and enhance in-destination wayfinding and information through digital channels, including website and destination app updates.
- Support safe and positive visitor behaviour through timely information, partner coordination and 'no surprises' communication with Councils.

7.4 Cruise Sector Facilitation and Economic Benefit

- Continue cruise-sector coordination and facilitation, working with Port of Tauranga, cruise lines, Traffic Management (TMP), operators and councils to deliver a world-class welcome.
- Promote responsible cruise visitation that benefits local businesses, disperses visitors appropriately and reflects community expectations.
- Pursue opportunities to grow yield and manage pressure points through improved visitor information, product readiness and operator standards.

7.5 Flavours of Plenty and Signature Platforms

- Continue to develop the Flavours of Plenty platform as a signature programme that drives visitation, supports local producers and strengthens regional identity.
- Leverage partnerships, sponsorship and collaborative marketing to reduce reliance on council funding while maintaining programme impact.
- Ensure the Flavours of Plenty platform continues to build valued collaborations and partnerships across the coastal Bay of Plenty with a particular focus on provenance of the Western Bay of Plenty and wider Tauranga region.



7.6 Business & Major Events Investment Alignment

- Deliver on the key TBOP actions in the Tauranga Events Actions and Investment Plan being:
 - TBOP Action 1b: Lead the development of a business events framework to provide a clear and coordinated framework for investment for the city.
 - TBOP Action 4c: Promote Tauranga as a premier event destination for visitors nationally and internationally. Adopt a collaborative approach to the promotion of events.
- Promote Tauranga as a vibrant event destination for business delegates, event attendees and promoters, using a coordinated approach with event partners and venue operators.

7.7 Partnership with Mana Whenua & Māori Tourism Development

- Demonstrate active relationships with Tauranga Moana and Te Arawa ki Tai iwi/hapū in the identification, support and enablement of potential tourism ventures that engage Māori whānau and communities.
- Support new and existing Māori cultural operators to enrich cultural narratives and experiences.
- Integrate cultural histories and stories into digital storytelling and wayfinding platforms.

7.8 Regeneration, Sustainability & Climate Alignment

- Support the existing network of Green Room graduates and encourage new businesses to use Tourism Industry Aotearoa's Akiaki resources.
- Align activity with Council's Climate Change Action and Investment Plan where relevant, focusing on achievable actions within baseline funding.
- Embed sustainability and responsible hosting messages across marketing, visitor information and operator engagement.

7.9 Insights, Social Licence and Community Engagement

- Maintain a resident sentiment and social licence programme to inform decisions and demonstrate community-centric outcomes.
- Continue proactive engagement with community stakeholders to strengthen understanding of tourism's benefits and address pressure points.

7.10 Cycle Trails & Walkways

- Support the development and promotion of regional cycle trails and walkways across the region.
- Identify opportunities to encourage tourism ventures that make use of this infrastructure.
- Promote cycle trails in the western bay area through digital channels and annual updates of the western bay cycle trails booklet, including printing

7.11 Support Key Stakeholder Programmes & Placemaking



- Work with Council to support destination opportunities linked to major investments and assets (e.g., Te Manawataki o Te Papa; Omanawa Falls; McLaren Falls; TECT Park; cycling and walking trails).
- Support placemaking initiatives that strengthen the visitor experience and resident pride.
- Support visitor dispersal and destination development across Western Bay communities.
- Tourism development support for key Western Bay of Plenty experiences (as agreed and identified) in Waihi Beach, Katikati, Maketu and Te Puke, such as the new Kiwifruit Heritage experience.

8. Additional (Requested by TCC with finalised funding pending)

The three programmes outlined below are *critical* to the destination's success but sit outside Tourism Bay of Plenty's funded work programme as defined in the Shareholders' Letter of Expectation (LOE). At the direction of its shareholders, TBOP has provided oversight and facilitation; however, operating funds to sustain the projects have been secured separately from TBOP. In the instance of the iSITE Visitor Services project, this requires investment, which is capital in nature and not covered under TBOP's current service contract. TBOP has been advised to list these here.

Essentially, clarity of funding certainty for each of these projects is needed as soon as possible (and prior to 1 July 2026), given the need for momentum, resource, timing, and/or protection of IP.

8.1 Our Tauranga Region - Place Brand Project

Funding is sought on behalf to ensure the successful implementation and delivery of expectations from the Our Tauranga Region Place Brand project, on behalf of Tauranga City Council and Western Bay of Plenty District Council. With current funding through to 30 June 2026, TBOP was tasked to lead the project, chairing the Brand Governance Group and overseeing a separate budget including the appointment of a Project Lead to oversee the research and engagement across the region in support of the recently appointed agency.

8.2 iSITE Visitor Services - Capital Expenditure

Funding is sought to improve the effectiveness, visibility and reach of the current iSITE visitor service programme at two key locations. The first is at the new Community Hub & Library at Te Manawataki o Te Papa, where a 90sqm build provision has been made for a new city centre concierge and iSITE centre. TBOP has identified a 50/50 investment fund from MBIE (via VIN Network) to assist in fit-out costs up to 200K on a 1:1 basis, but requires one-off CAPEX funding to access this. The second is for the new build of a versatile, mobile iSITE caravan (long-wheel based), which is also funded by a 50/50 MBIE investment contribution, that would allow targeted visitor and event services to be taken to specific locations (on demand) to improve our event facilitation and visitor facing aspirations. Note: TCC has advised TBOP it must vacate use of the current iSITE Pod (Container) located at Ngā Manu Porotakataka Reserve by June 2026.



8.3 Digital Wayfinding Network - Content Executive Role

Funding is sought to retain the Digital Content Executive role, responsible for managing the ongoing development of the city's digital visitor information network. The current network of four kiosks, expanding to five at the Pukehinahina Battleground, will likely become seven or eight across TCC and WBOPDC boundaries this year. The network has evolved into a dynamic communications platform, delivering real-time weather alerts and emergency messaging during significant events. The role also enables pop-up splash video functionality to promote major events and city activations in high-footfall locations, positioning each kiosk as a responsive promotional channel. Given the network's scale and capability, dedicated oversight is essential to ensure it remains operationally sound, strategically aligned and responsive to visitor and stakeholder needs. Note: this role was previously fully funded by TCC, then reduced to 50/50, and from 1 July 2026 receives no funding.

9. Performance Targets (for western bay)

FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	TARGET BY JUNE 2026	TARGET BY JUNE 2027*
ECONOMIC Wellbeing	Grow the value of tourism to the western bay economy.	Trends in visitor spending via electronic card transactions.	Direct Partnered Indirect	Marketview	Increased visitor spend in the western bay compared to YE June 2025.	Increased visitor spend in the western bay compared to previous YE.
SOCIAL Wellbeing	Enhance the value of tourism to our community (according to the community).	Residents' sentiment towards tourism. Measured by the percentage of residents who agree that tourism has a positive impact on their community. Residents provide a rating of 1 to 10, where 1 is strongly disagree and 10 is strongly agree.	Direct Partnered Indirect	Annual Resident Surveys.	Tauranga City Residents: 62% NB: In addition, TBOP measures domestic, international and business sentiment.	Tauranga City Residents: 64% NB: In addition, TBOP measures domestic, international and business sentiment.
CULTURAL Wellbeing	Improving the cultural wellbeing of the community through tourism.	Facilitation of programmes that elevate the Māori cultural tourism proposition in the western bay region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Supported a minimum of 3 Māori tourism operators to connect their experience offering to a digital platform.	Continue to support new and existing Māori cultural operators and developments, and incorporate cultural histories and stories into digital storytelling and wayfinding platforms managed by TBOP.
ENVIRONMENTAL Wellbeing	Improving the environmental wellbeing of the region via environmental sustainability and regeneration projects.	Industry-focused environmental sustainability and regeneration initiatives facilitated or enabled by TBOP.	Direct Partnered	Programme Reports.	Key actions and programmes are in place which build on climate change mitigation and adaptation progress relating to tourism (connecting with the Tauranga Climate Change AIP, where relevant).	Continue to engage with organisations that have completed the Green Room programme and encourage any additional organisations to utilise TIA's Akiaki free resources.
TBOP ORGANISATION Wellbeing	Enhance TBOP's ability to achieve its goals through high staff engagement.	TBOP staff engagement.	Direct	Employee Engagement Survey.	Employee Engagement score of ≥80%.	Employee Engagement score of ≥80%.



FOCUS AREA	PROJECT DELIVERABLE	MEASURE	TBOP	SOURCE	TARGET BY JUNE 2026	TARGET BY JUNE 2027*
DESTINATION MANAGEMENT & MARKETING	Elevate the region’s cycling proposition.	Develop, update, and promote informative material on cycle trail options in the western bay.	Direct Partnered	Council’s feedback.	Cycle trails booklet updated. Elevation of the western bay region as a destination for cycling within New Zealand.	Cycle trails booklet updated. Elevation of the western bay region as a destination for cycling within New Zealand.
	Build operator capability to enhance the quality of the region’s tourism offering.	Provide opportunities for western bay operators to train or upskill in sales, marketing and trade capability areas while also gaining, retaining or achieving higher Qualmark rated certification.	Direct Partnered Indirect	Capability programme report.	Operators supported to engage in capability building programmes, with a minimum of five additional operators being endorsed with Qualmark certification.	Operators supported to engage in capability building programmes, with a minimum of five additional operators being endorsed with Qualmark certification.
	Coordinate activity that attracts key business events to the western bay region.	Facilitate leads and bids for business events in the region.	Direct Partnered	TBOP Six-Month and Annual Reports.	Facilitated 30 leads or bids for business events in the region and won 10.	Facilitated 30 leads or bids for business events in the region and won 10.
	Elevate the region’s food story and proposition.	Promote and support the delivery of the Flavours of Plenty Festival to draw visitors to the Coastal Bay of Plenty region.	Direct Partnered	Festival delivery.	Continued TBOP support of Flavours of Plenty, via key visitor marketing channels, reaffirms the festival as a signature DNA™ event for the region.	Continued TBOP support of Flavours of Plenty, via key visitor marketing channels, reaffirms the festival as a signature DNA™ event for the region.
	Promotion of the western bay region to key target markets (cultural explorers, surf & beach lovers, outdoor adventurers, and eco-travellers).	Annual development and delivery of marketing campaigns that incorporate our key DNA™ pillars that reach and convert the travel intentions of our target markets to visit, stay and spend in the region.	Direct Partnered	Campaign collateral.	Annual review and delivery of relevant campaigns and related PR activity that incorporates our DNA™ pillars and converts the travel intentions of our key target markets to visit, stay and spend in the region.	Annual review and delivery of relevant campaigns and related PR activity that incorporates our DNA™ pillars and converts the travel intentions of our key target markets to visit, stay and spend in the region.

*June 2028 & June 2029 targets to be confirmed, but initially baselined against June 2026 targets with scope for further development.



10. Accounting Policies

Financial statements will be prepared in accordance with Tier 2 Public Benefit Entity Accounting Standards. The accounting policies that have been adopted are detailed in the Tourism Bay of Plenty Annual Report.

10.1 Asset Management

TBOP will prepare and implement Asset Management Plans for all assets where relevant.

10.2 Transactions Between Related Parties

Transactions between the councils and TBOP will be conducted on a wholly commercial basis.

11. Expected Shareholder Distributions

TBOP is not expected to make profits. Any surplus funds remaining from annual operations are carried forward to the ensuing year, to continue to pursue the primary objectives of TBOP.

12. Financial and Non-Financial Reporting

12.1 Financial Performance Targets and Measures

- Gross revenue is consistent with the agreed budget.
- Expenditure is managed within the agreed budget.
- Working capital ratio of no less than 1 (excluding current portion of term debt).
- Equity to assets ratio is reported on (equity divided by total assets).
- No debt is to be raised to finance operating expenses.

12.2 Reporting

TBOP has adopted 30 June as its balance date.

12.2.1 Six Month Report

By 28 February each year, the Trustees shall deliver to the councils an unaudited report containing the following information, in respect of the six months under review:

- Statement of Financial Performance, disclosing revenue and expenditure and comparative prior period and budget figures.
- Statement of Financial Position.
- Progress towards Non-Financial Performance Targets.
- A commentary on the financial and non-financial results for the first six months and a forecast of these results for the full year.



12.2.2 Annual Report

By 31 August each year, the Trustees shall deliver to the councils a draft Annual Report, and by 30 September, a final version of the Annual Report, which will include audited financial statements (dependent on Audit New Zealand timeframes) in respect to the previous financial year, and containing the following information:

- Chairperson's and GM's reports.
- Audited financial statements for the financial year, including Statement of Financial Performance and the Statement of Financial Position and Changes in Equity.
- Notes to the financial statements, including accounting policies.
- Service Delivery Report summarising TBOP's performance against the SOI strategic priorities.
- Independent Auditor's report on the financial statements and non-financial performance measures.

13. Activities for Compensation

13.1 Funding Principles

There are six high-level funding principles:

- As a general principle, TCC and WBOPDC will provide ongoing funding to TBOP as a contribution towards operational expenses.
- The role of the councils is to hold TBOP accountable for the use of funds provided by TCC and WBOPDC, which will ideally be consistent with the councils' strategies.
- TBOP is encouraged to seek funding opportunities from the private sector and central government to maximise the best outcomes for the organisation and the region.
- The TBOP Board must be empowered with sufficient flexibility to determine the best use and allocation of funding to meet required levels of service to the community and visitors.
- TBOP is expected to meet the approved annual budget.
- Any net surpluses are to be disclosed through Six Month and Annual Reports.

13.2 Approach to Funding

TBOP receives an operating grant from both councils for the purpose of marketing and managing the destination. The operating grant is set through the Long-Term Plan (LTP) process, with the contribution from each council updated annually, in line with the Consumer Price Index (CPI), when TBOP creates its budgets for the coming year.

NOTE:

1. TBOP has received a confirmed operating grant for FY27 and has therefore forecast future year funding based on the current LTP with CPI adjusted figures (previously provided).
2. TBOP has put forward (as directed) 3 key programme considerations into this SOI (not covered in the annual operating grant) to be assessed on a case-by-case basis via the Annual Plan or LTP process.



13.3 Compensation from Local Authorities

TCC and WBOPDC intend to purchase services from TBOP over the long term and agree to the level of funding on a rolling three-year basis, aligned to the three-year Business Plan of TBOP.

The services for the next three years are currently forecast as per the table below. Note this excludes separate funding for TBOP to lead the Tauranga Moana Brand, Digital Kiosk Network, and capital expenditure for iSite Visitor Services.

Funder	FY26	FY27	FY28	FY29
TCC	1,574,612	1,574,612	1,679,866	1,769,534
TCC (VIC, Including cruise)	558,697	558,697	586,657	598,969
TCC Total	2,133,309	2,133,309	2,266,523	2,368,503
Less 7%	(149,332)	(149,332)	(0)	(0)
TCC new Total	1,983,977	1,983,977	2,266,523	2,368,503
WBOPDC Total	350,000	325,000	367,575	375,050
Total	2,333,977	2,308,977	2,634,098	2,743,553

The payments will be made quarterly, in advance, on receipt of a GST invoice, with payments one and two each being 30% of the annual sum, and payments three and four each being 20% of the annual sum.

Budget	FY26	FY27	FY28	FY29
Revenue				
Funding - Tauranga City Council	1,983,977	1,983,977	2,266,523	2,368,503
Funding - Western BOP District Council	350,000	325,000	367,575	375,050
Retail Gross Profit	5,250	6,250	12,000	15,000
Other Revenue	271,450	109,550	117,250	123,650
Total Revenue	2,610,677	2,425,027	2,763,348	2,882,203
Less Expenditure				
Operating & Marketing	607,150	596,835	589,045	589,518
Administration & Overheads	535,723	465,629	337,593	360,857
Employee Expenses	1,684,954	1,623,142	1,656,021	1,689,297
Depreciation and Amortisation	51,684	40,664	36,080	32,075
Total Expenditure	2,879,511	2,764,250	2,618,739	2,671,746
Surplus / Deficit	(268,834)	(301,223)	144,609	210,457



14. Estimated Value of Tourism Bay of Plenty

The TBOP Board estimate that the commercial value of the shareholders' investment in TBOP is represented by the net assets of TBOP. This value is calculated from total assets less liabilities.

15. Significant Decisions

In accordance with the TCC Significance and Engagement Policy, TBOP will not undertake any activity of a nature or scope not provided for in this SOI without prior approval of both councils. Specifically, prior approval would be required for TBOP to:

- Form any subsidiary entity.
- Purchase shares in any other entity.
- Dispose of any significant assets, e.g. land or buildings.
- Purchase any significant assets, e.g. land or buildings.
- Seek partnering solutions that involve the dilution of assets or the commitment of councils.

16. Termination

If any party wishes to terminate this three-year rolling arrangement, due to non-performance or any other substantive reason within the control of either of the parties:

- the party may give written notice to the other party specifying the issue and, if possible, requiring remedy within twenty-eight (28) days, and/or
- mediation is set to investigate any remedy of the issue, and/or
- if the issue is unable to be remedied to the party's satisfaction, the party must give written notice of its intention to terminate this arrangement from a date being not less than one year commencing the forthcoming 1 July (that is, the secondary party must have at least one full financial year's notice commencing on 1 July and ending on 30 June).

17. Signed

Date

Chairperson
Russ Browne
Tourism Bay of Plenty

Date

General Manager
Oscar Nathan
Tourism Bay of Plenty



18. Glossary of Terms

AIP	Action and Investment Plan
CAPEX	Capital Expenditure
CCO	Council Controlled Organisation
CPI	Consumer Price Index
ESE	Enduring Statement of Expectations
GM	General Manager
GST	Goods and Services Tax
IP	Intellectual Property
LOE	Letter of Expectation
MBIE	Ministry of Business, Innovation and Employment
RTO	Regional Tourism Organisation
SOI	Statement of Intent
TBOP	Tourism Bay of Plenty
TCC	Tauranga City Council
VES	Tourism Bay of Plenty's Visitor Economy Strategy 2018-2028
VIC	Visitor Information Centre
WBOPDC	Western Bay of Plenty District Council
YE	Year end

Note, 'western bay' refers to the total combined area which is governed by Western Bay of Plenty District Council and Tauranga City Council.

Te Manawataki o Te Papa Limited

Statement of Intent

To Tauranga City Council

FY2027 – 2029



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Foreword

Te Manawataki o Te Papa "Te Papa mana whenua, Te Papa Houkura, Te Papa o ngā waka, Te Papa kainga o te iwi"

"The heartbeat of Te Papa – the deep springs, the richness of the land, the landing of many canoes, the home of the people"

The Te Manawataki o Te Papa civic development program embodies our community's hopes and aspirations for the revitalised Tauranga City Centre (city centre).

The civic development program, set out in the Tauranga Civic Precinct Masterplan of December 2021, features a progressive new library and community hub with a research and archives facility, café, children's section and community meeting rooms; a new civic whare (public meeting space); and a museum and exhibition gallery that will offer direct access to the city's taonga and heritage collection. A suite of Council-led developments and development opportunities compliment the new Civic Precinct. These include a redeveloped Public Realm and Waterfront, the Memorial Park Aquatics Centre, as well as the now completed Haumaru Indoor Courts facility and Council offices at 90 Devonport Road. This programme of works will establish the city centre as the commercial, civic and cultural heart of Tauranga.

Redevelopment of the northern waterfront was completed in 2024, including upgrades to Beacon Wharf, the creation of the new northern reserve and playground, and improvements to the Dive Crescent carpark. On the southern waterfront, Tunks Reserve opened, providing access to the striking new underpass and boardwalk leading to The Strand.

In 2025, several key projects were completed and opened, including the Council Offices at 90 Devonport Road and the Haumaru Indoor Court Facility at 483 Cameron Road. In the same year, Tauranga's Waterfront Playground in Park North was recognised as "Playspace of the Year".

In 2026, stakeholder engagement will focus on the design of the Memorial Park Aquatics Centre. We also look forward to progressing the Wharewaka project on the Strand Park South Reserve. The installation of the Waharoa at the entrance to Masonic Park will mark the completion of that project, creating a visual representation of the connection between Tauranga Moana and Te Manawataki o Te Papa.

Construction of the Civic Whare, Exhibition and Museum structure are also continuing at pace with the construction of the Library and Community Hub due for practical completion in June 2026, followed by fitout and opening in late October.

The Board has continued to strengthen relationships with mana whenua. This strong partnership has supported smooth project delivery and ensured that cultural narratives are appropriately celebrated. We are particularly excited to see the installation of the Waharoa entrance gate to the Masonic Park, with cultural artwork designed by Te Kāhui Toi Artwork in collaboration with the Otamataha Trust.

The planned facilities and activities will draw people in from near and far, helping to add vibrancy and breathe life into the city, as already evidenced in the new Strand Playground and Boardwalk, which have proven to be tremendously popular. The benefits of the city centre projects will be felt by communities across Tauranga, its wider region, and those who choose to visit, work, invest and live in the city centre. The projects will promote opportunities for welcoming and expression, learning and discovery, appreciating our past and shaping our future, and places for entertaining and enjoyment.

This statement is presented in accordance with the requirement of section 64(1) of the Local Government Act 2002 and incorporates the expectations of Tauranga City Council as outlined in its Letter of Expectations dated 17 December 2025. It outlines Te Manawataki o Te Papa Limited's objectives, nature

and scope of activities undertaken, and the performance targets by which we will be measured for the years 1 July 2026 to 30 June 2029.

We also look forward to building a strong and productive relationship with Council's new Major Projects team, to ensure an integrated approach to capex project delivery across the city. The amalgamation of Civic Development and Transport Major Projects into one Major Projects division, presents an opportunity for us to deliver an expanded programme of works for the community in line with the intent to expand our brief; one which we are particularly excited about to see unfold in the 2027 to 2029 period.

We look forward to updating you during the year as we progress throughout the design and construction phases of the Te Manawataki o Te Papa Civic Development Project.

Kim Wallace

Chair

Te Manawataki o Te Papa Limited

1 Introduction

Te Manawataki o Te Papa Limited (TMoTPL) is responsible for governing the delivery of a suite of projects across Tauranga City. This includes the Te Manawataki o Te Papa Civic Precinct; redevelopment of the Public Realm and Waterfront; the Memorial Park Aquatics Centre; the Indoor Courts facility and the fitout of 90 Devonport Road offices (collectively the Programme).

TMoTPL is a council-controlled organisation (CCO) for the purposes of the Local Government Act 2002 (LGA) and a public benefit entity for financial reporting and tax purposes. The company is 100% owned by the Tauranga City Council (Council). TMoTPL was registered and began operations in February 2023.

This Statement of Intent (SOI) is prepared by TMoTPL in accordance with section 64(1) of the LGA and in response to Council's Letter of Expectation dated 17 December 2025. It covers the tendering, design and construction phases. It includes information on key deliverables, financial information and performance measures and targets to enable organisational accountability and transparency.

The SOI is a public and legally required document which is reviewed and agreed annually with the Council, as TMoTPL's sole shareholder. This SOI covers the period from 1 July 2026 to 30 June 2029.

2 Nature, Scope, and Purpose

The scope of the Programme under the governance of the TMoTPL includes:

- Te Manawataki o Te Papa Civic Precinct, comprising the new Library and Community Hub (ComHub), Civic Whare, Exhibition and Museum (CWEM and the associated public realm works, including adjacent pedestrian footpaths).
- Continuation of the Tauranga Moana Waterfront Development, encompassing the completion of the Wharewaka.
- The Memorial Park Aquatics Centre development has progressed to design stage under Tauranga City Council (TCC) Spaces and Places whereafter it will revert to TMoTP for implementation.

TMoTPL is responsible for the governance of the delivery of the Programme (including execution, monitoring, and control) through to completion of construction, in a way that provides the best community outcomes possible and in accordance with the Tauranga Civic Precinct Masterplan (December 2021), the Tauranga Moana Masterplan (September 2022), the Memorial Park Aquatics Centre (December 2024) and the stated priorities and expectations of Tauranga City Council.

As we look ahead to the 2026/27 financial year, we are set to meet Council's overall expectations of TMoTP Limited which focus on delivering value for money; achieving a balanced approach to capital development project delivery; ensuring that projects are well-managed, timely and aligned with strategic objectives; and providing high-quality, cost effective services and outcomes, so that the people of Tauranga continue to benefit from the long-term value generated by these developments.

Regarding financial stewardship and prudence, we continue to deliver value for money to our community by reviewing the capital programme to ensure the spending planned is necessary and that every opportunity to save/reduce cost is considered throughout the project lifecycles. Through employing rigorous procurement processes, transparent reporting and measurable outcomes, we can demonstrate the efficient, effective and economical use of public resources.

We will design, procure, and oversee the construction of the following projects:

- **Library and Community Hub building** – being delivered in line with agreed project timelines and the Tauranga Civic Precinct Masterplan, including any further Council-approved changes or variations.
- **Civic Whare, Exhibition Gallery, and Museum buildings (along with associated landscaping)** – being delivered in accordance with agreed timelines, the Tauranga Civic Precinct Masterplan, and any subsequent Council approvals or variations.
- **Memorial Park Aquatic Centre and associated landscaping** – to progress in line with agreed project timelines and Council-issued guidelines.
- **Baycourt refurbishment** – whilst this project is currently on hold until 2028, it will be undertaken according to agreed timelines and the Tauranga Civic Precinct Masterplan, including any additional approvals or variations from Council.
- **Public Realm, Wharewaka, and Waterfront sub-programme and associated landscaping** – will be undertaken in line with agreed project timelines and the Tauranga Moana Waterfront Plan, as well as any further Council approvals or variations.

We will continue to apply best practice by ensuring each project remains within budget while balancing whole-of-life costs; meeting all delegations, New Zealand legislation, regulations, and construction industry best-practice standards, including leading health, safety and wellbeing requirements; and embedding sustainable design principles such as considering 6 Green Star and WELL certification. Our projects will enhance the civic precinct experience for all users, be fully accessible through inclusive design and strong transport connections and reflect prudent financial management through ongoing review of capital spend to confirm its necessity and identify cost-saving opportunities. We also support local procurement wherever practical and commercially viable, including opportunities for mana whenua. The success of the Playground and Masonic Park displays the positive impact our projects are having on the community. These will undoubtedly be enhanced by the Art Gallery, ComHub and CWEM, in particular; breathing fresh life into the city centre, as is already proving the case.

We will continue to strengthen our partnership with mana whenua by working closely with the Otamataha Trust as the delegated representatives on these projects, ensuring the work reflects and honours mana whenua's deep connection to the area, and upholding the gifted name from the Otamataha Trust for the overarching Te Manawataki o Te Papa project. As a Board, we maintain regular direct engagement with the Otamataha Trust to ensure there is appropriate mutual stewardship of project benefits and opportunities.

We will continue transparent engagement with the community by ensuring that significant stakeholders and communities across the city receive regular project delivery updates, providing quarterly, six-monthly and annual reporting in line with the Local Government Act 2002 that outlines performance, community impact, achievements, issues, upcoming plans and areas for improvement, and sharing information promptly whenever requested by Council. Our Communications and Engagement Team have been particularly active in this space.

TMoTPL will actively identify, quantify, and mitigate risks in a timely manner to the Council, as the agency responsible for delivering the Programme including (without limitation) financial risk, delivery risk and reputational risk. It will also advocate with the Council to maximise opportunities to obtain third party contributions to the Programme.

The TMoTPL Board actively operates in accordance with the Council's Enduring Statement of Expectations and all relevant regulatory, statutory, policy and administrative requirements, upholds governance best practice, builds a strong and collaborative relationship with Council's new Major Projects team to support an integrated approach to citywide capital project delivery, participates in regular meetings with the Mayor and Councillors, and actively engages

in the development of the upcoming Long-term Plan 2027/37. Ultimately, TMOtpl's purpose is to deliver the Programme for and with the community, on behalf of the Council to achieve the expected outcomes, rather than to operate a business for profit.

3 Vision

The vision of TMOtpl is to transform the heart of the city, including the Tauranga Moana Waterfront Development which encompasses the completion of the Wharewaka, as well as the Memorial Park Aquatic Centre. In doing so, we aim to create a place where people will want to live, work, play, learn and visit. Achievement of this vision will enable the following objectives, as set by Council for this Programme, to be delivered:

- Promote opportunities for welcoming and expression, learning and discovery, appreciating our past and shaping our future, and places for entertaining and enjoyment.
- Stimulate the region's economy, including attracting domestic and international visitors, experiences and events.
- Enable the region to host a range of events and activities, including art exhibitions, museum displays, entertainment activities, and other community and business events.
- Promote opportunities for recreation and play.
- Increase the vibrancy of the civic precinct and support the connection of central Tauranga with the surrounding region.
- Provide confidence to the investment markets to invest further in the city centre area.
- Enhance the region's social, cultural, entertainment and artistic reputation and identity.

4 Goals

To achieve its purpose and vision, TMOtpl will work towards the following key deliverables:

- Ensure everyone involved in the Programme are kept safe and well.
- TMOtpl will oversee completion of the preliminary design to developed and detailed design with the appointed consultants.
- Oversee the procurement for construction of the Library and Community Hub, Civic Whare, Exhibition, Gallery and Museum building, and associated landscaping in accordance with the Tauranga Civic Precinct Masterplan and any further approvals or variations advised by Council.
- Oversee the development of the Tauranga Moana in accordance with the Tauranga Moana Waterfront Masterplan (September 2022), including the Wharewaka.
- Oversee the development of the Memorial Park Aquatic Centre.
- Ensure that the total capital project cost does not exceed approved budgets and appropriately balance the capital cost of initial construction, the cost of operation, and the cost of refurbishments over the lifetime of the delivery Programme.
- Meet contracted delegations, New Zealand legislation and regulations, and New Zealand construction industry best practice, including adopting/exceeding New Zealand construction industry best practice standards for health, safety, and wellbeing of all involved in the Programme.
- Deliver a sustainable approach to the design and construction of the Projects, including consideration of 6 Green Star sustainability and WELL certifications for the buildings associated with the Project.
- Provide cost / benefit analysis to deliver a positive result.
- Ensure that the Programme engages with, recognises, and reflects the inherent connection with

mana whenua.

- Respect the name gifted by mana whenua representatives from Otamataha Trust for the Project being Te Manawataki o Te Papa for the Civic Precinct Programme.
- Ensure the design fundamentals are met to provide an uplifting, enjoyable experience for those enjoying the civic precinct, waterfront and facilities at Memorial Park area for recreation, enjoyment, and business, and for those bringing events or experiences to the precinct.
- Ensure that the precinct, waterfront and facilities at Memorial Park provides universal access for all. Both within the built facilities and across the entire precinct site and waterfront.
- Minimise the disruption to stakeholders from the project delivery activities.
- Keep stakeholders well informed of all project delivery activities.
- Work with TCC to build excitement around the benefits of the new facilities.

5 Approach

TMoTPL is dedicated to the Programme and to delivering a uniquely local civic precinct, waterfront and aquatic experience that provides the best community outcomes possible for Tauranga, and delights those who visit the city centre.

TMoTPL commits to upholding the intent of Te Tiriti o Waitangi (The Treaty of Waitangi). TMoTPL acknowledges Tangata Whenua and will commit to working with mana whenua and other local stakeholders in the delivery of the Programme, and in building the narrative and symbols at, surrounding, and leading to the Programme, such as: the visual connection from the Civic Whare through to the moana (ocean); the waharoa where prospective manuhiri (guests) may be formally welcomed onto the site; and the concepts of paparanga ngahere (the forest layer) and ahi kaa (past and present occupation of the site), all of which form an important part of the design of the programme.

An important principle recognised within this Statement of Intent is the three-way partnership between Tauranga City Council, TMoTPL and Otamataha Trust (delegated mana whenua representatives) to deliver Te Manawataki o Te Papa civic precinct programme, Tauranga Moana Waterfront Masterplan, Memorial Park Aquatics Centre and Haumaru Indoor Courts at 483 Cameron Road.

It is critical that TMoTPL work closely with Council to ensure that the Programme is delivered in a way that meets operational effectiveness and efficiency, both currently and in terms of the foreseeable future. This will mean TMoTPL must adopt a "whole-of-life" cost approach balancing capital costs, operating costs, and periodic refurbishment costs.

The partnership must be effective and underpinned by trust, commitment, understanding and shared values.

6 Key Project Actions

To achieve the goals, vision and purpose as set out in this SOI, the Company will take the following key actions:

Health, safety and wellbeing

- Develop and implement a Health, Safety and Wellbeing system with Council employees, contractors, sub-contractors, and advisors working on the Project that ensure a commitment to achieving no harm incidents and wellness for all during the delivery of the Project.
- The safety and wellbeing of all people connected with the Project, including the Project team, visitors and third-party stakeholders, is a paramount principle underpinning all decisions associated with the Project.

- Ensure all hazards are identified and effective controls are implemented to eliminate or effectively manage those hazards.

Partnerships

- The Te Manawataki o Te Papa Limited Board and Otamataha Trust will formally meet regularly to ensure that there is a close relationship and continued alignment of the two entities.
- Foster ongoing and effective collaboration with Willis Bond (development managers for TMOtP) and other major contractors to enhance overall performance and ensure success of the Programme.
- Foster ongoing and effective collaboration with Bay Venues Limited (BVL), Tourism Bay of Plenty, Priority One to enhance engagement and contribution to the programme. Utilise Governance to Governance forums as a pivotal opportunity to enhance collaborative and transparent relationships with Council.
- Proactively engage with TCC Departments and, in particular, with the General Manager: Regulatory & Community Services as a key client.

Governance

- Clearly define, and agree with Council, the delegation's hierarchy between Council, TMOtPL, and key project contractors.
- Provide expert advice to Council in relation to its entering into design and construction contracts.
- Identify, and mitigate or manage, works connected with both the design and construction phases of the Programme, including reporting regularly to the Council on the health and safety, scope, budget, programme and the management of significant risks.
- Develop and manage processes to provide assurance that the Programme is progressing according to all expectations and ensure regular reporting by project management to the TMOtPL Board.
- Convene robust processes to use external project auditors, probity auditors, and peer reviewers as necessary to provide an agreed level of independence to the Council.
- Support the Council strategic framework outcomes of a liveable city, resilient communities, healthy environment, and prosperous economy.

Creating a vibrant precinct

- Ensure the developed design creates a vibrant inner-city precinct for the Tauranga community and visitors to the city.
- Evaluate 'value-add' opportunities against the Project budgets and on a cost benefit basis, before adopting or recommending to Council for a budget revision. This involves securing the best balance of cost, quality, and sustainability, ensuring public resources are used efficiently, effectively, and economically to deliver the greatest possible outcomes for our community.

Project management

- Prepare detailed project plans that identifies activities, timelines, and financial budgets from the inception of the projects to completion of the Programme.
- Provide review and oversight of all contracts, expenditure, and progress during the construction of the Programme.
- Ensure compliance with all legislation, Council procurement policies, and codes of practice of public sector entities during the Programme.

- Proactively engage with Tauranga City Council consenting team to ensure an effective approach is co-adopted in support of successful delivery of the Programme of projects.
- Provide local procurement opportunities where practical and commercially feasible, for local stakeholders including mana whenua.
- Consult with key stakeholders to ensure the developed design specifications will deliver the goals set out in this SOI.
- Ensure the Projects are delivered to specification, within the approved budgets, within the agreed timelines, and to a quality that meets the goals set out in this SOI. All material changes to significant risks or new significant risks, will be communicated to Council as early as possible.
- TMOtpl will only undertake the responsibility of delivering additional projects (outside of the current programme of works), upon receiving instruction to proceed, provided at a Council meeting.

Financial management

- Ensure the Programme is properly costed with appropriate allowance for both cost escalation over the life of the Projects, and contingencies for variations during the life of the Programme.
- Ensure, in establishing the initial capital expenditure and cash flow, whole of life costs are considered to minimise the total costs of the Programme.
- Ensure the Projects remain within the budgets agreed with Council. Where there is risk that the budget will be exceeded, disclose and discuss this with Council prior to any approval for such additional expectation is given.
- Ensure that the overheads and administration costs of TMOtpl are appropriately budgeted and agreed with Council and are managed within that budget.
- Work with the design engineers and construction management to identify areas where costs may be saved to the Programme (without compromising other outcomes set for the Project).
- Advocate / promote with Council to identify and bring opportunities for third party contributions to the funding of the Programme.

Sustainability

- Establish clear standards in respect of the various dimensions of sustainability that are to be achieved during the Programme design and delivery phases. Demonstrate delivery of those sustainability standards.

Shareholder relationships

- Prepare and agree with Council, a programme of regular reporting and dialogue which ensures council, as Programme owner, is fully informed in a timely manner, on all material risks, progress against plan and opportunities for further enhancement.
- Nurture a respectful and open relationship in the best interests of Tauranga and continue to develop a close and collaborative partnership.
- Keep the Council fully informed of all material matters and operate on a 'no surprises' basis.

Stakeholder engagement

- Ensure all significant stakeholders in the Programme – the Council, key regular users and visitors to the precinct, mana whenua, and the community – regularly receive factual project delivery updates.
- Establish a lessons-learned process to enable strengthening of outcomes and approaches over the lifetime of the programme.

- Support the delivery of an integrated communications plan that builds excitement and pride of ownership among the people of Tauranga.
- Ensure the developed design recognises Te Manawataki o Te Papa being the name gifted for the whenua surrounding and within the precinct.

Future proof

- Future proof as best as possible, the venues to ensure they are fit for purpose for a changing events landscape.

Regional Impact

- Where possible and underpinned by commercial viability, procure Projects services and products from the Bay of Plenty region.
- Deliver the Programme to enable long-term direct economic contribution to the region.

7 Performance Measures and Targets

Objective and Strategy	Performance Measure		
	2026- 2027	2027-2028	2028-2029
Health, safety and wellbeing			
Establish a health, safety and wellbeing system to ensure all involved with the Project are kept safe and well	Comply with health, safety and wellbeing system.	Comply with health, safety and wellbeing system.	Comply with health, safety and wellbeing system.
Critical hazards are managed effectively	For all work, the programme of critical risk inspections carried out on schedule and report that the critical controls are in place and are effective.	For all work, the programme of critical risk inspections carried out on schedule and report that the critical controls are in place and are effective.	For all work, the programme of critical risk inspections carried out on schedule and report that the critical controls are in place and are effective.
Baseline lead and lag indicators are monitored to ensure safety for all	No harm incidents during the PCS and D&C phases.	No harm incidents during the PCS and D&C phases.	No harm incidents during the PCS and D&C phases.
Assurance			
Delegations	Comply with delegations' hierarchy.	Comply with delegations' hierarchy.	Comply with delegations' hierarchy.
Independence	Comply with the Assurance Programme.	Comply with the Assurance Programme.	Comply with the Assurance Programme.
Programme/Project management			
Recommend Project delivery to Council	Recommend developed and detailed design following stakeholder consultation for each project within the broader Programme of projects.	Recommend developed and detailed design following stakeholder consultation for each project within the broader Programme of projects.	Recommend developed and detailed design following stakeholder consultation for each project within the broader Programme of projects.
	Recommend contracts for each project within the broader Programme of projects.	Recommend contracts for each project within the broader Programme of projects.	Recommend contracts for each project within the broader Programme of projects.
Contract management and legal compliance	Provide oversight of all contracts, expenditure and progress during all	Provide oversight of all contracts, expenditure and progress during all	Provide oversight of all contracts, expenditure and progress during all

	phases of the Project in 100% compliance with all standards.	phases of the Project in 100% compliance with all standards.	phases of the Project in 100% compliance with all standards.
Source local	Consider local procurement opportunities through incorporating Broader Outcomes assessments as per Council's Procurement Policy.	Consider local procurement opportunities through incorporating Broader Outcomes assessments as per Council's Procurement Policy.	Consider local procurement opportunities through incorporating Broader Outcomes assessments as per Council's Procurement Policy.
Lesson Learnt	Complete and review lessons learnt to ensure effective uptake across the lifetime of the Programme.	Complete and review lessons learnt to ensure effective uptake across the lifetime of the Programme.	Complete and review lessons learnt to ensure effective uptake across the lifetime of the Programme.
Risk Management	Proactive risk management through oversight of appropriate risk registers, timely risk workshops and leadership of all delivery risks through the Contract Oversight Group (COG).	Proactive risk management through oversight of appropriate risk registers, timely risk workshops and leadership of all delivery risks through the Contract Oversight Group (COG).	Proactive risk management through oversight of appropriate risk registers, timely risk workshops and leadership of all delivery risks through the Contract Oversight Group (COG).
Delivery in full, on time and in specification (DIFOTIS)	Ensure that all approved projects are delivered in full, on time and within specification.	Ensure that all approved projects are delivered in full, on time and within specification.	Ensure that all approved projects are delivered in full, on time and within specification.
	Future deviations to be communicated to Council at the earliest opportunity.	Future deviations to be communicated to Council at the earliest opportunity.	Future deviations to be communicated to Council at the earliest opportunity.
Financial management			
The Programme is delivered on or below budget	All projects are delivered on or below budget. Capital and whole of life costs optimised. Operational implications considered.	All projects are delivered on or below budget. Capital and whole of life costs optimised. Operational implications considered.	All projects are delivered on or below budget. Capital and whole of life costs optimised. Operational implications considered.
Reporting and consultation	Any risk of budget being exceeded must be disclosed to and discussed with Council prior to any approval for increased budget.	Any risk of budget being exceeded must be disclosed to and discussed with Council prior to any approval for increased budget.	Any risk of budget being exceeded must be disclosed to and discussed with Council prior to any approval for increased budget.
Advocate efforts by Council or other opportunities for third party contributions and funding partners	Third party funding opportunities advocated.	Third party funding opportunities advocated.	Third party funding opportunities advocated.
TCC is recognised as the principal funder across various platforms.	Public speeches, print and online platform clearly communicate the role of TCC in TMO TP programme and portfolio of works.	Public speeches, print and online platform clearly communicate the role of TCC in TMO TP programme and portfolio of works.	Public speeches, print and online platform clearly communicate the role of TCC in TMO TP programme and portfolio of works.
Shareholder relationship and stakeholder engagement			
Prepare and agree regular reporting programme which ensures Council is fully	100% compliance with reporting requirements outlined in SOI and major issues are raised	100% compliance with reporting requirements outlined in SOI and major issues are raised	100% compliance with reporting requirements outlined in SOI and major issues are raised

informed in a timely manner of all major issues, Project progress against PMP and opportunities for further enhancement	on a no surprises basis.	on a no surprises basis.	on a no surprises basis.
Nurture a respectful and open relationship in the best interest of the city and develop close and collaborative relationships	Ensure all stakeholders, key regular users, Tangata Whenua and community receive regular updates on progress towards completion of the Programme.	Ensure all stakeholders, key regular users, Tangata Whenua and community receive regular updates on progress towards completion of the Programme.	Ensure all stakeholders, key regular users, Tangata Whenua and community receive regular updates on progress towards completion of the Programme.
	Evaluate, review and adhere to communications plan and strategy.	Evaluate, review and adhere to communications plan and strategy.	Evaluate, review and adhere to communications plan and strategy.
Cultural connection	Consult with mana whenua that cultural design has been delivered.	Consult with mana whenua that cultural design has been delivered.	Consult with mana whenua that cultural design has been delivered.
Sustainability, kaitiakitanga and the environment			
Clear sustainability standards developed for the Project during the PCS and D&C phases	Best practice sustainability building standards, long-term operational sustainability delivered.	Best practice sustainability building standards, long-term operational sustainability delivered.	Best practice sustainability building standards, long-term operational sustainability delivered.

8 Governance

The TMOPL Board of Directors are responsible for the oversight and performance of TMOPL, and ensuring decisions are made in the interests of Council and the people of Tauranga and the Bay of Plenty region.

The Board recommends TMOPL's SOI to Council as shareholder, and is accountable for delivering the purpose, vision, objectives and strategies set out in this SOI, complying with its constitution and the provisions of the Companies Act and the LGA.

The Board is committed to a high standard of corporate compliance in guiding the company's activities and providing expert governance and financial control of the delivery of the Programme. The Board guides and monitors the business and affairs of TMOPL. It draws on relevant corporate governance best practice principles to assist and contribute to the performance of the company. All directors are required to comply with a formal code of conduct which is based on New Zealand Institute of Directors' Code of Proper Practice for Directors.

A Board performance review will be undertaken by an independent entity every two years, alternating between a Board-led review and a Council-led review in 2026. The report will provide assessment on the Board's performance within:

- Chair and individual director effectiveness.
- Board policies and procedures/effectiveness.
- Overall Board effectiveness, dynamics and connectivity to stakeholders and the community.

9 Governance Principles

The following principles are required for a strong governance relationship between Council and TMoTPL:

Leadership: Council is responsible for clearly and proactively setting strategic direction for the city of Tauranga and communicating how TMoTPL is expected to give effect and contribute to these strategic aspirations via the Letter of Expectations and other mechanisms. While TMoTPL will show leadership in its area of expertise, this must be consistent with Council expectations and obligations.

Community focus: TMoTPL directors must ensure they behave in a manner that is consistent with having a community focus and require the same from their executives. This requires them to be cognisant with the fact that the Project is ultimately owned by Council, and to ensure opportunities are provided for facility users to engage with TMoTPL.

Empowerment: TMoTPL directors must be empowered to fulfil their statutory, constitutional and LOE responsibilities. If they are unnecessarily constrained, they cannot fulfil their obligations and are unable to add value.

Compliance: TMoTPL directors must be aware of their duty to comply with legislative obligations, including but not limited to the Companies Act, the LGA, the Health and Safety at Work Act 2015 and the Resource Management Act 1991 and all relevant amendments.

Accountability: TMoTPL directors are accountable for meeting the objectives of the company's sole shareholder (Council) as specified in this SOI, being a good employer, and exhibiting a sense of social and environmental responsibility. Their decision-making must recognise and reflect that Council is held to account by the public for its use of ratepayer funding and for their stewardship of Council-owned assets.

Transparency: Transparency requires a high level of visibility to ensure that funding has been used for intended public good outcomes.

Trust: Productive relationships require a culture of cooperation and trust. The "no surprises" approach is a critical part of this and ensures that TMoTPL and Council keep each other informed before matters are in the public arena.

10 Board Composition

The Board of Directors comprises four directors, all appointed by the Council. Director appointments are for the period determined by Council as shareholder but will not be for longer than two terms (or six years), as per Council's Appointment of Directors to Council Organisations Policy. As from 30 April 2026, the Board will consist of three members given the fact that Nathan Spier will be stepping down as Board Member. The board will operate as a group of three from 1 May 2026, with the vacant role to be appointed once the Major Projects expanded brief and deliverables are realised.

11 Reporting

TMoTPL is governed by the LGA which requires, among other things:

- *TMoTPL to provide a draft SOI to Council.*
- *Half-year and full year reporting against SOI performance targets.*
- *Quarterly reporting has been sought by the shareholder against SOI performance targets.*
- *SOI letter of expectations and period accountability reports and project reports are published on the Tauranga City Council website.*

12 Statement of Intent

Each year TMoTPL will deliver its draft SOI for the following year to the Council as shareholder. It will be in the form required by clause 9(1) of Schedule 8 and section 64(1) of the LGA and will be delivered by 1 March each year.

The Board, when developing its SOI and work programme, will consider the Letter of Expectation issued by Council as shareholder.

Having considered any comments received from the Council, the Board will deliver the completed SOI to the Council as shareholder on or before 30 June each year.

As referenced above, this SOI is written to cover the period from 2027 to 2029 until the completion of the program (no later than 30 June 2029) and the decommissioning of TMoTPL as the program delivery company – anticipated to be during the 2028 calendar year. This SOI therefore covers a three-year period.

13 Quarterly Reporting

The Board of TMoTP will meet with representatives of the Council governance body quarterly in a confidential, informal workshop setting to discuss and review issues of common interest.

14 Half-year Reporting

TMoTPL will provide Council as shareholder with a half-year report by the end of February each year (being within two months after the end of the first half of the financial year), complying with section 66 of the LGA. The half-yearly report must include the information required by this SOI including the following unaudited financial statements:

- Statement of comprehensive income.
- Statement of financial position.
- Report on non-financial KPIs year to date.
- Commentary on performance year to date.
- Commentary on expected performance for the next 6 months.

15 Annual Reporting

To comply with section 67 of the LGA, TMoTPL will provide Council as shareholder with a draft annual report by the end of August each year (being within two months after the end of the financial year). The final annual report will be made available to the public once audited.

The annual report must include the information required by this SOI and sections 68 and 69 of the LGA, including audited financial statements prepared in accordance with NZGAAP and that also comply with Public Benefit Entity Standards.

The annual report shall also contain an Auditor's Report on both those financial statements and the performance targets and other measures by which performance was judged in relation to TMoTP's objectives.

The annual report is to be presented in the format prescribed by Council to enable consolidation into the Council group, if required.

16 Shareholder Meetings

The Board may hold an annual general meeting (AGM) between 30 September and 30 November each year to present the annual report to Council as shareholder. If no AGM is held, then the Council as shareholder will consider, and if thought fit, pass any required resolutions.

17 Briefings

TMoTPL will also attend and participate in Council meetings, workshops and briefings in respect of the program as requested by TMoTPL or Council. This may include:

- Briefings sought by TMoTPL,
- Briefings sought by the Council, or
- Attendance at Council and/or committee meetings.

18 No Surprises Approach

It is expected that TMoTPL will keep Council advised of any issues that may generate public interest – this is referred to as the "no surprises" approach. A failure to keep Council informed on significant issues at appropriate times will be viewed as a governance failure.

Council expects TMoTPL to:

- Present a unified front on issues that affect both Council and TMoTPL. Where TMoTPL and Council have divergent opinions on an issue, the expectation is that both parties will work together to find common ground before the issue enters the public arena.
- Be aware that the Council has interests that are wider than those of TMoTPL.
- Be cognisant of wider Council policy issues as part of their decision-making.
- Be aware of the potential implications of TMoTPL-specific issues on the Council and/or its balance sheet.
- Be cognisant of demand for accountability and transparency placed on councillors from residents and ratepayers of Tauranga.
- Ensure that Council is informed in a timely manner of any issue that may generate significant public interest, as it unfolds. Likewise, Council commits to ensuring issues relating to TMoTPL are communicated with TMoTPL staff and governance (as appropriate) in a timely manner and before issues enter the public arena.

19 Publication of Reports

The SOI, Letter of Expectation, periodic accountability reports and Project reports are published on the Tauranga City Council website.

20 Financial Performance

TMoTPL aims to operate in a financially sustainable manner. As a CCO governing the delivery of the project, long-term financial performance and position is sustainable where planned deliverables are met without unplanned increases in funding or cuts in deliverables.

Indicative financial performance targets:

- Capital expenditure and the project delivery costs are consistent with the agreed budget.
- TMoTPL has supported TCC advocating to raise funding through pursuing external funding sources and the sale of assets to off-set reliance on rates funding.

21 Compensation from Council

TMoTPL expects to receive funding from the Council for the financial year beginning 1 July 2026, acknowledging Councils intention to potentially cut funding by at least seven percent.

The activity undertaken in exchange for the compensation is set out in the Tauranga City Council Long-term Plan, as per the levels of service and the outcomes in this SOL.

22 Accounting Policies

Financial statements will be prepared in accordance with generally accepted accounting practice (GAAP), NZ International Financial Reporting Standards, Companies Act 1993, Local Government Act 2002 and Financial Reporting Act 1993.

23 Contact Details

Contact details for the Chair and Directors are as follows:

Address: 90 Devonport Road, Tauranga, 3110

Registered office: 90 Devonport Road, Tauranga, 3110

Chair: Kim Wallace

Directors: Barry Bragg

Peter Neven

Website: www.tauranga.govt.nz

TE MANAWATAKI O TE PAPA CHARITABLE TRUST - STATEMENT OF INTENT 2026/27-2028/29

May 2026



Recognising our past as we shape our future
Joint land ownership of Te Manawataki o Te Papa – the heartbeat of Te Papa



OBJECTIVES	KEY DELIVERABLES – to be undertaken by TCC staff	NATURE AND SCOPE OF ACTIVITIES	PERFORMANCE MEASURES
Te Manawataki o Te Papa – the Heartbeat of Te Papa - a \$306.3 million transformative redevelopment of Tauranga’s civic precinct, which will reinvigorate our city centre and make it the cultural, historic, economic and social centrepiece of New Zealand’s fastest growing city. The land underlying the Civic Precinct has been the subject of disputed ownership since it was gifted to the Crown by the Church Missionary Society (CMS) in the 1860s, in contravention of mana whenua’s understanding when it was sold to the CMS in 1838, that the land would be held for the benefit of Māori. In undertaking this project, Tauranga City Council (TCC), in collaboration with iwi and hapū, sought and implemented a joint ownership solution which has restored the mana of the whenua to its original owners. Joint land ownership – the right thing to do To achieve the objectives of restoring mana of the whenua to hapū and iwi and provide certainty for how the land will be used in the future for the community, a new council-controlled organisation (CCO) was established as a charitable trust, called Te Manawataki o Te Papa Charitable Trust (CCO Charitable Trust). The Council and Otamataha Trust each appointed 50 percent of the trustees to the CCO Charitable Trust. The purpose of the CCO Charitable Trust is to: - Own the land referred to as Site A of the civic precinct – the land bounded by Willow Street, Wharf Street, Durham Street, and Hamilton Street. - Support and encourage the development of Site A of the civic precinct, including (but not limited to) a library, civic whare, museum and exhibition centre and the beautification of surrounding areas. Formally recognise long-standing grievances associated with this land and provide certainty for how the land will be owned and used in the future, so that everyone in the community can benefit. Ensure that Te Manawataki o Te Papa development respects and reflects the significant history and importance of the area to mana whenua. Restore the original trust relationship to which our ancestors (both Māori and the CMS) agreed. The relationship with mana whenua will be pivotal to the success of many of the outcomes to be achieved on the civic precinct site. Founding Documentation: The CCO Charitable Trust has two founding documents in place in place – - Accord between Otamataha Trust and TCC signed 11 July 2022; and - Te Manawataki O Te Papa Charitable Trust Deed signed 3 November 2022. The CCO Charitable Trust commits to respect and uphold the outlined intentions of both documents.	- Review annually the Statement of Intent and finalise by 30 June. - Provide Annual and Half-Yearly reporting and monitoring. - Annual Audit. - Review redevelopment projects. - Ensure that the history of Te Papa is captured and protected for future generations by establishing an archive of stories and knowledge.	Support and encourage the development of a vibrant civic precinct Ensure that the project respects and reflects the significant history and importance of the area to mana whenua. Stakeholder relationships LOCAL GOVERNMENT ACT REQUIREMENTS Approach to governance Ratio of funds to assets Accounting policies Expected shareholder distributions Financial reporting Procedures for purchase of shares Activities for which the Charitable Trust Board seeks compensation Board’s estimate of value of the group Any other matters that are agreed by the shareholder and the Board	A representative from Te Manawataki o Te Papa Limited Board attends the CCO Charitable Trust’s Annual General Meeting to provide update. Representative of Otamataha Trust to act as Cultural Advisor to the Te Manawataki o Te Papa Limited Civic Development Advisory Group. Nurture respectful and open relationships in the best interest of the community and the city. Develop close and collaborative relationships. The Trust Deed outlines that Otamataha Trust and Tauranga City Council both “<i>have the power, exercisable by deed, to appoint up to two persons as Trustees</i>”. In addition, where Council considers it to be practicable, their Trustees should be the Mayor and Chief Executive. Te Manawataki o Te Papa Charitable Trust will have one Half-Yearly board meeting and one Annual General Meeting. N/A. The CCO Charitable Trust will adopt accounting practices that comply with NZIFRS, the requirements of the Local Government Act (2002), and the Financial Reporting Act (1993). The CCO Charitable Trust is not expected to make profits that would ordinarily be distributed by way of dividends. Within three months after the end of each financial year, the CCO Charitable Trust will deliver audited financial statements in respect of that financial year. The CCO Charitable Trust is not expected to purchase or acquire shares. The ongoing activities of the CCO Charitable Trust will be budgeted for in advance and funded by TCC. The Board estimates that Te Manawataki o Te Papa Charitable Trust has limited commercial value. Te Manawataki o Te Papa Charitable Trust will not undertake any activity of a significant nature or scope not provided for in the Enduring Statement of Expectations or Statement of Intent without prior consultation with Tauranga City Council and Otamataha Trust.

JOINT LAND OWNERSHIP – THE RIGHT THING TO DO



STATEMENT OF INTENT FOR 2026-2029



June 2026

“COUNCILS PARTNERING FOR VALUE AND SERVICE”

1. Introduction

This Statement of Intent (SOI), developed under Schedule 8 of the Local Government Act 2002:

- Declares a public statement of the activities and intentions of BOPLASS Ltd and the objectives to which those activities will contribute.
- Provides an opportunity for the shareholders to influence the direction of BOPLASS Ltd, and
- Provides a basis for the accountability of the Directors to the Shareholders for the performance of BOPLASS Ltd.
- Covers BOPLASS Ltd and any subsidiary company established in pursuance of the objectives herein.

2. Background and Benefits

The councils that operate within the Bay of Plenty and Gisborne Regions have formed a Council Controlled Organisation (CCO) to investigate, develop and deliver Joint Procurement and Shared Services projects where delivery is more effective for any combination of some or all of the councils.

Since inception, estimated financial savings of over \$38 million have been achieved by the participating councils through undertaking joint initiatives. BOPLASS is forecast to return in excess of \$4 million in savings in the 2025-26 financial year.

Other benefits that have been achieved through collaboration are:

- improved levels and quality of service;
- a co-ordinated and consistent approach to the provision of services;
- reductions in the cost of support and administrative services;
- opportunities to develop new initiatives;
- economies of scale resulting from a single entity representing many councils in procurement.

These benefits and opportunities can apply to all councils irrespective of location or size.

Business processes, information architectures and functional tools differ in each council to varying degrees. The BOPLASS strategies facilitate a journey of progressive development using the approach identified in the BOPLASS Strategy and Action Plan to:

- enhance the capability to collaborate;
- encourage the elimination of barriers to collaborative action; and
- identify services that deliver viable business cases.

A generic sequence or stages of collaboration between multiple councils is followed to develop Shared Services, as shown in *Figure 1*.

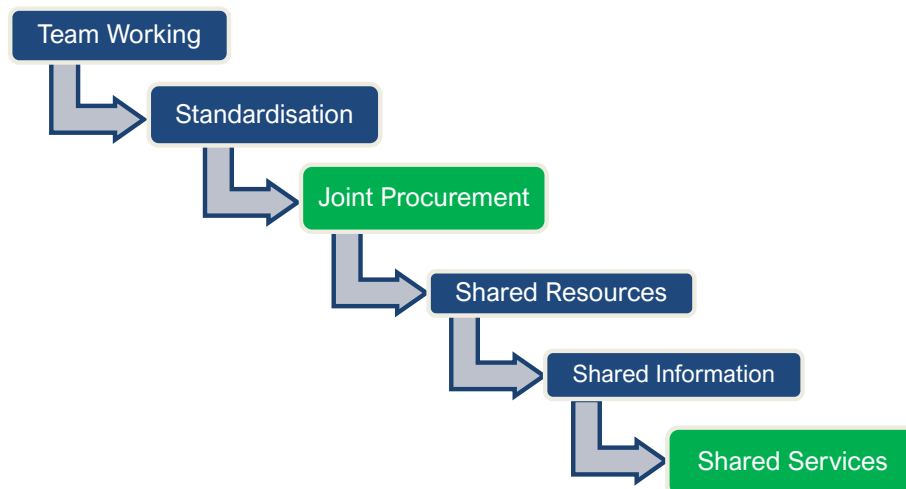


Figure 1

Many of the BOPLASS Joint Procurement projects have supported the development of standard products, services or solutions across the councils. These standards assist in creating a foundation for the delivery of collaboration within the councils.

Examples of Joint Procurement and Shared Service projects are:

- Infrastructure Insurance
- Collective Training
- Aerial Imagery and LiDAR
- Provincial Growth Fund Co-funding for LiDAR Capture
- Standardised Community Engagement App
- Lone Worker Field Solutions
- Robotic Process Automation
- Accounts Payable Automation Software
- Print Media Licencing
- Insurance Valuations
- Contractor Online Inductions
- Health and Safety Management Software
- Radio Telephony (RT) Strategy
- Solid Waste Management
- Health and Safety Inter-Council Audits
- Asbestos Protocols
- Sustainable Public Procurement
- Health and Safety Benchmarking
- Video Conferencing Services
- Archive Services
- Inter-Council Network (ICN) Review, Redesign and Renegotiation
- Debt Collections
- Collaboration Portal
- Capital Construction and Civil Works Projects
- Fortigate Firewall Services
- Wireless WAN
- Inter-LASS Collaboration
- Human Resources Information Systems
- CCTV and monitoring

A full list of projects is provided in Appendix B.

3. Our Vision

“COUNCILS PARTNERING FOR VALUE AND SERVICE”

4. Objectives of BOPLASS Ltd

The company recognises the importance of remaining adaptive in what is a complex and changing working environment. BOPLASS continues to look at new opportunities or alternative approaches to progressing projects that benefit our shareholding councils.

Working together with the full support and involvement of staff, BOPLASS will provide benefit to councils and their stakeholders through improved levels of service, reduced costs, improved efficiency and/or increased value through innovation.

These will be achieved primarily through:

Joint Procurement

Being the procurement of services or products by two or more councils from an external provider regardless of whether the service is paid for through BOPLASS or individually by participating councils.

Shared Services

Being the participation of two or more councils in the provision of a common service which may be jointly or severally hosted.

5. Nature and Scope of Activities

The principal nature and scope of the activities of BOPLASS Ltd is to:

- Pursue collaboration and shared services opportunities, especially for long-term efficiency and future rate impact.
- Use Joint Procurement to add value to goods and services sourced for its constituent councils.
- Establish the underlying technology, framework, platform and policies to enable and support collaboration.
- Facilitate initiatives that benefit councils and their stakeholders through improved levels of service, reduced costs, improved efficiency, innovation and/or increased value.
- Pursue best practice in the management of all activities to obtain best value and minimise risk.
- Demonstrate fiduciary responsibility by ensuring that its activities are adequately funded from savings achieved, levies, council contributions, or Government funding where available.
- Allow other councils or organisations to participate in its activities where this will benefit its constituent councils directly or indirectly.
- Actively monitor and engage with Shared Service developments across the public sector to identify opportunities for further development and establishing best practice.
- Represent the collective views of its Shareholders in matters with which it is associated.

6. Sustainable Future: Environmental, Social and Governance (ESG)

The board recognises the importance of ESG in BOPLASS' role and ensuring that integrated risk management, non-financial outcomes, and Te Tiriti are considered in all BOPLASS joint procurement and shared services initiatives.

The company is committed to operating all aspects of its business with a focus on protecting and enhancing our communities today and in the future through sustainable environmentally responsible business practices, social contribution, and good governance.

The company has always had a stakeholder-centric approach, ensuring the company's objectives, goals and the undertaking of business are aligned with our constituent councils, our wider communities and supporting ESG outcomes that have wide-ranging benefits.

While achieving financial savings for member councils through BOPLASS joint procurement is a key objective, the company recognises the importance and responsibility of social procurement and will continue to consider the broader environmental, social and cultural outcomes as part of all BOPLASS procurement processes.

As examples, BOPLASS is working towards satisfying ESG criteria within social procurement by:

- Increasing access to BOPLASS procurement contracts for NZ businesses and local businesses, with particular focus on those groups that may have limited access to opportunities (such as Māori and Pacific Peoples' businesses).
- Giving consideration to organisations that provide employment opportunities to targeted groups and promote inclusion and diversity within their workforce.
- Recognising vendors that will help future-proof the ability of New Zealand businesses to trade.

With a focus on *Social Sustainability*, BOPLASS ensures a balanced approach is taken with the company's activities to create positive social and cultural outcomes for the local communities it serves while also maximising positive outcomes for Māori and the broader community.

Environmental Sustainability is a priority in all BOPLASS business activities – internal and external. Through collaboration and partnership with its constituent councils, BOPLASS will operate in an environmentally responsible way and will embed sustainability considerations and a culture of excellence across its wider business and all joint procurement and shared services initiatives.

Te Tiriti o Waitangi responsibilities and outcomes are a driver for governance and management decisions within BOPLASS, include acknowledging and involving mana whenua as Kaitiaki o Te Taiao in project decisions impacting on land or natural resources. The company is committed to providing and improving opportunities for Māori to contribute to local government decision-making processes and establishing collaborative partnerships and processes that reflect mutual outcomes.

7. Governance Structure

BOPLASS Ltd will conduct itself in accordance with its Constitution, its annual Statement of Intent, and the provisions of the Companies Act 1993 and the Local Government Act 2002.

The Company is governed by its directors. To ensure total synergy between the Company's activities and its council shareholders' activities, nine Directors are also the current Chief Executives of their respective shareholding councils. The dual roles recognise the interdependence of BOPLASS and its councils in the undertaking of its activities.

Shareholder	Appointed Director
Bay of Plenty Regional Council	Fiona McTavish
Gisborne District Council	Nedine Thatcher-Swann
Kawerau District Council	Morgan Godfery
Ōpōtiki District Council	Stace Lewer (Board Chair)
Rotorua Lakes Council	Andrew Moraes
Taupō District Council	Julie Gardyne
Tauranga City Council	Marty Grenfell
Western Bay of Plenty District Council	Matt Potton
Whakatāne District Council	Steven Perdia

Sub-groups of council subject matter experts have responsibility for regular monitoring of operational aspects of BOPLASS projects, allowing the Board to primarily focus on supporting the strategic development of the organisation.

Each activity or project is managed by an Advisory Group, nominated by the shareholding councils in that particular service. The Board retains the right to approve nominations to the Advisory Groups and review all their material decisions – there is only one Board of Directors and that remains at the umbrella or holding company level.

The Board has established a principle that participation in each initiative is decided by individual councils on an 'opt in' basis.

Services delivered are subject to a formal service level agreement between BOPLASS Ltd and the participating councils, outlining the services and activities provided, where when and how; and reflecting the capital and operational costs being met by each service shareholder.

Joint Procurement initiatives consistent with their nominated role may be undertaken by any advisory group or as approved by the Operations Committee. In considering Joint Procurement initiatives, the Company will take into account the opportunities available through All of Government (AoG) purchasing arrangements and, where there is demonstrated benefit to the Company or its constituent councils, support such initiatives. In assessing the benefits of a Joint Procurement initiative, opportunities for integration shall be considered. The Board has recognised that the availability of All of Government Procurement options has the potential to impact on BOPLASS' ability to provide procurement options in some categories.

Subject to the approval of shareholders in accordance with the shareholder agreement the Directors may decide that a particular activity is best managed as a subsidiary company and proceed accordingly. Any subsidiary company whose objectives are in accordance with the objectives set out in this Statement of Intent shall not be required to have a separate Statement of Intent.

8. Future Developments

The Board recognise that the drive for change and/or collaboration in some key areas of council business will often be led by other groups, e.g., waters reform, RMA changes. Although BOPLASS may not be leading these specific projects, the organisation may be considered as one of the vehicles available to assist with managing collective regional outputs from these projects.

The company will maintain a focus on identifying and enabling progress with Shared Services and functional analysis reviews. These will include a review to better understand the barriers that have limited broader Shared Service outcomes to date, including governance arrangements, funding models, risk allocation, organisational readiness and differing council priorities.

Reviews will consider whether BOPLASS is the most appropriate delivery model for future Shared Services initiatives, and whether it could evolve beyond a procurement-focused entity to play a broader strategic role in enabling regional service integrations and supporting future local government structural arrangements.

Shared Services projects are approved by the board based upon identifying initiatives that will provide genuine value to all participating councils. Shared Services may be delivered by BOPLASS, or partnered with a LASS, or in conjunction with multiple LASS.

BOPLASS Joint Procurement opportunities will continue to be actively pursued to ensure maximum savings and benefits are delivered to the participating councils through existing and new contracts.

Joint Procurement and Shared Services initiatives will be considered by the Board and/or its advisory groups where there is demonstrated support from two or more member councils, with councils participating on an opt-in basis.

BOPLASS will explore opportunities for councils to develop ICT solutions using middleware and cloud technologies that allow for future sharing and the development of Shared Services without the wholesale replacement of IT systems.

Artificial Intelligence (AI) is taking an increasingly prominent role within ICT and in council business in general. Councils are rapidly deploying AI solutions across their workforce. BOPLASS will explore how AI solutions could be shared across member councils and will explore how AI usage will impact existing shared services, such as the Collaboration Portal.

The rapid expansion of AI is accompanied by new security concerns associated with this technology. These concerns include how AI is used in cybersecurity incidents, along with what information AI may have visibility of within councils and, in the case of BOPLASS, the Collaboration Portal or other Shared Services. BOPLASS will work with member council ICT teams in investigating cybersecurity options that may be appropriate with existing and new Shared Services and may also engage security specialists to assist with securing these services.

9. Inter-Regional Collaboration

The board recognise the benefits of BOPLASS proactively partnering with other local authorities and Shared Services organisations where they are either developing or considering developing cost-effective services or Joint Procurement initiatives that are of value to the BOPLASS councils. The Board is constantly looking to expand on this activity and the range of opportunities for inter-regional partnering. BOPLASS will work towards providing improved visibility of projects being undertaken in other regions that may provide opportunities for multiple councils to participate in.

Where practicable, BOPLASS will work with other LASS or councils to leverage off, or participate in, services established by other collective local government groups.

The Collaboration Portal, established by BOPLASS for the sharing of information on Shared Services or Joint Procurement opportunities, has been made available to the wider local government community to provide better visibility of common projects and to encourage further cross-regional collaboration. BOPLASS will continue to market the benefits of inter-region collaboration and assist other councils through providing support and access to the Collaboration Portal.

BOPLASS has provided substantial savings to its shareholding councils through joint procurement undertaken with neighbouring regions. The Board has tasked BOPLASS with leading further inter-regional joint procurement initiatives that will provide benefit to all parties through an aggregated approach.

Significant benefits and savings have been achieved in the placement of councils' insurance through working in conjunction with other LASS. BOPLASS is considered a leader in the development of the interLASS insurance collective. Promoting the size of the aggregated LASSes to provide critical mass and maintain our favourable position within the insurance industry will continue to be leveraged.

10. Stakeholder Engagement

BOPLASS recognises the ambitious plans our constituent councils have for their communities and endeavours to support these aspirations through:

- Regular engagement at project, management, and governance level.
- Including councils' short, medium, and long-term goals within BOPLASS planning.
- Using quality information from councils to guide our decision-making.
- Identifying and developing services that directly benefit councils and/or their communities.
- Monitoring councils' future plans and remaining agile to change to include these aspirations in our own planning.
- Ensuring there are regular communications about individual council's LTP developments to assist BOPLASS with aligning with councils' strategic direction.
- Regularly communicating to ensure stakeholders are aware of what BOPLASS is doing and why it is being done.
- Involving councils in our decision-making and planning.

11. Performance Targets

To ensure the Company continues to operate effectively in both governance and management terms over the next three years the targets are to:

Target	How	Measure
Ensure supplier agreements are proactively managed to maximise benefits for BOPLASS councils.	Manage and/or renegotiate existing contracts.	Contracts reviewed annually to test for market competitiveness. New suppliers are awarded contracts through a competitive procurement process involving two or more vendors where applicable.
Investigate new Joint Procurement initiatives for goods and services for BOPLASS councils.	Procure from sources offering best value, service, continuity of supply and/or continued opportunities for integration. (Current identified projects are listed in Appendix B.)	A minimum of four new procurement initiatives investigated. Initiatives provide financial savings of greater than 5% and/or improved service levels to the participating councils.
Identify opportunities to collaborate with other LASS in Procurement or Shared Service projects where alliance provides benefits to all parties.	BOPLASS to regularly engage with other LASS to identify and explore opportunities for further inter-regional collaboration.	Quarterly reporting on engagement and a minimum of one new collaborative initiative undertaken annually.
Implement Shared Services demonstrating best practice and added value to participating councils and stakeholders.	Identify Shared Services projects of benefit to two or more councils and lead the implementation.	Initiate at least one new Shared Service each year and no less than two Shared Services successfully implemented within three years.
Ensure current funding model is appropriate.	Review BOPLASS expenditure and income and review council contributions and other sources of funding.	Performance against budgets reviewed quarterly. Company remains financially viable.

12. Balance Sheet Ratios

The Local Government Act 2002 Schedule 8 (9) requires the SOI to include the projected ratio of shareholders' funds to total assets within the Forecast Statement of Financial Position. As at 30 June 2025 the consolidated Shareholder funds comprised \$17,954 and the total assets were \$1,566,660. The resulting ratio is 1.15%.

As asset owning Shared Services are approved, the Board will, if appropriate, provide a mechanism for the recognition of each council's contribution.

13. Accounting Policies

13.1 Statement of Accounting Principles

The Company will adopt accounting practices that comply with NZ IFRS, the requirements of the LGA and the Financial Reporting Act 1993.

13.2 IPSAS Accounting Standards

As a Public Sector Public Benefit Entity (PS PBE), the Company has elected to report using International Public Sector Accounting Standards for Public Benefit Entities under Tier 3 PBE standards.

13.3 Measurement Basis

The Company will follow generally accepted international accounting principles for reporting of earnings and financial position.

13.4 Specific Accounting Principles

The following are principles which will have a significant effect on the measurement of financial position:

- Accounts Receivable are stated at their expected realisable value after writing off any known bad debts and providing for doubtful debts.
- Investments are valued at the prevailing market value.
- Fixed assets are recorded at cost, less accumulated depreciation.
- Any liability for overseas funding of equipment, systems or services is based on the prevailing exchange rate as at balance date.
- Where intangible assets are purchased, such as intellectual property, these are capitalised and written off on a straight-line basis over their expected life, but no greater than four years.
- All assets are depreciated over their expected useful lives. Depreciation is provided on a diminishing value basis over the estimated useful life, at the same rate as is allowed by the Income Tax Act 1994.
- It is not envisaged that the Company will hold inventories, other than those that might relate to providing information services to a number of parties. They will be valued at net realisable value.
- Taxation will be provided as required in line with relevant legislation.
- In accordance with the Public Audit Act 2001 and the Local Government Act 2002, the office of the Auditor General will be responsible for the audit of the Company's financial statements.

14. Distributions to Shareholders

The Company is not expected to make profits that would ordinarily be distributed by way of dividends. Any surplus funds (after tax) remaining from an activity, or the annual operations of the Company shall be carried forward to the ensuing year and may be used to reduce service costs, invest in further developing other services, and/or as the Directors may decide.

15. Information to be Provided to Shareholders

The Company will deliver the following statements to shareholders:

- On a three-monthly basis the Financial Position and Cashflow.
- Within two months of the end of the first half of the financial year: Financial Performance and Financial Position.
- Within three months of the end of the financial year the following audited statements: Financial Position, Movements in Equity, Cashflows, Service Performance plus a summary of how the Company has tracked against its objectives and prospects for the next financial year, and a report on the Company's medium to long term plans.
- Six monthly summaries of project activities included in Half Yearly and Annual Reports.

16. Procedures for the Purchase and Acquisition of Shares

The Board will give approval before BOPLASS Ltd subscribes for, purchases, or otherwise acquires shares in any company or other organisation, which is external to the group.

17. Activities for Which the Board Seeks Compensation

The ongoing activities to identify, develop, procure Shared Services will be budgeted for in advance, subject to a business case and either funded by individual councils without BOPLASS Ltd involvement, or agreed by the Board to be funded by BOPLASS Ltd with consequent recovery from participating councils.

Shareholding councils will contribute to the operational costs of the Company on an annually agreed basis.

The Company will also seek contributions by way of a levy or administration charges on services provided or administered. In determining an appropriate charge, the Directors may take into account the cost of running the Company, its future operational requirements, the nature and cost of the service provided, benefits achieved and councils' ability to pay.

The Company may provide services (at a cost recovery or a cost-plus basis) to other non-shareholding councils within or beyond the region. Any surplus from such activity will be used to either reduce service costs and/or invest in further developing of that or other services, as agreed by the Advisory Group and by the Board.

18. Value of Shareholder's Investment

The Directors estimate that, at this stage, BOPLASS Ltd has limited commercial value. As each shareholder's investment in BOPLASS Ltd is less than \$20,000, the Board believe that fairly represents the value of their investment. The Directors will reassess the value of this shareholding on or about the 1st of March each year.

19. Financial Forecasts

The Forecast Financial Statements for the years 2026-2029 are included (Appendix A).

The Aerial Photography revenue/expenses reflect the flying programme determined by the participating councils which includes interim flying programmes and extensive region-wide flying programmes over the next five years.

A continued increase in Recoveries has been forecast to reflect the direct recovery of purchases made on behalf of councils through Joint Procurement projects.

It is the company's intention to always fully recover costs incurred on behalf of participating councils.

Appendix A

SOI Forecast 2025/28	Budget 2025/2026	Forecast 2026/2027	Forecast 2027/2028	Forecast 2028/2029
REVENUE				
Revenue - Core	379,630	385,719	393,333	401,100
Bank Interest Received	10,000	5,000	5,000	5,000
Council Contribution	369,630	380,719	388,333	396,100
Revenue - Projects	1,318,500	1,286,000	1,256,000	1,266,000
Aerial Photography Income	400,000	350,000	320,000	320,000
Bank Interest Received	1,500	1,000	1,000	1,000
Collaboration Portal	45,000	50,000	50,000	50,000
Lease Income - ICN	137,000	130,000	130,000	130,000
Lease Income - Video Confer.	15,000	15,000	15,000	15,000
Recoveries	720,000	740,000	740,000	750,000
Total Operating Revenue	1,698,130	1,671,719	1,649,333	1,667,100
EXPENSES				
Expenditure - Core	444,451	467,790	475,404	483,871
ACC	950	950	950	950
Accommodation & Travel	4,000	4,000	4,500	4,500
Accounting & Audit	25,000	26,000	26,000	26,000
Administration	20,000	22,000	22,000	22,000
Amortisation	2,000	2,000	2,000	2,000
Bank Fees	200	200	200	200
Conferences	2,500	2,500	2,500	2,500
Depreciation	4,000	4,000	4,000	4,000
Directors' costs	23,000	25,000	25,000	25,000
Fringe Benefit Tax	4,500	3,500	3,500	3,500
General & Catering	1,500	1,500	1,500	1,500
Insurance	16,000	17,000	18,000	18,000
Legal	2,500	1,500	1,500	1,500
Salaries	316,101	311,940	318,054	326,521
Salaries - C'Portal Opex	-10,000	-14,000	-14,000	-14,000
Staff Support Costs	21,000	22,000	22,000	22,000
Staff Training Costs	2,500	2,500	2,500	2,500
Subscriptions	2,200	2,200	2,200	2,200
Superannuation		25,000	25,000	25,000
Tax Advice	5,500	8,000	8,000	8,000
Expenditure - Projects	1,253,679	1,203,929	1,173,929	1,183,229
Aerial Photography Expense	400,000	350,000	320,000	320,000
Collaboration Portal Opex	27,979	27,979	27,979	27,979
Lease Expense - ICN	131,600	123,500	123,500	123,500
Lease Expense - Video Confer.	14,100	14,250	14,250	14,250
Projects - Recoveries	680,000	688,200	688,200	697,500
Total Operating Expenditure	1,698,130	1,671,719	1,649,333	1,667,100
Operational Surplus/ (Deficit) before Tax	0	0	0	0

Appendix B

Joint Procurement Projects

Joint procurement is often a precursor to shared services. Therefore, certain projects may also be noted as shared services.

Projects completed or requiring ongoing management for performance, renewal or replacement:

- Advertising services
- Aerial imagery and LiDAR
- Air travel services
- Antivirus software
- Archaeological services
- Asbestos protocols
- Banking
- Capital construction and civil works
- Cloud services
- Collective training services
- Community engagement app
- Courier services
- Cyber insurance
- Document management – EDRMS
- Document storage
- EFTPOS services
- Electricity
- Electronic purchasing
- EMA membership
- Firewall services
- FME Server
- Fuel
- Geospatial training services
- GIS regional technical advisor
- GIS software
- GPS vehicle tracking
- Health & Safety benchmarking
- Health & Safety management software
- Health & Safety training services
- Health & Wellbeing online platform
- Historic imagery digitisation
- HR information systems
- Infrastructure as a Service
- Insurance brokerage services
- Insurance – General
- Insurance – Infrastructure
- Internet services
- IPWEA library
- Media monitoring
- N3/GSB membership
- Oblique imagery
- Office supplies
- Postal services
- Print media copyright services
- Provincial Growth Fund co-funding
- Radio telephony
- Rapid antigen tests
- Reprographic – printers/copiers
- Risk management workshops
- Security services
- Staff wellbeing portal
- Telephony – voice, data, mobile, radio
- Tender facilitation
- Travel and accommodation services
- Valuation services provider
- Video conferencing services
- Website analytics
- Wireless WAN

Appendix B

Shared Services

Managed by BOPLASS or by one or more constituent councils:

- Accounts payable automation*
- After hours call management
- Agenda management software*
- Archive services**
- Building consents**
- CCTV centralised monitoring
- Contractor H&S prequalification**
- Debt management**
- Driver training
- Employee benefit schemes
- ESRI GIS software
- FME licensing pool
- GIS imagery data storage
- GIS – one team*
- GIS inter-council support
- GIS web services
- Health and safety management system
- Health and safety training**
- High volume print*
- Historic aerial imagery digitisation
- HR management system*
- Insurance centre of excellence
- Inter-council network (ICN)
- Inter-council secondments
- LGOIMA requests**
- Lone worker field solutions
- MahiTahi LG Collaboration Portal
- Media monitoring
- NZAA/ArchSite portal
- Occupational health services**
- Radio telephony strategy
- Risk management
- Regional contractor database
- Section 17a reviews
- Shared licence server
- Solid waste services
- Standards NZ
- Te Uru Kahika hub infrastructure
- Video conferencing hosting
- Waste Operator and Licensing Data System (WOLDS)**

Projects for Consideration

- Asset management
- Business continuity planning
- Centralised insurance resource
- Contractor online inductions
- Diversion of putrescible waste from landfill
- Drug & Alcohol testing
- Electoral Officer services
- Engineering Codes of Practice
- Fleet purchasing and management
- Health insurance
- Insurance valuations
- Payroll
- Property valuation services
- Recruitment management system
- Resident surveys
- Risk and total assurance
- Staff engagement survey systems
- Transactional banking services

* Investigated and not progressed

** Working with other LASS



phone 0800 229 7275

letters PO Box 10250, Bayfair, Mount Maunganui 3152

email info@bayvenues.co.nz website www.bayvenues.co.nz

22 June 2026

Mahé Drysdale

Mayor of Tauranga

Tauranga City Council

Via email: mayor@tauranga.govt.nz

Dear Mahé

Bay Venues Limited Statement of Intent 2026/27-2028/29

Thank you for your letter regarding the Bay Venues Limited Draft Statement of Intent 2026/27-2028/29. The table below outlines our response to your suggested amendments and the actions we have taken in the final Statement of Intent to address the matters raised.

Tauranga City Council CCO Working Group – Feedback on the draft Bay Venues Statement of Intent	Bay Venues' Response
Council brand and alignment with community outcome (events and vibrancy)	
Strengthen visibility of the Council brand to better reflect and align with Council's community outcome of creating vibrant events, places and experiences.	We have been adding more prominent Tauranga City Council branding to Bay Venues facilities as we update signage around our venues as part of our renewal programme and brand strategy, including at Arataki Community Centre and Mount Maunganui Sport & Recreation Centre in FY26. The Council brand is also included on our websites and in digital communication channels as appropriate.
Encourage Bay Venues to broaden the visibility and promotion of facilities across the city, not only those directly managed by Bay Venues, to reinforce a city-wide perspective focused on community benefit for the people of Tauranga and alignment with the community outcome.	We are happy to help promote non-Bay Venues facilities and events across the city where we reasonably can. We will discuss with the Council's community relations team to understand where we can add value. We currently support Council campaigns by sharing promotional material within venues (snap frames and digital screens) as well as across our digital channels, and we will continue to do this to help promote city events and Council initiatives where we can. Note that there is no funding allocated to do this, which limits the extent of promotional support we can offer.
Current strategic pillars appear somewhat inward-looking (e.g. focusing on internal teams or partnerships). Bay Venues should adopt a more holistic view that emphasises the provision of facilities for the city and its people, again ensuring a strong connection to Council's community outcome around events, activation, and vibrancy.	Three of the Strategic Pillars are externally focused - 'Spaces', 'Experiences' and 'Partnerships'. These are enabled by the fourth pillar, 'People'. The 'Partnership' pillar refers to connections with user groups, funders, tāngata whenua, industry/city partners, etc. To help make this clearer, we have re-ordered the Strategic Pillars in the SOI to ensure the externally focused ones are elevated, i.e. 'Spaces' and 'Experiences'. These focus areas help to enable events, activation, and vibrancy.
Staff safety and antisocial behaviour	
With the increasing incidence of antisocial behaviour, staff safety must remain paramount.	Staff safety is a top priority for Bay Venues. We have a range of effective controls in place across the areas we can reasonably manage, including security systems, CCTV, lone worker panic alarm devices and arrangements, security guards, and bespoke anti-social behaviour guidance, processes and training.
Request that Bay Venues outline proposed options and initiatives to support staff safety in their final Statement of Intent.	A key area that sits largely outside of our control is the presence of rough sleepers in and around some venues, where anti-social behaviour can at times occur. We therefore continue to require Tauranga City Council's involvement and support in addressing this broader societal issue. We acknowledge and thank Council for recently including Bay Venues in the City Safety Forum, which provides a valuable opportunity to share concerns and trends with Council and NZ Police, strengthen operational relationships, and improve coordination. This collaboration has already resulted in progress at some sites experiencing higher levels of anti-social behaviour.

INCORPORATING



Mount Hot Pools	
Bay Venues should review the draft Statement of Intent to ensure there is no alarming or premature language regarding potential closure of the Mount Hot Pools.	We have reviewed the document to ensure there aren't any issues with the wording used and updated the document with the latest information available.
It is important that the community is not unnecessarily concerned or that any decisions are not preempted.	We acknowledge and agree with Council's intention not to preempt decisions or cause any undue concern.
Financial stewardship, prudence, and capital programme	
Strengthen clarity and explicitness around financial stewardship, prudence, and the capital projects programme – specifically on: - Bay Venues to contribute to the development of the sport and recreation investment programme to meet Council's priorities, in respect of the facilities it is involved with, for the Long-Term Plan 2027-2037. - Bay Venues to provide input to support consideration of whole-of-lifecycle investment impacts for relevant sport and recreation facilities.	We have included more details and information around our capital programme (page 10) and clearly note that we will be financially prudent and work with Council around investment priorities. As the operator of many of Tauranga's community facilities we are well placed to apply our expertise to support Council investment priorities and projects. We welcome the opportunity to be involved wherever we can add value and are already involved in several significant future-focused projects, some of which are listed on page 7.
Partnership with Tangata Whenua	
The partnership with Tangata Whenua should be further strengthened, including progressing the Memorandum of Understanding (MoU).	We have developed a Māori Engagement Strategy to strengthen our partnerships with Tangata Whenua and provide a structured approach to this work. We have plans in place to deliver Phases 1 and 2 of the strategy by the end of FY26, with further phases to continue through FY27. This includes engagement and partnership activity connected to the Baypark Masterplan work and Baywave refurbishment work. We are also working to establish what success in this area should look like. While progressing a Memorandum of Understanding initially felt like an appropriate way to signal progress, we recognise that this may or may not be the most meaningful measure, and we remain committed to working with a cultural advisor to understand the most appropriate approach.
Information required for Council decision making (21 April)	
Bay Venues is to provide the following papers to support decision making: Details on the funding gap of approximately \$320k (facility painting and operating QEYC).	We prepared this paper for 21 April.
An update on staff inflationary adjustments, noting these have not yet been included in the draft Statement of Intent.	Our current FY27 budget includes a provision for an average remuneration increase of 2%.

We appreciate Tauranga City Council's feedback and the opportunity to strengthen the final Statement of Intent, provided with this letter. Please let us know if any further clarification would be helpful.

Yours sincerely

Paul Dunphy
Acting Chief Executive, on behalf of Chad Hooker
Bay Venues Limited

Via email: paul.dunphy@bayvenues.co.nz

Cc: Simon Clarke, Chair, Bay Venues Limited – simon@matuagovernance.com

Cc: Chad Hooker, Chief Executive, Bay Venues Limited – chad.hooker@bayvenues.co.nz

Cc: Caroline Lim, CCO Specialist, Tauranga City Council – caroline.lim@tauranga.govt.nz

INCORPORATING



BAYPARK

CLUBfit



BayCatering

BayAudioVisual



30 June 2026

Mahé Drysdale MNZM

Mayor of Tauranga
Tauranga City Council
90 Devonport Road
Tauranga, 3110

Dear Mayor Drysdale and Councillors,

Tauranga Art Gallery Statement of Intent 2026/27

On behalf of the Tauranga Art Gallery Trust, I wish to extend our sincere appreciation for the continued operational funding and support provided by Tauranga City Council. Your investment enables us to deliver an exceptional gallery experience every day, presenting high-quality exhibitions, learning opportunities, and engagement programmes that enrich the lives of our community.

We also thank Council for its commitment to the redevelopment of Toi Tauranga Art Gallery. Since reopening in November 2025, the Gallery has welcomed more than 80,000 visits from people engaging with exhibitions, public programmes, retail offerings, and the café. This activity has contributed positively to the vibrancy of the city centre and demonstrates the Gallery's role as a key cultural destination for Tauranga.

The redevelopment has been widely praised by our sector peers for both its refreshed spaces and its ambitious programme of exhibitions and events. Receiving the New Zealand Institute of Architects Small Project Award at the Waikato/Bay of Plenty Regional Awards reflects the collective efforts of Council, project partners, staff, and supporters.

As we approach the Gallery's twentieth anniversary in 2027, our Statement of Intent (SOI) outlines a vision for the next phase of development as Te Manawataki o Te Papa continues to evolve. We recognise the financial constraints facing local government and remain committed to operating with prudence, accountability, and a strong focus on public value.

Through innovative, visitor-centred programming and strategic partnerships, we seek to maximise the impact of Council's investment and continue contributing to Tauranga's cultural, social, and economic wellbeing.

The Trust has carefully considered the key principles identified by Council and has reflected these throughout the Statement of Intent. In particular, our priorities align with:

- Financial stewardship and prudent management
- High-quality arts and cultural offerings
- Meaningful partnership with Mana Whenua
- Strategic collaboration across the sector
- A community-centred approach to service delivery
- Transparent communication and reporting.

Thank you also for the opportunity to provide further clarification on aspects of the Gallery's operations.

Visitor Data Collection

The Gallery employs five complementary methods of collecting and analysing visitor information, developed with reference to sector benchmarks and peer institutions:

1. Electronic people counters record visitor numbers and visitation patterns through the Gallery's entrances.
2. Front-of-house staff collect information regarding visitor origin and record international visitor data through transaction records where applicable.
3. Observational demographic information is gathered by front-of-house staff.
4. Shopify provides data relating to retail activity, online shopper location, memberships, and donations. This is the only system that retains contact information, apart from newsletter subscriptions via Mailchimp.
5. Voluntary digital visitor surveys provide more detailed qualitative feedback and visitor insights.

Reopening Reporting in the Annual report

We look forward to sharing a comprehensive review in our 2025-26 Annual Report of the Gallery's reopening, including visitor outcomes, programme performance, lessons learned, and opportunities for future improvement in. This reporting will provide valuable insight into both the redevelopment project and the effectiveness of the Gallery's renewed offering.

Budget ClarificationsOther Income

The shareholder has asked for clarification between movement and the source of original funding in the Other Income line.

In the draft March 2026 SOI forecast, the values were \$600,000 (25/26), changing to \$56,000 (26/27).

This is now in the final SOI forecast \$578,991 for (25/26); and \$56,213 for the next financial year (26/27). The change in movement mainly reflects capital income for the redevelopment project and included contributions from the Tauranga Art Gallery Foundation, Friends of the Gallery, leaseholder capital contributions, and retail income that exceeded budget expectations during the reopening period.

Other Expenses

The shareholder has asked for clarification for the decrease in the Other Expenses line.

In our draft March 2026 SOI forecast, the values were \$179,000 (25/26), changing to \$117,000 (26/27).

This is now in the final SOI forecast \$211,122 for (25/26); and \$146,019 for the next financial year (26/27). The reduction reflects expenditure associated with the reopening period and represents a unique, non-recurring operating environment following completion of the redevelopment project.

The Trust appreciates Council's ongoing support and values the constructive relationship we share. We look forward to continuing to work collaboratively to ensure Toi Tauranga Art Gallery remains a vibrant and accessible cultural asset for our city and region.

Yours sincerely,

Rosemary Protheroe

Chair, Tauranga Art Gallery Trust