AGENDA

Council Workshop
Monday, 30 November 2026

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

Date: **Monday, 30 November 2026**

Time: **9:00 am - LTP**

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

Gareth Green

Interim Chief Executive

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1 BUSINESS

1.1 Regional Spatial Plan Process Agreement Matters

File Number: **A21502640**

Author: **Andrew Mead, Head of City Planning & Growth**
Carl Lucca, Team Leader: Structure Planning

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

Presenter(s):
Andrew Mead, Carl Lucca, Janine Speedy

Workshop information

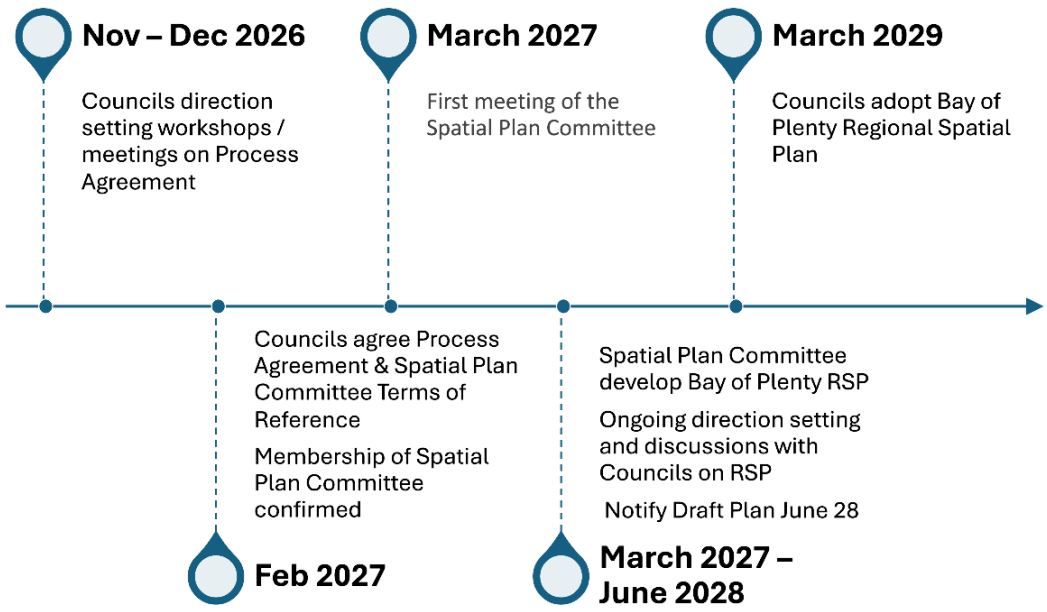
PURPOSE OF WORKSHOP

1. This workshop seeks elected member feedback on key matters to inform development of the Regional Spatial Plan (RSP) Process Agreement and establishment of the Spatial Plan Committee (SPC). Feedback will assist staff in refining these arrangements ahead of formal consideration of the Process Agreement and SPC Terms of Reference by Bay of Plenty local authorities ('partner councils') in early 2027 (refer draft attachments, for reference only).

2. While specific matters have been identified for feedback, these are interconnected and should be considered together. Collectively, they will influence Council's overall level of involvement in the RSP process, including its representation, decision-making responsibilities, resourcing and funding commitments.

BACKGROUND AND CONTEXT

3. The Planning Act 2026 and Natural Environment Act 2026 were enacted in September 2026, replacing the Resource Management Act 1991 and introducing a requirement for each region to prepare an RSP). Key milestones for preparation of the RSP are as follows:



4. On 7 September 2026, a workshop was held with the City Future Committee to discuss preparations for the RSP. The workshop provided an overview of the proposed transition programme to the new planning framework, the purpose and role of the RSP, and emerging governance arrangement options. Feedback was sought on the following matters:

    - key growth and change issues likely to inform the RSP
    - options for the SPC and associated governance arrangements
    - the role of sub-regional working arrangements within the proposed governance framework
    - the number of elected member representatives from each partner council to be appointed to the SPC.

5. The briefing paper considered by the City Future Committee workshop on 7 September 2026 is attached for reference: Agenda of City Future Committee Workshop - Monday, 7 September 2026

PROCESS AGREEMENT OVERVIEW

6. The Process Agreement is the foundational document that must be agreed by all partner councils before preparation of the RSP can formally commence. It establishes the arrangements for local authorities in the region to work together in preparing the RSP and must address the following matters:

    a. roles and responsibilities of local authorities and the SPC
    b. decision-making arrangements and division of responsibilities between council
    c. consultation and engagement requirements
    d. establishment and operation of the RSP Secretariat
    e. funding and resourcing arrangements
    f. processes to ensure local authorities meet their obligations in relation to iwi participation.

7. To give effect to these requirements, the partner councils are developing a Process Agreement that sets out the proposed governance, operational and delivery arrangements for preparing the RSP. The draft agreement is structured around the following matters:

    a. Objectives and principles

b. **How local authorities will work together***
c. **The Spatial Plan Committee***
d. **Division of responsibilities and decision-making***
e. Cross-regional coordination (including Waikato)
f. Work programme and delivery arrangements
g. Secretariat arrangements
h. Funding and resourcing
i. Consultation and engagement
j. **Tangata Whenua participation***
k. Dispute resolution
l. Review and amendment procedures

*Matters discussed in this briefing paper

8. A working draft of the Process Agreement and SPC Terms of Reference are attached for information. The drafts are based on templates prepared by Simpson Grierson for local authorities nationally and remains under development for the Bay of Plenty.

9. Elected members are not expected to review the draft documents in detail at this stage. Rather, they are provided to give a broad indication of the matters proposed to be addressed in the Process Agreement and the level of detail likely to be included. At this stage, feedback is sought on the matters highlighted in bold above to assist in refining the Process Agreement and proposed Spatial Plan Committee arrangements.

Budgets and funding

10. Programme costs for the 2026/27 financial year are being met through existing budgets, including a significant contribution from Bay of Plenty Regional Council. Work is underway to determine appropriate cost-sharing arrangements between partner councils for future years. These arrangements will be set out in the draft Process Agreement for consideration in early 2027.

11. Council's draft 2027–2037 Long-term Plan (LTP) currently includes approximately $900,000 in FY27/28 to FY29/30. This is based on an initial estimate of Council's share of the regional costs associated with preparing the first-generation RSP, however, is subject to change.

12. In addition, subregional delivery components are expected to be funded through existing SmartGrowth budgets of $440,000 per year. These SmartGrowth budgets also support broader activities, including implementation of the existing SmartGrowth Strategy.

13. As the RSP process is further developed, including agreement on cost-sharing arrangements between partner councils and receipt of further national direction, there will be greater certainty around programme costs, and the proposed budgets will be refined accordingly.

MATTERS FOR FEEDBACK

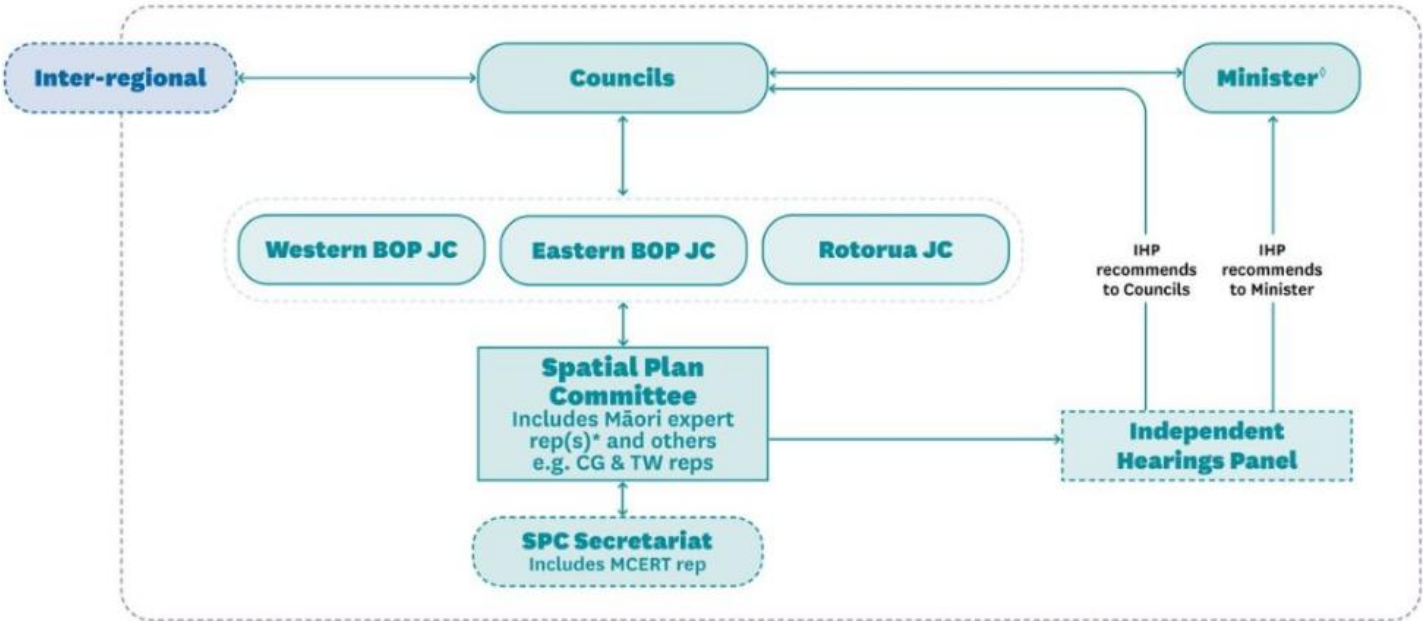
How local authorities will work together

Feedback sought: *Do elected members support, in principle, the enhanced governance model, whereby the SPC provides regional strategic leadership and oversight while existing sub-regional structures, like SmartGrowth, continue to lead much of RSP planning and technical work?*

14. At the City Future Committee workshop on 7 September 2026, elected members were presented with options for the governance and delivery arrangements to support preparation of the RSP. Following further consideration at a regional level, the Mayoral Forum endorsed

an enhanced SPC model and reaffirmed that preparation of the first RSP should be a collaborative process that recognises the complementary roles of the SPC, local authorities, and existing sub-regional joint committees. The Mayoral Forum also emphasised that these roles and relationships should be clearly articulated through the Process Agreement and SPC Terms of Reference.

15. The endorsed enhanced SPC model is illustrated below.



16. The enhanced SPC model builds on established sub-regional planning and governance arrangements and existing collaborative planning structures across the region. It recognises that many of the matters to be addressed through the RSP are inherently sub-regional in nature and are best informed by local knowledge, relationships, and technical work already available or underway.

17. Key benefits of the enhanced model include maintaining local ownership of planning outcomes, making efficient use of existing governance and technical resources, enabling matters to be addressed closer to where they arise, and supporting sub-regional planning while maintaining regional coordination and consistency through the SPC and Secretariat arrangements.

18. A further consideration is the importance of ensuring that the Process Agreement clearly recognises and provides for planning at the subregional level. This includes clarifying how subregional arrangements, such as SmartGrowth, will contribute to development of the RSP, including preparation of plan content, technical input, coordination and secretariat support. Strengthening these provisions will help ensure that existing subregional partnerships and planning processes are effectively integrated into the regional process, while recognising the need for appropriate subregional input and decision-making.

Spatial Planning Committee

Feedback sought: *Do elected members support, in principle, the proposed SPC membership arrangement with up to 2 representatives per local authority plus a nominated alternate?*

19. The SPC is responsible for preparing the draft RSP, appointing a secretariat to provide technical and administrative support, recommending the draft RSP for public notification, considering recommendations from the independent hearings panel, and preparing and maintaining an implementation plan.

20. Legislation requires each local authority to appoint at least one member to the SPC. The SPC must also include one or more members with knowledge, skills, and experience relating to te ao Māori and Māori development. Discussions regarding Māori representation are continuing with tangata whenua representatives, with the current expectation that arrangements will provide for both the statutory requirements and wider tangata whenua participation sought through the governance framework.

21. Two options for local authority representation on the SPC have been considered:

    a. Option A (recommended): One or two representatives from each local authority, with provision for a nominated alternate member.

    b. Option B: One or two representatives from each local authority, supplemented by additional representation based on factors such as population and/or projected growth.

22. Following consideration through RSP partner council workshops, committee discussions and the Mayoral Forum, Option A has emerged as the preferred approach.

23. Option A is recommended because it provides equal representation for each local authority, aligns with the collaborative and consensus-based intent of the Planning Act, and is most consistent with the agreed principles used to evaluate governance arrangements. The approach also reflects previous direction provided by RSP partner councils.

24. While Option B would provide greater representation for areas experiencing higher levels of growth, it could reduce confidence in the region's ability to work collectively, create perceptions of unequal influence, and delay agreement on governance arrangements needed to establish the SPC and commence preparation of the RSP. The proposed enhanced governance model retains a strong role for sub-regional forums such as SmartGrowth to help shape growth and infrastructure matters, ensuring local priorities are reflected while supporting a collaborative regional approach.

25. At present, if each local authority appoints two members, one Māori representative for each of the three sub-regional areas, and MCERT appoints a member, the SPC would have 20 members. This does not include nominated alternates or an independent chair. The final membership arrangements are still being considered, including Māori representation (e.g. potentially 2) from each sub-region, which could result in a different committee size.

Feedback sought: *Do elected members support, in principle, the appointment of an independent chair?*

26. Feedback is sought on whether the Process Agreement should provide for the appointment of an independent chair to the Spatial Plan Committee (SPC). If supported by partner councils, the Process Agreement would be updated accordingly, allowing an appointment process to commence ahead of the SPC being established.

27. Alternatively, partner councils could agree to leave the decision on whether an independent chair is required to the SPC once established, or determine that an independent chair is not required.

28. The potential benefits of appointing an independent chair include:

    a. Providing dedicated capacity to chair the SPC, recognising the complexity of the RSP process, the number of participating partners and the pace of delivery.

    b. Bringing relevant knowledge and experience in the planning system, local government, growth planning and governance.

    c. Providing independent leadership to support collaboration and decision-making across partner councils.

29. Feedback from some other councils leading up to the September 2026 Mayoral Forum also indicated support for appointing an independent chair.

30. The estimated cost of an independent chair is $150,000 per year, shared between partner councils. This cost is anticipated over the first three years, during development of the first-generation RSP. The ongoing need for the role would be reconsidered by partner councils following this period.

Division of responsibilities and decision-making

Feedback sought: *Do elected members support, in principle, the proposed approach of determining any division of decision-making responsibilities once the content of the draft RSP is known, guided by agreed criteria?*

31. The Planning Act requires local authorities to agree, through the Process Agreement, how decisions by local authorities (notification of draft RSP and recommendation from the Independent Hearings Panel) will be made. This includes whether responsibility for particular decisions should rest with all councils collectively or with one or more identified councils.

32. RSP partner council staff have considered a range of options for determining the division of decision-making responsibilities and when these arrangements should be agreed.

33. Three options were evaluated:

    a. Option 1: Agree the division of decision-making responsibilities as part of the initial Process Agreement in early 2027.

    b. Option 2: Determine the division of decision-making responsibilities when the draft RSP is adopted for public notification.

    c. Option 3 (recommended): Determine the division of decision-making responsibilities when the draft RSP is adopted for public notification, guided by agreed criteria.

34. Option 3 is recommended because it provides greater clarity on where a division of decision-making responsibilities may be appropriate once the content of the draft RSP is known. It also allows time for further discussion with elected members and partner councils before any decisions are made. Staff recommend that the Process Agreement signal an intent that matters of primarily local or sub-regional significance will, where appropriate, be decided by the relevant council(s) or sub-regional partners. This will be particularly relevant to growth and infrastructure planning related matters. This would provide greater certainty while allowing detailed arrangements to be determined at a later stage.

35. Including agreed criteria would provide a framework for considering when a division of responsibilities may be appropriate, while retaining flexibility to make informed decisions once the content of the draft RSP is known.

36. This approach also recognises that key national instruments that will influence the content of the RSP are not expected to be available until after the first Process Agreement is agreed, making it difficult to determine detailed decision-making responsibilities at this stage.

Tangata Whenua Participation

This section provides an update on the process to incorporate meaningful tangata whenua participation.

37. Meaningful tangata whenua participation in the preparation of the RSP is a key requirement of the new planning system and an important consideration in developing the Process Agreement and governance arrangements.

38. Engagement with tangata whenua representatives is ongoing to help determine the most appropriate approach to representation. Feedback received to date indicates a preference for participation at all levels of RSP governance and delivery, consistent with approaches adopted in other collaborative planning processes like SmartGrowth or the City/Regional Deal.

39. Providing for tangata whenua participation throughout the governance framework would support Treaty partnership principles, enable mātauranga Māori and local cultural knowledge to inform strategic decision-making, and assist in identifying issues and opportunities at an early stage.

40. It is anticipated that tangata whenua participation will be supported through representation at multiple levels of the RSP governance and delivery framework, including the SPC, existing sub-regional arrangements, and established co-governance and Māori partnership forums. This approach would build on existing relationships and governance structures across the region while recognising that discussions on the specific representation arrangements remain ongoing.

41. Staff support an approach that provides for meaningful tangata whenua participation at all levels of the RSP process. This reflects the requirements of the new planning system, builds on existing partnership arrangements across the region, and is expected to support more informed and enduring planning outcomes.

NEXT STEPS

42. The next step is to provide TCC elected member feedback to regional planning partners to inform further development of the Process Agreement.

43. A formal report seeking decisions on these matters is expected in early 2027, enabling the Process Agreement to be finalised, the SPC to be established and its terms of reference to be confirmed, and preparation of the RSP to commence.

Attachments

1. **BOP RSP Process Agreement draft at Nov 2026 - A21502584**
2. **BOP RSP Terms of Reference draft at Nov 2026 - A21502585**

PROCESS AGREEMENT FOR BAY OF PLENTY REGIONAL SPATIAL PLAN

[Insert logos of all local authorities who are parties to this agreement – as below plus Taupo DC and MCERT (for Offshore Islands) if appropriate]

V1 - 16 November 2026

This document is based on the Taituarā (Simpson Grierson) template being used across the majority of the 11 regions that have a regional council and territorial authorities.

See template drafting notes in comments and optional Schedules.

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PROCESS AGREEMENT FOR REGIONAL SPATIAL PLAN

PARTIES:

1. **Bay of Plenty Regional Council**
2. **Tauranga City Council**
3. **Western Bay of Plenty District Council**
4. **Rotorua Lakes Council**
5. **Whakatāne District Council**
6. **Kawerau District Council**
7. **Ōpōtiki District Council**
8. **Taupō District Council**
9. **Minister for Local Government acting as the territorial authority for Offshore Islands** *(note – has opted out of appointing member/s of the SPC pursuant to s.92 of the Planning Act, however is actively participating in Secretariat and relevant elements of RSP work programme through delegation to MCERT*)

together, the **Local Authorities**

Note:

- *Rotorua and Taupō Districts span 2 or more regions, hence they may choose not to fully participate in the RSP of 1 or more of those regions (s 92(1)) – until advised otherwise, this agreement records that they <u>will</u> be fully participating in the RSP programme for the BOP region and appointing 1-2 reps to SPC.*

- *Only the local authorities listed will be signatories/parties to this agreement, albeit local authorities in the region or sub-regional joint committees (e.g. SmartGrowth) may have their own specific arrangements related to tāngata whenua representation and participation in spatial planning.*

BACKGROUND

A. This Process Agreement is required by Schedule 2, clause 4 of the Planning Act. It sets out how the Local Authorities of the Bay of Plenty will work together in relation to the preparation or change of the Regional Spatial Plan (RSP) and provides for the establishment, empowerment and governance of the Spatial Plan Committee that will prepare the draft RSP.

B. The RSP will:

- set the strategic direction for growth and change in the Region for a time frame of 30 years or longer (the first RSP will be prepared for the whole Bay of Plenty region based on current local authority boundaries).

- Align growth planning, infrastructure investment, climate resilience considerations, environmental management and economic development.

- Create a shared regional framework to support council long-term planning, Crown investment decisions and certainty for communities, iwi, infrastructure providers and investors.

- Provide a platform for aligning infrastructure priorities and investment discussions.

C. The local authorities of the Bay of Plenty have considered the approach to some of the key matters required in this Process Agreement. On this basis, this agreement:

- Recognises that there are distinct sub-regional differences and a range of existing governance arrangements (e.g. joint committees, the Western Bay of Plenty Regional Deal) across the Bay of Plenty that will influence the context for preparing the first RSP.

- Enables the first draft RSP to build from existing spatial plans, growth strategies, Resource Management Act documents and technical evidence, subject to relevant limitations of Schedule 1 (transitional provisions) of the Planning Act that apply to the preparation of regional spatial plans. The parties note that existing plans and strategies were prepared under a different legal framework and scope, hence the existing content will need to be reviewed and adapted to align with the requirements of the new system.

- Enables and promotes regional decision-making where issues require a Bay of Plenty wide response. The intent of the local authorities is to take a whole-of-region approach, with strong sub-regional building blocks. Preparation of the draft RSP will draw from the relationships, evidence spatial analysis and implementation experience in the Our Places - Eastern Bay Spatial Plan, Rotorua Future Development Strategy and the SmartGrowth Strategy. Regional and inter-regional alignment will be required where information needs to be combined, spatial options need to be compared, cross-boundary matters need to be resolved, or statutory regional decisions need to be made. Some matters may require inter-regional content and coordination with adjacent regions.

D. The Bay of Plenty has an extensive cultural and Treaty settlement landscape. Treaty settlements across the region have established a wide range of statutory redress and arrangements that recognise the relationships of iwi and hapū with their whenua, wai, coastal environments and other taonga. These include statutory acknowledgements, co-governance and co-management arrangements, statutory planning and strategy documents, and other mechanisms that have had particular recognition and effect within the RMA planning system. Settlements that establish co-governance entities (joint committees) that are responsible for specific catchments and water bodies in the region require statutory links to documents prepared under the Planning and Natural Environment Acts. Preparing the first draft RSP is one statutory process which could enable equivalency to be achieved in terms of legal weight of relevant strategic and spatial content of documents prepared and adopted by co-governance entities. This requires engagement with the relevant co-governance entities (i.e. Joint Committees) and PSGEs first before confirming how this agreement gives an effect that is the same as, or equivalent to, the effect that Treaty settlement redress or arrangement had under the RMA if relevant (see s 10(2) of the Planning Act). See **Appendix 6** of this agreement for a list of relevant Treaty Settlement provisions and co-governance entities across the region.

E. This Process Agreement addresses the key requirements of the Planning Act, including:

- how the Local Authorities will work together and work with the Spatial Plan Committee;

- whether there will be any division of responsibilities between the Local Authorities for decision-making on certain matters or parts of the RSP (for example, if a particular Local Authority will be the sole decision maker on certain content relating to its district), or if all decisions on the RSP will be made by consensus;

- how the Spatial Plan Committee will carry out the consultation required by Schedule 2, clauses 8 and 9 of the Planning Act, including by identifying who the Local Authorities consider to be relevant infrastructure providers, representatives of the development sector, representatives of other sector groups, and representatives of the wider community;

- how the Secretariat will be established and managed; and

- processes to ensure that each Local Authority complies with any obligations under any applicable iwi participation legislation (including any agreements under that legislation) and any joint management agreement.

- Inter-regional content

F. While this Process Agreement is entered into by the Parties, it mentions other entities, groups or people involved in regional spatial planning, including:

- the Minister, who has a range of statutory functions under the Planning Act in relation to pre-notification consultation, dispute resolution, audit of the draft RSP and decisions on the Independent Hearings Panel's recommendations;

- the Minister for Local Government acting as the territorial authority for Offshore Islands

- the Spatial Plan Committee, established by this Process Agreement in accordance with the Terms of Reference in Appendix 1. The Spatial Plan Committee has several functions under the Planning Act related to preparing the draft RSP, followed by implementation and monitoring of the final RSP once it is adopted;

- tāngata whenua, whose involvement in the draft RSP will occur through both representation and participation. Representation refers to tāngata whenua membership and involvement in the Spatial Plan Committee and associated governance arrangements at the sub-regional and individual council level. Participation refers to the broader involvement of iwi and hapū throughout the development of the draft RSP, including through pre-notification engagement, technical input into RSP content, and other processes. Details of how the Parties will comply with any obligations under iwi participation legislation (including any agreements under that legislation) is covered in Appendix 6 to this agreement.

- the Secretariat, to be appointed by the Spatial Plan Committee in accordance with the establishment and management arrangements set out in section 8310, which will provide the Spatial Plan Committee with technical and administrative support; and

- the Independent Hearings Panel, to be appointed in accordance with Schedule 4 of the Planning Act as soon as reasonably practicable after the Local Authorities approve the draft RSP for notification.

G. The Parties acknowledge:

a. the procedural principles in section 16 of the Planning Act;

b. the requirements relating to Treaty settlement redress or arrangements in section 10 of the Planning Act; and

H. The current timeframe and delivery milestones as agreed between the parties are set out in **Appendix 3**. The high-level statutory timeline from enactment to RSP adoption for all regions is:



I. The Parties acknowledge that legislative requirements, national instruments, regulations, and local authority boundaries may change over time and that this Agreement can be amended to reflect changing circumstances.

1. DEFINITIONS AND INTERPRETATION

1.1 In this Agreement, unless the context otherwise requires:

(a) **Agreement** or **Process Agreement:** means this Process Agreement for the Region prepared in accordance with Schedule 2, clause 4 of the Planning Act;

(b) **Commencement Date:** the date on which this Agreement is executed by the last Local Authority to do so, as recorded on the front page of this Agreement;

(c) **Consensus:** has the meaning in section 90(5) of the Planning Act;

(d) **Independent Hearings Panel** or **IHP:** the panel to be established by the Local Authorities under Schedule 4, clause 3 of the Planning Act to hear and make recommendations on submissions on the draft RSP;

(e) **Iwi Participation Legislation**: has the same meaning as in the Planning Act and includes Treaty Settlement Acts as described in Appendix 6 to this Agreement that establish permanent joint committees under the LGA (e.g. co-governance entities).;

(f) **Joint Management Agreement:** an existing agreement that applies in the region, or new agreement as defined in section 230 of the Planning Act 2026.

(g) **LGA:** means the Local Government Act 2002;

(h) **Local Authorities or Councils:** means the Parties, being the local authorities of the Region, including the Minister for Local Government acting as the territorial authority for Offshore Islands;

(i) **Planning Act:** means the Planning Act 2026;

(j) **Programme Steering Group or PSG:** the group of senior managers of the Local Authorities established under clause 3.1(a);

(k) **Region:** the Bay of Plenty Region as defined at enactment, shown in the map in Appendix 2 to this Agreement.

(l) **Regional Spatial Plan or RSP:** means the regional spatial plan for the Region prepared under Schedule 2 of the Planning Act;

(m) **Secretariat:** means the secretariat to be appointed by the Spatial Plan Committee in accordance with section 83 of the Planning Act, in accordance with the establishment and management arrangements set out in this Agreement;

(n) **Spatial Plan Committee or Committee** means the committee, whose terms of reference provide for it to perform the functions, powers and duties of a spatial plan committee for the Region under the Planning Act, noting that section 82 of the Planning Act sets out requirements relating to the membership and appointment process

(o) **Sub-regional Joint Committee:** means the SmartGrowth Leadership Group, the Eastern Bay of Plenty Joint Committee and the Rotorua Future Development Joint Committee, or any successor committee with delegated responsibility for sub-regional spatial planning initiatives and will assist to the Spatial Plan Committee to meet its statutory responsibilities.

(p) **Terms of Reference:** means the terms of reference for the Spatial Plan Committee set out in Appendix 1, as amended from time to time;

(q) **Work Programme:** the RSP work programme in Appendix 3, as amended from time to time.

1.2 Interpretation:

(a) **Clauses/Appendices/Attachments:** references to clauses, appendices and attachments are to clauses in, and the appendices and attachments to, this agreement. Each such appendix and attachment forms part of this agreement;

(b) **Defined expressions:** expressions defined in the main body of this Agreement have the defined meaning throughout this Agreement, including the Background;

(c) **Headings:** headings are for convenience only and do not affect the interpretation of this Agreement;

(d) **Inclusive Expressions:** the terms “includes” or “including” (or any similar expression) are deemed to be followed by the words “without limitation”;

(e) **Legislation**: reference to primary or secondary legislation means that legislation as amended, replaced or substituted from time to time;

(f) **Order of Precedence:** if there is any inconsistency between this Agreement and the Planning Act, the LGA, or any other applicable legislation, that legislation prevails to the extent of the inconsistency; and if there is any inconsistency between the body of this Agreement and an Appendix or attachment to it, the body of this Agreement prevails to the extent of the inconsistency;

(g) **Plural and Singular**: references to the singular include the plural and vice versa;

(h) **Statutory definitions:** a word or expression that is defined in the Planning Act, Natural Environment Act 2026, or the LGA, but not in this Agreement, has the same meaning in this Agreement as in the Act that defines it, unless the context otherwise requires.

WORKING TOGETHER

2. OBJECTIVES AND PRINCIPLES

2.1 The key objectives of this Agreement (**Objectives**) are:

(a) for the Local Authorities to work closely, collaboratively and successfully together to appoint the Spatial Plan Committee and provide to it the necessary support required to prepare a draft RSP and achieve its other functions;

(b) to agree the process (including key terms, governance and administrative support, allocation of responsibilities, timing and budget) for the establishment of all groups that will support the working relationship between the Local Authorities, and the interface with the Spatial Plan Committee;

(c) to facilitate decision-making by the Parties, and the escalation of any disagreements or disputes, in a timely manner to ensure that all relevant statutory requirements can be satisfied; and

(d) to document how the Parties will operate together in a way that facilitates an effective and efficient use of resources, and provide optimum benefit to the parties' ratepayers, as part of developing a draft RSP.

2.2 **Principles** – In seeking to deliver these objectives the Parties agree to act in accordance with the following principles throughout all aspects of the work programme and at a governance level in the Spatial Plan Committee:

Principles	Description and application
Representative Regional, Sub-regional and Local Perspectives	Work together with shared purpose to prepare a draft RSP that sets the strategic direction for growth and change in the region for 30 years and longer.

	Regional, sub-regional, and local perspectives are appropriately represented and considered through a collaborative approach so that broader integration can be realised. **In practice:** Focus effort where regional spatial planning adds most value.
Apply Treaty-led partnership principles and tāngata whenua participation	Work in good faith as partners, recognising tikanga, existing Treaty settlement arrangements and new iwi participation agreements. Māori interests, aspirations, values, and perspectives are meaningfully reflected throughout governance, planning, and decision-making. **In practice:** Engage early with tāngata whenua to inform approach and delivery. Contact iwi authorities to encourage initiation of iwi participation agreements pursuant to the new legislation.
One Team and Collaborative Relationships	Share knowledge, expertise and perspectives openly, and work constructively to address issues early to achieve outcomes. **In practice:** Share information and expertise across organisational boundaries and maintain a "no surprises" approach.
Consensus First and Respect for Statutory Responsibilities	Seek consensus wherever possible, while recognising that participation in the partnership does not replace each organisation's statutory responsibilities. **In practice:** Use agreed escalation pathways where consensus cannot be reached.
Right Decisions at the Right Level	Decisions should be made at the most appropriate level and as local as possible. **In practice:** The roles of local authorities and sub-regional committees provide a layered governance approach. This ensures local and sub-regional perspectives are considered alongside the regional and statutory roles of the SPC.
Evidence-Based and Capability-Led	Governance and decision-making should be informed by robust evidence, technical expertise, and specialist advice. **In practice:** Governance structure should have access to capabilities needed to fulfil their roles. Identify assumptions, uncertainties, and evidence gaps early.
Build on Existing Work	Build from existing plans, strategies, evidence, partnerships and previous planning investment wherever possible. **In practice:** Use existing spatial plans, growth strategies, operative RMA planning documents and technical evidence to avoid duplication.
Future-Focused and Adaptable	Take a long-term view and stay responsive to legislative change, evolving priorities, and future implementation requirements. **In practice:** Review and adapt governance, programme and planning arrangements as requirements evolve.

Legally Robust	Governance arrangements, decision-making and consultation processes must comply with statutory requirements and support preparation of a legally defensible Regional Spatial Plan. **In practice:** Meet statutory timeframes and maintain clear records, governance decisions, and audit trails.
Community Engagement and Participation	Respond to the values and input of our communities and stakeholders through the preparation of the RSP. **In practice:** Provide meaningful opportunities for communities and stakeholders to contribute at appropriate stages of RSP preparation and demonstrate how their input has been considered in developing the draft RSP and subsequent refinements.
Ambitious and aspirational	Be ambitious and aspirational while also realistic **In practice:** think boldly while remaining grounded in practical delivery. Challenge business-as-usual approaches and remain open to new ideas.

3. HOW THE LOCAL AUTHORITIES WILL WORK TOGETHER

3.1 The Local Authorities will work together in accordance with this Agreement, including by:

(a) establishing a Programme Steering Group and Chief Executive Forum for the purpose of discussing strategic direction, risks, issues, programme progress and any matters relating to the preparation of the draft RSP and other functions of the Spatial Plan Committee that are not matters for the Spatial Plan Committee itself;

(b) convening meetings of the Programme Steering Group at agreed intervals;

(c) providing, in accordance with this Agreement, the staff, technical expertise, data and information, and other resources reasonably required to support the Spatial Plan Committee and the Secretariat in the preparation of the RSP;

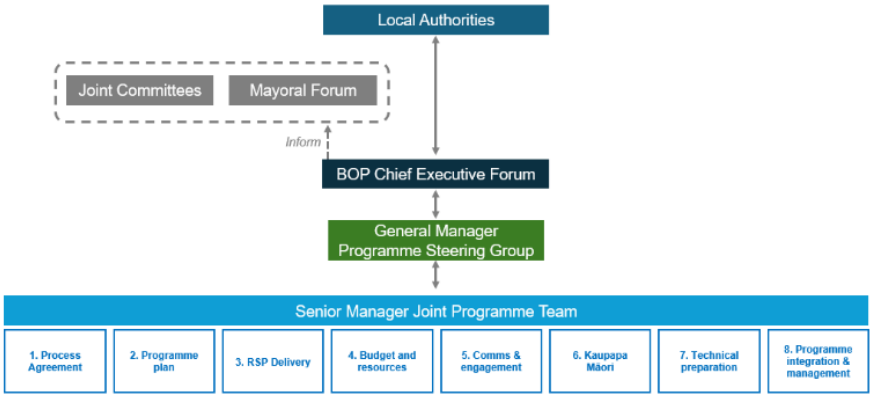
(d) contributing funding on a cost-share basis in accordance with this Agreement;

(e) maintaining and supporting the three existing sub-regional joint committees with responsibility for sub-regional spatial planning in their terms of reference, noting that these committees will report and recommend to the Spatial Plan Committee and individual councils. This sub-regional governance layer will be retained throughout the preparation of the draft RSP to help ensure core obligations are addressed and consulted on at the appropriate geographic scale and level of detail.

(f) giving due consideration to papers, reports or other information supplied to the Parties by the Spatial Plan Committee, e.g. a recommendation to approve the draft RSP for public notification pursuant to the Planning Act;

(g) making decisions required of them individually or collectively under the Planning Act in a timely manner (consistent with the procedural principles of the Planning Act) and in accordance with any agreed Work Programme milestones;

(h) The structure for the work programme is as follows*:*



3.2 Nothing in this Agreement limits or affects the statutory functions, powers, or duties of any individual Local Authority acting in its regulatory capacity under any enactment (including the ability of a Local Authority to submit on the RSP under clause 19 of Schedule 2 of the Planning Act).

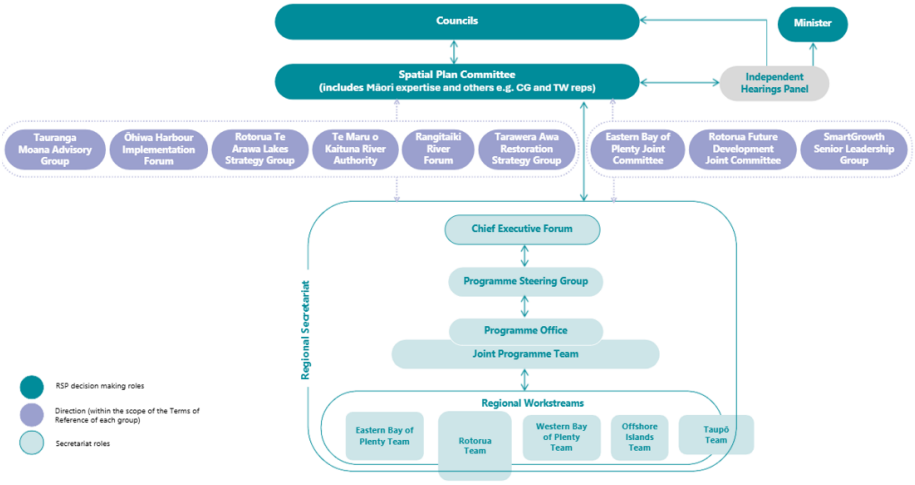
3.3 The Local Authorities agree to undertake the processes required to establish and operate an Independent Hearings Panel in accordance with Schedule 4 of the Planning Act and all related sections, including the joint appointment of panel members once the draft RSP has been approved for notification.

4. SPATIAL PLAN COMMITTEE

4.1 The Bay of Plenty Spatial Plan Committee (SPC) is constituted as a joint committee of the Parties appointed under clauses 30 and 30A of Schedule 7 to the LGA (which apply with all necessary modifications);

4.2 The SPC is constituted pursuant to the Terms of Reference in **Appendix 1** of this Agreement. An illustrative structure showing the BOP SPC in context of the statutory requirements is shown below:

Regional Spatial Plan governance and delivery structure



4.3 The SPC Terms of Reference contains clauses that enable technical and legal amendments and updates to be made to it from time to time by the SPC itself or through delegation to the Chief Executives forum rather than going to all the partner local authorities for formal approval at Council meetings. For example, to reflect regulations, national standards and amendments to primary legislation, membership changes due to a change of local authority representative, amendments that do not affect local authority functions and responsibilities (such as change of tāngata whenua or Ministerial appointed members) frequency of meetings etc. Details of the scope of reviews and amendments to the Terms of Reference are included in **Appendix 1**. The SPC will ensure that any amendments are communicated out to the parties and publicly via the secretariat.

4.4 The Parties will, consistent with the Terms of Reference:

(a) each appoint up to two members to the SPC and one named alternate – appointments must be made by separate resolutions of each local authority by *31 March 2027*.

the Parties agree that:

(i) no local authority may appoint more than two members (noting provision for one named alternate) to the Spatial Plan Committee;

(ii) the chairperson (may be independent) and deputy chairperson of the committee are to be appointed by the Spatial Planning Committee, subject to any regulations made for the purposes of section 82(7) of the Planning Act.

(iii) Sub-regional Joint Committees will have different delegations by local authorities that will inform preparation of the draft RSP through reporting and providing advice to the Spatial Plan Committee (via the Secretariat).

These are listed in the delegations register of the relevant local authority (if applicable).

(b) ensure that there is always at least one member appointed to the Spatial Plan Committee who has knowledge, skill and experience relating to te ao Māori and Māori development, which may be met by appointments made by the local authorities provided for in (a) above. Local authorities will consult with tāngata whenua as part of the process for making this appointment.

(c) Local authority appointees to the committee must act in a manner consistent with the principles in Clause 2.1 of this agreement and possess a minimum standard of experience, qualifications and technical skills/knowledge, or undertake to develop knowledge on appointment, to ensure they can support the work of the committee. Preferred competencies are:

(i) Knowledge of the statutory requirements of the Planning Act for an RSP and its role in the context of the broader planning system and the regional combined plan.

(ii) Experience with existing sub-regional spatial plans through membership of a relevant joint committee during 2022-2026.

(d) There is no need for delegations from local authorities to the Spatial Plan Committee beyond their statutory responsibilities in the Terms of Reference as per **Appendix** 1 which come directly from the Planning Act;

(e) the Spatial Plan Committee will be discharged at the date of the next triennial local government elections and reconstituted in accordance with the requirements of this clause upon the appointment of members of the local authorities to the SPC following due process post-election.

5. HOW THE LOCAL AUTHORITIES WILL WORK WITH THE SPATIAL PLAN COMMITTEE

5.1 The Local Authorities will work with the Spatial Plan Committee to support it in carrying out its functions, powers and duties under the Planning Act and the LGA, including by:

(a) responding to requests from the Spatial Plan Committee for information, advice, staff or technical resource in a timely manner;

(b) Supporting the ongoing role of sub-regional joint committees that will enable spatial plan matters of local and sub-regional significance (the existing sub-regional spatial plans provide the starting point) to be reported up to the Spatial Plan Committee.

(c) Support the committee in meeting specific obligations it is subject to regarding taking into account any statutory co-governance documents the Committee must take into account to meet the requirement for interim Treaty Settlement equivalency.

(d) considering and responding to any recommendation or advice provided by the Spatial Plan Committee within any timeframe reasonably specified by the Committee;

(e) not directing or interfering with a decision validly made by the Spatial Plan Committee under a delegation, consistent with clause 30(6) of Schedule 7 to the LGA; and

(f) when the Parties request advice from the Spatial Plan Committee, they will consider whether the request can be coordinated and provide a reasonable timeframe for a response.

(g) Maintaining a secretariat that is established by the Spatial Plan Committee pursuant to s.83 of the Planning Act and operates in accordance with Clause 10 of this agreement.

6. DIVISION OF RESPONSIBILITIES

6.1 Determination of whether there will be any division of responsibilities for decision making will be addressed following Spatial Plan Committee establishment and no later than when the draft RSP for the Bay of Plenty is notified pursuant to s.90 of the Planning Act. The Committee will approve criteria to assist the secretariat to make recommendations to local authorities on whether there will be any division of responsibilities for decision making.

6.2 Government guidance recommends that *'core decisions relating to regional growth patterns, infrastructure priorities, strategic land use direction and other matters of regional significance should generally be considered by the whole spatial plan committee and by all local authorities in the region.'* Division of responsibilities will be considered through the preparation of the draft RSP and relates to decisions potentially being made at a sub-regional or local level.

6.3 This process agreement shall be updated when there is a determination for whether there will be any division of responsibilities for decision making.

6.4 For the avoidance of doubt, clause **Error! Reference source not found.** of this agreement applies to the decisions on the Independent Hearing Panel's Recommendations for the purposes of Schedule 2, clause 25(3)(b) of the Planning Act.

7. CROSS-REGIONAL COORDINATION (INTER-REGIONAL CONTENT)

7.1 *Placeholder content* – TBC. The Local Authorities *have agreed* with the local authorities of Waikato and Gisborne regions that their respective draft Regional Spatial Plans will include inter-regional content, however the specific matters are yet to be confirmed: e.g. cross-boundary infrastructure, growth areas, and transport corridors. Whilst the Bay of Plenty also shares a boundary with Hawke's Bay region, the topography and land use in the area and lack of strategic infrastructure connections mean that there is no need for inter-regional content.

7.2 The agreed inter-regional content between the Bay of Plenty and Waikato regions is:

(a) *to be included if/when agreed with local authorities in the Waikato region.*

7.3 The agreed inter-regional content between the Bay of Plenty and Gisborne regions is:

(a) *to be included if/when agreed with local authorities in the Gisborne region*.

7.4 The respective councils of the regions acknowledge the requirements in clause 5(2) of Appendix 2 of the process agreement and that inter-regional content has effect under clause 5 only once it is recorded in the process agreements of the respective regions. They commit to ensuring the timely approval of the relevant inter-regional content for each spatial plan to ensure statutory timeframes for notification can be met.

7.5 The respective spatial planning committees and secretariats will meet as required to coordinate and progress the development of inter-regional content. Where practicable, they will make use of existing groupings that include the relevant councils to progress the development of inter-regional content.

7.6 Each secretariat will maintain a designated contact for coordinating meetings under this section and managing any other communications or engagement required.

7.7 Where the relevant councils cannot reach agreement on the content for inclusion in the draft regional spatial plan, notification of the inter-regional content, or decisions on the recommendations from the independent hearings panel related to the inter-regional content, they will follow the dispute resolution process prescribed by the Regulations, as required by Schedule 2 clause 5(3) of the Planning Act, and section 74C of the PA will apply if that process fails.

7.8 The Spatial Plan Committee will work jointly with the spatial plan committees of Waikato and Gisborne to prepare the Inter-Regional Content and will include it in the draft RSP for the Region.

7.9 The funding and governance arrangements for the joint work on matters listed in 7.2 and 7.3 above are *TBC through negotiations with adjoining regions*.

8. WORK PROGRAMME

8.1 A high-level timeline setting out the key phases, milestones and timeframes to comply with the Planning Act, is set out in **Appendix 3** and can be amended by the Spatial Plan Committee, except for milestones that set timeframes for decisions by the Local Authorities, which require agreement through the PSG.

9. ALIGNMENT WITH OTHER STRATEGIC INITIATIVES

9.1 The Planning Act requires a single statutory RSP for the Bay of Plenty, while enabling more detailed spatial planning for individual sub-regions. Bay of Plenty partner councils have agreed in principle to developing sub-regional content, using the existing SmartGrowth Strategy, the Our Places - Eastern Bay Spatial Plan and the Rotorua Future Development Strategy as a good starting point. The new planning system requires integrated regional decision-making while recognising differing growth pressures, opportunities and infrastructure requirements. On this basis, the existing sub-regional plans require review and alignment with the RSP work programme that

will implement the new statutory requirements including forthcoming national policy direction and standards.

9.2 In accordance with Cl.6 (2) of Schedule 2 of the Planning Act, the spatial plan committee may have regard to any other document or matter that they consider relevant. In the context of the RSP work programme this may include local growth strategies, spatial plans, and structure plans prepared by individual local authorities where the provisions and data are relevant. It may also include plans and strategies that cover catchments or water bodies (e.g. co-governance documents), and those that are region-wide or inter-regional.

9.3 The RSP work programme will need to align with the Western Bay of Plenty City and Regional Deal and any other growth partnership in the Region. Within the SmartGrowth context there is a specific Deal commitment to refresh components of the current SmartGrowth Strategy adopted in 2024, which may have implications for urban growth management within that geographic area of Tauranga and western bay districts. Note that Deal commitments do not directly influence the content of the draft RSP for other sub-regions.

9.4 For the avoidance of doubt, note the first options assessment report and draft RSP will incorporate information from operative RMA documents pursuant to Cl.11 of Schedule 1 of the Act (Transitional, savings, and related provisions).

SECRETARIAT FOR THE REGIONAL SPATIAL PLAN

10. ESTABLISHMENT OF THE SECRETARIAT

10.1 The Spatial Plan Committee will appoint a Secretariat to provide the Spatial Plan Committee with technical and administrative support for the Committee's role in relation to the draft RSP, and other Committee functions such as implementation, monitoring and review of the RSP. The proposed structure of the Bay of Plenty Regional Spatial Plan Secretariat (the Secretariat) aligns with the overarching approach of the retention of sub-regional approach within a strong regional framework. It uses a hybrid host/partnership model, with Bay of Plenty Regional Council hosting defined functions and broader regional and sub-regional delivery resourced collaboratively across partners. These arrangements remain subject to the ongoing workstreams and may evolve as these progress.

10.2 The Parties agree to contribute resources and administrative support for the Secretariat, noting that there are differences between the local authorities in in terms of capability and capacity of staff that can assist with the RSP work programme. This reflects the principle of One Team and Collaborative Relationships, where partner local authorities will share information and expertise across organisational boundaries.

10.3 The Parties acknowledge that the Secretariat must include one or more technical experts or advisers appointed by the chief executive of the Ministry and whose work for the Secretariat is funded by the Crown (section 83(2) of the Planning Act).

10.4 Once the Secretariat is established, it is subject to the direction of the Spatial Plan Committee, rather than the Parties.

10.5 Bay of Plenty Regional Council will host the RSP programme management office, including the Programme Lead and Programme Manager, providing governance, administration and IT support, hold any Secretariat budget on trust for the Local Authorities, and be the central organising point for the regional secretariat. The Secretariat reports directly to the Spatial Plan Committee, and key features of the structure and roles include *(insert Diagram):*

(a) A Chief Executive Forum: provides executive oversight.

(b) A Programme Steering Group: provides strategic leadership. Membership comprises of relevant General Managers from partner councils, a central government representative and Iwi / Māori representation, as guided by the Kaupapa Māori workstream.

(c) Secretariat office: provides a coordinated programme management. Hosted by Bay of Plenty Regional Council, this lean office comprises the RSP Programme Lead, RSP Programme Manager, RSP Programme Coordinator, with governance support and technical support from the partnership as required, including communications and engagement.

(d) Joint Programme Team: provides leadership for operational delivery of the programme. Membership comprises a representative from each of the local government partner and sub-regional strategic lead for each sub-region.

(e) Regional workstreams: will be established to ensure integration and consistency across the programme and address matters that need to be considered at a regional level

(f) Sub-regional teams: will deliver the sub-regional content of the Regional Spatial Plan

10.6 The Spatial Plan Committee may, in accordance with the Terms of Reference, review and update the Secretariat's structure, staffing and reporting arrangements from time to time, provided any change does not alter the funding or cost-sharing arrangements set out in this Agreement.

11. FUNDING AND RESOURCING

11.1 The Parties will contribute to the RSP Budget in the proportions set out in Appendix 4. Each Local Authority's governing body delegates to its chief executive the authority to agree Appendix 4 and any changes to it, provided the Local Authority's contribution stays within the amount provided for in its Long-Term Plan or Annual Plan. Unless the Local Authorities agree otherwise, the costs of the Independent Hearings Panel that the Local Authorities are jointly responsible for will be shared on the same basis (Schedule 4, clause 6(1)(e) of the Planning Act). Appendix 4 will record how in-kind contributions of staff time from the local authorities are recognised.

11.2 The RSP budget will be informed by a series of principles including:

(a) Existing data will be maximised.

(b) Existing in-house capability and capacity from across the partnership will be used in the first instance.

(c) The integrated sub-regional / regional approach underpins the delivery structure.
(d) Work will be carried out at the most efficient and effective level.
(e) An integrated RSP will be delivered to statutory requirements.
(f) Tāngata whenua involvement is appropriately resourced to enable meaningful and sustained involvement throughout the process.

PRE-NOTIFICATION CONSULTATION ON DRAFT REGIONAL SPATIAL PLAN

12. HOW TO CARRY OUT PRE-NOTIFICATION CONSULTATION

12.1 Before a draft Regional Spatial Plan is notified, the Spatial Plan Committee must carry out the consultation required by Schedule 2, clauses 8 and 9 of the Planning Act. The Committee will ensure that consultation is clear, timely, well-coordinated and meaningful.

12.2 The Parties consider the relevant entities for consultation in accordance with Schedule 2, clause 8(1)(a)(vi) of the Planning Act to include the following. Note this is an initial list which will be added to during the pre-notification phase of the work programme:

Relevant infrastructure providers	NZ Transport Agency Waka Kotahi; KiwiRail; Port of Tauranga; Transpower; electricity distributors (Powerco, Unison, Horizon Networks); gas and telecommunications network operators (incl Clarus, Tuatahi First Fibre, Spark, One NZ); renewable energy (Kākāriki Renewables, Tuwharetoa Geothermal Kawerau, Eastland Generation), airport operators (Tauranga, Rotorua, Whakatāne); Ministry of Education; Health New Zealand; Kāinga Ora.
Representatives of the development sector	Property Council New Zealand (Bay of Plenty); Urban Task Force Tauranga; SmartGrowth Development Sector Group; ISK (Industrial Symbiosis Kawerau); Master Builders and registered housing developers; community housing providers; Māori land trusts and incorporations with development interests.
Representatives of other sector groups	Federated Farmers; Horticulture New Zealand; NZKHGI (NZ Kiwifruit Growers Incorporated), Zespri; forestry owners; Priority One, Toi EDA and Rotorua NZ; business chambers; tourism organisations; environmental NGOs.
Representatives of the wider community	Community boards; residents' and ratepayers' associations; charitable trusts (BayTrust, Manawa Trust, Rotorua Trust, Acorn, Trust Horizon), sub-regional and town/community groups (Katch Katikati, Te Puke Economic Development Group), youth, disability and older persons' groups; rural community groups.

12.3 The Spatial Plan Committee will carry out pre-notification consultation by complying with the pre-notification consultation strategy in Appendix 5, noting that the Spatial Plan Committee may add to the list in clause 12.2 at any time.

12.4 Consultation will be coordinated by the Secretariat against a single regional schedule and delivered, where practicable, through existing sub-regional and council relationships, so that iwi, hapū and stakeholders with interests across boundaries are not approached separately for the same purpose.

12.5 The approach to consulting tāngata whenua through iwi authorities (Schedule 2, clauses 8(1)(a)(iv), 9 and 11) is described in Appendix 5 to this agreement and recorded in the Communication and Engagement Plan. Note that 'consultation' must always occur directly through the mandated group whether it be iwi, PSGEs etc. Collective groups are not a proxy.

12.6 The Spatial Plan Committee will set a single deadline for designating authorities to respond to its notice under Schedule 2, clause 12 of the Planning Act, timed so that applications are known before sub-regional content is settled.

12.7 The Spatial Plan Committee will apply a coordinated and consistent approach to consultation across the Bay of Plenty, guided by the International Association for Public Participation framework and the principles of inclusive, transparent, timely and proportionate engagement.

12.8 The framework will be used to determine the appropriate level of participation for different parties and matters, establish clear expectations about what can be influenced, and support consistency in engagement practice across partner councils.

12.9 Stakeholder identification will begin with the statutory consultation categories in clauses 8 and 9 of Schedule 2 of the Planning Act and the stakeholder information contained in existing sub-regional consultation plans. This will be reviewed and supplemented using partner councils' relationship knowledge, existing arrangements, and an assessment of parties' interests, influence and potential role in preparing or implementing the RSP.

12.10 Consultation methods will be tailored where appropriate, provide sufficient information and time for meaningful participation, and clearly communicate how matters raised have been considered.

PROCESSES RELATED TO IWI PARTICIPATION LEGISLATION

13. PROCESSES RELATED TO IWI PARTICIPATION LEGISLATION

13.1 The Parties recognise that Treaty settlement legislation, iwi participation legislation, agreements and other statutory arrangements applying within the region create obligations relevant to the preparation of the Regional Spatial Plan.

13.2 The Parties will establish and maintain a process to:

(a) Identify the relevant legislation, statutory arrangements, agreements and associated planning documents applying within the region;

(b) Identify the requirements arising from those arrangements that are relevant to the RSP and its preparation;

(c) determine how those requirements will be provided for through the RSP process, including any requirements relating to participation, engagement, decision-making or the content of the RSP;

(d) provide for engagement with relevant iwi authorities, post-settlement governance entities, co-governance entities and other bodies established through Treaty settlement arrangements, where appropriate; and

(e) record how those requirements have been addressed before the draft RSP is recommended for notification.

13.3 In carrying out this process, the Parties will ensure that relevant Treaty settlement redress and arrangements are provided the same or equivalent effect required by sections 9 and 10 of the Act.

13.4 The Kaupapa Māori workstream will lead and coordinate this work, with input from the Secretariat, relevant local authorities and legal advisors where required. The outcomes of this work will be recorded in an iwi participation and Treaty settlement obligations register maintained for the RSP process.

ADMINISTRATION

14. RESOLVING DIFFERENCES AND DISPUTES

This clause is the mechanism for resolving a failure to reach consensus. Regulations prescribing a dispute resolution process for inter-regional content under Schedule 2, clause 5(3) of the Planning Act are not yet in force. This clause should be reviewed if/when those regulations are made.

14.1 The Local Authorities recognise that they must do all things reasonably practicable to achieve consensus with each other when making a decision on any matter under the Planning Act relating to the preparation, change, or implementation of the RSP.

14.2 If the Local Authorities are unable to reach agreement or consensus on a matter arising under this Agreement, including where there is a disagreement on the content of the draft RSP for notification, the following escalation process will apply, unless the Local Authorities agree otherwise:

(a) **Stage 1 – Officer discussions:** the PSG will meet or confer to attempt to resolve the matter within 10 days;

(b) **Stage 2 – Chief Executive referral:** if the matter is not resolved at Stage 1, it will be referred to the chief executives of the Local Authorities for resolution within 10 working days of referral;

(c) **Stage 3 – Independent facilitation or mediation:** if the matter is not resolved at Stage 2, the Local Authorities will engage an independent facilitator or mediator, agreed between the Local Authorities, to assist in resolving the

matter with the process to be completed within 20 working days of their appointment; and

(d) **Stage 4 – Statutory dispute resolution process**: if the matter remains unresolved, and the matter is one to which a dispute resolution process prescribed by regulations or under the Planning Act applies, that process will apply (including the ability for the Minister to decide under section 91).

14.3 The Local Authorities and the Spatial Plan Committee will continue performing their obligations while a matter is being resolved, so far as reasonably practicable and lawful.

14.4 Before Stage 1 is triggered, the different views, the evidence relied on and the options considered will be recorded, so that any later stage starts from an agreed statement of the issue. A Local Authority that does not agree with a decision may have its view recorded with the decision.

14.5 The Parties will not use the dispute process to delay matters that clause 6 allocates to a single Local Authority, or matters that are procedural.

14.6 The Terms of Reference at Appendix 1 set out how resolving differences and disputes will occur as between the members of the Spatial Plan Committee, distinct from the Parties to this Agreement.

15. REVIEW AND AMENDMENT

15.1 This Agreement may be amended at any time by written agreement of all the Parties. Any amendment to this Agreement must be published in the manner prescribed by regulations under the Planning Act (once made) or, until such regulations are made, in a manner that ensures the amended Agreement is publicly available.

15.2 Each Local Authority delegates to its chief executive the authority to agree administrative amendments to this Agreement and its Appendices, limited to: contact and representative details; Appendix 3 dates that do not change the time for Local Authority decisions; and corrections of minor errors. All other amendments require a resolution of each Local Authority.

15.3 The Local Authorities will review this Agreement at least once every three years and otherwise as circumstances require. Triggers for review may include:

(a) changes to legislation, regulations or national instruments relevant to the RSP process;

(b) changes to the governance or political representation of a Local Authority, including following a triennial election;

(c) significant changes to the RSP work programme, timeframes or scope;

(d) significant funding or resourcing changes;

(e) receipt of the draft RSP from the Spatial Plan Committee for approval under clause 17 of Schedule 2 of the Planning Act (and in particular whether there should be any change to the division of responsibilities (if any) agreed under clause 6 of this agreement);

(f) national policy direction issued under the Planning Act or the Natural Environment Act, or regulations relevant to process agreements or spatial plan committees;

(g) confirmation of iwi participation arrangements, or the appointment of a member by the Minister;

(h) any material changes to iwi participation legislation and any agreements under that legislation or changes to joint management agreements relevant to the Region (note that the affected tāngata whenua will be consulted first);

(i) any local government reorganisation decision affecting a Party, including any Head Start proposal;

(j) any other matter that a Local Authority or the Spatial Plan Committee considers warrants review.

15.4 Any amendment to the Terms of Reference in **Appendix 1**, or to any other Appendix to this Agreement, will be made in accordance with the amendment process specified in that Appendix or, if none is specified, in the same manner as an amendment to this Agreement.

16. GENERAL PROVISIONS

16.1 **Publication:** The Local Authorities will publish this Agreement as required by the Planning Act and any regulations under that Act.

16.2 **Compliance with Legislation**: The Spatial Plan Committee and the Local Authorities must comply with this Agreement, subject to the Planning Act, and any other applicable legislation. If a provision of this Agreement is inconsistent with a mandatory requirement of the Planning Act or any other legislation, that mandatory requirement prevails to the extent of the inconsistency.

16.3 **Public announcements and media releases**: Each party agrees that it will not make any public announcements or issue media releases in connection with, or on behalf of, the other parties, except with the written consent of the other parties. Nothing in this provision shall prohibit or restrict a party from making public announcements or media releases in connection with the party's own actions and responsibilities.

16.4 **Information sharing:** The Parties agree that, in respect of information shared between the Parties under this agreement:

(a) subject to each Party's obligations at law, the Parties will use all reasonable endeavours to share information with each other where that information assists a Party to carry out its statutory functions, powers and duties;

(b) where information is shared, to the extent permitted by law, the Party receiving the information will adhere to any conditions imposed by the other concerning the release and storage of that information; and

(c) the Parties will act in good faith when a Party reasonably makes a request for information to be shared.

16.5 **Local Government Official Information and Meetings Act 1987:** The Parties acknowledge that the use or disclosure of information relating to the other parties may be required by law (including under the Local Government Official Information and Meetings Act 1987 (**LGOIMA**)), so that a Party may be obliged to disclose Confidential Information or other information of the other parties. Each Party will consult with the other parties following a request for information relating to this agreement and will take the other relevant parties views into account prior to deciding the response to any such request, including whether under LGOIMA any grounds for withholding of information apply. The Parties acknowledge that the final decision as to the release of information will be made by the Party that holds the information and has received the request in accordance with LGOIMA. The Party making the decision will notify the other parties of that decision and if it is a decision to release, before the date of that release.

17. SUCCESSOR ORGANISATIONS

17.1 This Agreement applies to, and is binding upon, the Parties and any successor organisation that assumes all or substantially all of a Council's functions relevant to this Agreement.

17.2 The Parties agree to take all reasonable steps to ensure continuity of this Agreement in the event of any local government reorganisation, triennial election cycles, transfer of functions, amalgamation or other structural change. This includes but is not limited to the amendments to this Agreement made to align it with any successor organisations.

17.3 In the event of any local government reorganisation, amalgamation or other structural change affecting a Party, that Party (or, if it ceases to exist, its successor organisation) will take all reasonable steps to ensure the orderly transfer to its successor organisation of:

(a) institutional knowledge relevant to this Agreement, the Region and the Regional Spatial Plan;

(b) records, information and documentation held in connection with this Agreement; and

(c) existing relationship commitments with the other Parties, the Spatial Plan Committee, the Secretariat, tāngata whenua and other stakeholders relevant to the Region, so that continuity of the matters addressed by this Agreement is maintained.

18. APPROVALS AND EXECUTION

18.1 This Agreement takes effect on the Commencement Date and continues until a subsequent process agreement, prepared in accordance with Schedule 2, clause 4 of the Planning Act, takes effect for the Region. The Local Authorities must not terminate this Agreement unless a replacement process agreement

that complies with Schedule 2, clause 4 of the Planning Act is in place and takes effect immediately on termination, so that a valid process agreement is in force at all times while the Region's draft regional spatial plan is being prepared or changed.

18.2 Each Local Authority confirms that it has approved this Agreement by resolution of its governing body and that the person signing below is authorised to execute this Agreement on its behalf.

18.3 This Agreement is executed by the authorised representatives of the Local Authorities below.

Dated: xxxxxxx 2027

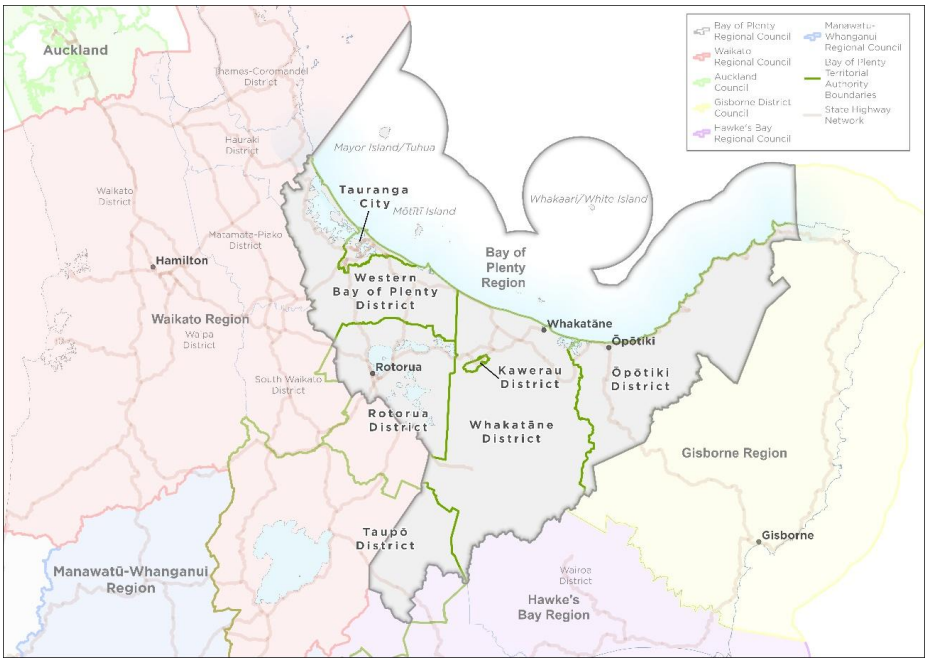
[Insert signature blocks for each local authority, including name, title and date]

APPENDIX 1: TERMS OF REFERENCE FOR THE SPATIAL PLAN COMMITTEE

See separate working draft document

APPENDIX 2: REGION MAP AND CURRENT LOCAL AUTHORITY BOUNDARIES

The map below shows the Bay of Plenty region that is the geographic scope of the RSP. It shows adjoining local authorities (noting Rotorua and Taupo split between BOP and other regions) the coastal marine area, and relevant three offshore islands in the region under the jurisdiction of the Minister for Local Government. Surrounding regions are shown for context due to their influence in terms of housing and employment markets, transport connections, and other nationally significant infrastructure e.g. supply chains, noting that Bay of Plenty Regional Council and Tauranga City Council are members of the Upper North Island Strategic Alliance (UNISA) along with five other partner councils, including Auckland Council.



APPENDIX 3: REGIONAL SPATIAL PLAN WORK PROGRAMME

Option to insert the agreed work programme, milestones and indicative timeframes for preparation of the RSP, aligned to the statutory process in Schedule 2 of the Planning Act.

APPENDIX 4: FUNDING AND COST-SHARING ARRANGEMENTS

Awaiting CE's review of draft budget and proposed cost-sharing percentages in December 2026, then will include:

- *agreed cost sharing arrangements between local authorities and, if possible, total anticipated costs or budgets*
- *process for reviewing cost and cost sharing arrangements*
- *financial reporting requirements for the spatial plan committee*
- *financial delegations for the spatial plan committee.*

APPENDIX 5: PRE-NOTIFICATION CONSULTATION STRATEGY

The Spatial Plan Committee will take a coordinated and consistent approach to consultation across the Bay of Plenty. Stakeholder identification and consultation will be informed by statutory requirements, existing sub-regional consultation plans, and partner councils' relationship knowledge to ensure engagement is inclusive, transparent, timely and proportionate.

Engagement with tāngata whenua will be planned and coordinated through a Kaupapa Māori Engagement Plan, developed through the Kaupapa Māori workstream in collaboration with iwi authorities and other relevant Māori entities, and aligned with statutory consultation and participation requirements.

The detailed consultation approach, including stakeholder identification, engagement methods, and the coordination of the broader consultation strategy and Kaupapa Māori Engagement Plan, will be set out in separate supporting documents.

APPENDIX 6: IWI PARTICIPATION ARRANGEMENTS

TBC - Details of how specifically the Parties will comply with any obligations under iwi participation legislation (including any agreements under that legislation).

Note that under clause 10(2) of the Act: In relation to any particular Treaty settlement redress or arrangement, all persons exercising or performing functions, powers, and duties under this Act must, to the greatest extent possible under this Act, give an effect that is the same as, or equivalent to, the effect that the redress or arrangement had under the Resource Management Act 1991.

APPENDIX 7: INTER-REGIONAL COLLABORATION REGISTER

TBC - following agreement with adjoining Waikato and Gisborne regions including the subject matter of any agreed inter-regional content, and the associated governance, consultation, decision-making and funding arrangements.

Appendix 1

TERMS OF REFERENCE FOR BAY OF PLENTY SPATIAL PLAN COMMITTEE

Capitalised terms in these terms of reference (**TOR**) have the meaning defined in the Process Agreement, unless the context otherwise requires.

1. PURPOSE

1.1 These TOR provide for the appointment and operation of the Bay of Plenty Spatial Plan Committee under the Planning Act 2026.

1.2 These TOR form part of, and should be read together with, the Process Agreement entered into by the Local Authorities of the Bay of Plenty region that sets out how they will work together, and work with the Committee, in relation to a Draft Regional Spatial Plan (RSP).

1.3 These TOR must be read together with, and are subject to, the Process Agreement. If there is any inconsistency between these TOR and the Process Agreement, the Process Agreement prevails to the extent of the inconsistency, unless the inconsistency arises from a mandatory requirement of the Planning Act or the LGA, in which case that requirement prevails.

2. APPOINTMENT AND DIRECTION

2.1 The Bay of Plenty Spatial Plan Committee is appointed as the spatial plan committee for the Bay of Plenty Region under section 82(1) of the Planning Act.

2.2 The Committee is:

(a) a joint committee of the local authorities of the Bay of Plenty Region, appointed under clauses 30 and 30A of Schedule 7 of the LGA (with necessary amendments) for the purposes of section 82(2)(a) of the Planning Act.

2.3 The Committee is directed to prepare the draft RSP for the Bay of Plenty region, in accordance with the Planning Act, the Process Agreement and these TOR.

3. FUNCTIONS AND RESPONSIBILITIES

3.1 The Committee has all the functions, powers and duties of a spatial plan committee under the Planning Act.

3.2 Significant Committee decisions or responsibilities include to:

(a) appoint and direct a secretariat to provide it with technical and administrative support;

(b) prepare the Draft RSP;

(c) maintain regular communication with sub-regional joint committees in the region, in particular those with spatial planning and catchment co-governance responsibilities to ensure that these entities have adequate opportunities to input during preparation of the Draft RSP.

(d) consult on the subject matter of the draft RSP, and provide the draft RSP to iwi authorities and customary marine title groups, before notification;

(e) invite applications from designating authorities for the inclusion of information about future and proposed designations in the draft RSP, and decide whether to accept or decline each application received;

(f) prepare an options assessment report;

(g) provide the Draft RSP, the options assessment report, and any other prescribed information to the Minister for audit purposes, and to the independent hearings panel (**IHP**) for the purposes of the hearing;

(h) recommend notification of the Draft RSP for submissions, and administer the submissions process if notification is approved;

(i) provide a representative to attend any hearing into submissions on the draft RSP;

(j) provide advice, on request or if directed by any of the Local Authorities, in relation to the IHP's recommendations on the draft RSP;

(k) prepare and maintain an implementation plan, to support the implementation of the RSP;

(l) monitor and report annually on progress in implementing the RSP in accordance with section 86 of the Planning Act;

(m) periodically commence review of the RSP, in accordance with section 87 of the Planning Act.

3.3 When performing its functions and duties and exercising its powers, the Committee is subject to (without limitation):

(a) the procedural principles in section 16 of the Planning Act;

(b) if applicable, the obligations in relation to Treaty settlement redress or arrangements, in sections 10 and 11 of the Planning Act;

(c) the core obligations in relation to the preparation of a draft RSP in sections 76 to 78 of the Planning Act.

4. DELEGATED AUTHORITY

4.1 Subject to clause 4.4, the Committee is delegated authority to approve and incur expenditure from funds made available to it by the Local Authorities, provided that:

(a) the expenditure is for the purpose of the Committee's functions, duties and powers under clause 3.1; and

(b) the expenditure is within the scope and purpose of the RSP Work Programme and the RSP Annual Budgets.

4.2 See *clause 11 (Funding and Resourcing)* of the Process Agreement for the Committee's funding and cost-sharing arrangements.

4.3 Subject to clause 4.1 and otherwise without limitation, the Committee may:

(a) Commission technical work, evidence and engagement within the RSP Budget; approve consultation and engagement material; establish working groups that include Secretariat, Local Authority staff and sub-regional Joint Committee secretariat; and approve the Secretariat's work plan.

4.4 The Committee must not:

(a) Incur expenditure beyond the RSP Budget; change the cost-sharing arrangements in Appendix 4 of the Process Agreement; amend the Process Agreement; or make any decision reserved to the Local Authorities under the Planning Act or the Process Agreement.

(b) For the avoidance of doubt, the local authorities are responsible for the process agreement, and the Committee does not approve the draft RSP for notification, appoint the Independent Hearings Panel, or decide on the Panel's recommendations. Those decisions are made by the Local Authorities under Schedule 2, clauses 17(2), 20 and 25 of the Planning Act.

4.5 The Committee does not have authority to commit any individual Local Authority to any course of action or expenditure, and its recommendations do not limit a Local Authority's freedom to deliberate and make decisions on matters within the Local Authority's jurisdiction.

4.6 For the avoidance of doubt, the Local Authorities are under no obligation, either individually or collectively, to accept the recommendations of the Committee.

4.7 For the avoidance of doubt, the Committee is under no obligation to accept the recommendations of sub-regional spatial planning joint committees.

4.8 Nothing in these TOR limits or affects the statutory functions, powers, or duties of any individual Local Authority acting in its regulatory capacity under any enactment.

5. MEMBERSHIP

5.1 The Committee consists of:

(a) *Insert list of the members (up to 2 members plus named alternate) appointed by each Local Authority in alphabetical order by name of local authority. Note that the Minister responsible for Offshore Islands has agreed to not appoint a Committee member under section 82(3)(b) of the Planning Act and is also opting out as a decision-maker under section 92 of the Planning Act];*

(b) the member(s), if any, appointed by the Minister in accordance with section 82(5) of the Planning Act; (*note: Ministerial appointments are at the Minister's discretion, rather than a requirement)*

(c) Up to x tāngata whenua representatives nominated by sub-regional collectives through [insert relevant iwi/tāngata whenua groups or mechanism for nomination – *note exempt from the provisions of the LGA Systems Improvement Act re voting/quorum*];

(d) *[**Option** – insert if an independent Chair is selected under clause 6 below]* An independent Chairperson appointed by the Committee.

5.2 Each Local Authority may appoint one named alternate member, who may attend and vote at meetings of the Committee in the event that a regular member appointed by the Local Authority is unable to attend or participate. Alternates are not counted in the number of members in clause 5.1.

5.3 The Local Authorities acknowledge that the Minister may, but is not obliged to, appoint a member under section 82(5) of the Planning Act. If the Minister appoints a member after the Committee is constituted, the Local Authorities will promptly consider whether these TOR require amendment to reflect the Ministerial appointee's role, voting rights, and any resulting change to the quorum under clause 7.6.

5.4 Each Mayor of a Local Authority that is a territorial authority is an *ex officio* member of the Committee, if they are not directly appointed as a member by their Local Authority. Any Mayor attending a meeting of the Committee in their *ex officio* capacity is subject to the expectations of members that otherwise apply under these TOR.

5.5 At all times:

(a) at least one member of the Committee must have knowledge, skill, and experience relating to te ao Māori and Māori development; and

(b) at least one member of the Committee (who need not be the member referred to in (a) above) must be an elected member of a Local Authority.

5.6 The Minister and each Local Authority may discharge its appointed member (or alternate) and appoint another in their place from time to time. Each change will take effect when written notice of it is provided to the Committee, or at any later date specified in the written notice.

5.7 No employee of a Local Authority may be a member of the Committee.

5.8 Committee members in clauses 5.1(b) to 5.1(d):

(a) are voting members of the Committee except in the case of the Ministerial representative where they may vote only on the following specific matters.

See clause 8 for the role of voting in Committee decision-making and clause 9 for dispute resolution.

5.9 In accordance with clause 5.11(b), the Committee is discharged following a triennial general election of local authority members.

5.10 A member may resign from the Committee at any time by giving written notice to the Chairperson and to the member's appointing Local Authority or the Minister (as applicable).

5.11 The Committee:

(a) may appoint subcommittees to assist it in the performance of its work and may delegate its responsibilities, duties or powers to a subcommittee it has appointed, except any recommendation under Schedule 2, clause 17(1) or advice under clause 24 of the Planning Act;

(b) will be discharged at the date of the next triennial local government elections and reconstituted in accordance with the requirements of this clause and clause 4 of the Process Agreement upon the appointment of new members of the local authorities to the SPC. This appointment will follow due process post-election following each triennial general election of members, in accordance with clause 30(7) of Schedule 7 to the LGA.

Expectations and conduct

5.12 Members of the Committee are expected to:

(a) attend meetings, unless extenuating circumstances require otherwise;

(b) prepare adequately for each meeting, including by reading all papers provided to them;

(c) ensure that matters of significance to their appointing Local Authority or the Minister (as applicable) *and tāngata whenua appointing bodies* are brought to the attention of the Committee;

(d) bring a regional perspective to the work of the Committee, rather than acting solely as a representative or advocate for their appointer; and

(e) work constructively with the Secretariat on reports, submissions and other material that progress the Committee's work programme and functions.

5.13 Each member of the Committee must comply with the code of conduct of the Bay of Plenty Regional Council as Host local authority.

5.14 Note that local authority appointees to the Committee operate under the relevant Principles in clause 2 of the Process Agreement.

Conflicts of interest

5.15 A member must disclose any interest, and manage any conflict of interest, in accordance with the Local Authorities (Members' Interests) Act 1968 (which applies with all necessary modifications), the applicable code of conduct, the LGA and common law requirements, and any further process agreed by the Committee.

5.16 The Committee must maintain a register of actual or perceived conflicts of interest disclosed by its members, and must document the procedures it will use to identify, disclose and manage such conflicts.

5.17 The Committee must document how information provided by members will be securely handled and stored, including arrangements for the return or destruction of confidential information when a person ceases to be a member of the Committee.

6. CHAIRPERSON AND DEPUTY CHAIRPERSON

Appointment of Chairperson and Deputy Chairperson

Drafting note: Consideration should be given to the appointment process for the independent Chairperson, if one is to be appointed. Given clause 8.1 establishes consensus as the Committee's general decision-making mode (with voting available under clause 8.2 only to test for consensus), the simplest and most internally consistent approach is to let the general clause 8 decision-making provisions govern the appointment of an independent Chair.

A decision will be needed on whether the independent Chairperson, if that option is selected, will have the same voting rights as other members of the committee. Consequential amendments may be needed to the voting provisions depending on the choice that is made.

Option 1 - Committee elects Chair and Deputy Chair

6.1 The Committee will elect a Chairperson and Deputy Chairperson from among its voting members:

(a) at its first meeting;

(b) at its first meeting following each triennial local authority election; and

(c) following any vacancy in either office.

OR Option 2 – Independent Chair will be appointed by the Committee

6.2 The Committee, subject to any regulations made for the purposes of section 82(7) of the Planning Act, will appoint an independent person who is not a member of the Committee as its Chairperson at its first meeting. The independent Chairperson will be appointed by the Committee and will continue in the role unless otherwise resolved by the Committee or upon a resignation being received.

6.3 Remuneration and contractual arrangements for the independent Chairperson will be agreed by the chief executives of the Local Authorities through the PSG and/or Chief Executives Forum, within the RSP Work Programme Budget.

Role of Chairperson and Deputy Chairperson

6.4 The Chairperson, including any independent Chairperson if appointed under clause 6.2, is responsible for:

(a) chairing meetings of the Committee in accordance with its standing orders;

(b) organising the agenda for each Committee meeting, with the assistance of Committee members and the Secretariat;

(c) determining what action is appropriate if a member has a potential conflict of interest;

(d) ensuring the Committee operates effectively and in a manner that is consistent with this TOR;

(e) overseeing the development and delivery of an effective work programme for the Committee within budget;

(f) liaising with the Secretariat on all matters relating to the role of the Committee;

(g) acting as the spokesperson for the Committee, or nominating another member to do so; and

(h) maintaining close and effective relationships with the Local Authorities, sub-regional joint committees with specific responsibilities for spatial planning at a local level, and other relevant stakeholders.

6.5 The Deputy Chairperson will perform the functions and duties, and exercise the powers, of the Chairperson if the Chairperson is absent or unable to act, or at the request of the Chairperson.

6.6 *If Independent Chair is appointed:* The independent Chairperson may not vote at meetings of the Committee, and their assent or dissent may not be taken into account when the Committee makes decisions by consensus.

Removal of Chairperson or Deputy Chairperson

6.7 The procedure for removing the Chairperson or Deputy Chairperson from that office is the default procedure under the applicable standing orders.

7. MEETINGS

7.1 The Committee will meet two-monthly or as otherwise necessary and determined by the Chairperson in accordance with the requirements of the Work Programme.

7.2 LGA requirements re Meetings are subject to Part 7 of the Local Government Official Information and Meetings Act 1987. Workshops and briefings may be held but no decisions are made at them.

7.3 Committee members may participate in other briefings, workshops, engagements or activities from time to time, as agreed with the Chairperson or as set out in the RSP Work Programme.

7.4 The Committee may invite representatives of other agencies, experts, or other persons to present to it and to participate in its discussions, as it considers appropriate.

7.5 Other Local Authority representatives may:

(a) attend meetings of the Committee at the Chairperson's discretion; and

(b) address the Committee with the Chairperson's consent.

Quorum

7.6 The quorum at a meeting of the Committee is determined by clause 30A(6)(b) of Schedule 7 of the LGA, being half of the members (including vacancies) if that number is even, or a majority of members (including vacancies) if that number is odd. Online/virtual attendance counts towards quorum, and a hybrid meeting be chaired by an online member. *Optional: Quorum must include 1 or more members (or alternates) appointed by each Local Authority.*

Standing Orders

7.7 The standing orders of Bay of Plenty Regional Council as host local authority apply to meetings of the Committee, subject to any variation or exceptions agreed by the Local Authorities under clause 30A(6)(c)(iii) of Schedule 7 of the LGA.

7.8 The standing orders must not contravene this TOR, the Local Government Act 2002, the Local Government Official Information and Meetings Act 1987, or any other Act; and respect tikanga Māori.

8. COMMITTEE DECISION-MAKING

8.1 Subject to clause 8.3, the Committee will do all things reasonably practicable to make decisions by consensus or, where consensus cannot be reached, following the dispute resolution process in clause 9. In these TOR, "consensus" has the meaning set out in section 90(5) of the Planning Act.

8.2 Subject to clause 8.3, the Committee may vote on motions as a mode of exploring whether there is consensus on a matter for decision. When a vote is called:

(a) each voting member present at the meeting has one vote; and

(b) proxy votes may not be cast for voting members that are not present at the meeting.

(c) Any member who does not agree with a decision may have their view recorded in the minutes.

8.3 A member of the Committee appointed by the Minister has the same decision-making and voting rights as a member appointed by a Local Authority, except that if the Minister directed in writing at the time of appointment of the member:

(a) that the member is a non-voting member, then the member may not participate in any Committee decision-making or vote; or

(b) that the member may only vote on specified matters, then the member may only participate in Committee decision-making or vote in relation to those matters.

9. DISPUTE RESOLUTION

Placeholder dispute resolution machinery, pending enactment of the regulations referred to in section 90(4) of the Planning Act.

9.1 If the members of the Committee fail to reach consensus on a matter that requires decision, a member of the Committee may notify the Chairperson that they consider the matter is in dispute. The Chairperson will ensure the dispute is promptly recorded in a dispute register.

9.2 The following process will apply when the Chairperson is notified of a dispute:

(a) **Negotiation**: The members of the Committee must attempt to resolve the dispute by reaching consensus through negotiation. If the dispute is not resolved within 10 working days of notification, the dispute will be referred to independent facilitation or mediation under clause 9.2(c), unless the members of the Committee agree to first obtain an expert perspective under clause 9.2(b).

(b) **Independent Expert perspective**: The members of the Committee will attempt to resolve the dispute by referring the subject matter of the dispute to an appropriate expert or experts agreed by the members of the Committee (or if they cannot agree, selected by the Secretary for Local Government), who will consider the matter and provide a non-binding recommendation on the matter. The costs of the expert or experts will be met by the RSP work programme budget. The members of the Committee will consider the expert recommendation and then make a further attempt to resolve the dispute by reaching a consensus decision through negotiation. If the dispute is not resolved within 10 working days after the expert recommendation is provided to the members of the Committee, the dispute will be referred to independent facilitation or mediation under clause 9.2(c).

(c) **Independent facilitation or mediation**: The members of the Committee will attempt to resolve the dispute by engaging an independent facilitator or mediator agreed by the members of the Committee (or if they cannot agree,

selected by the Resolution Institute to conduct a facilitated negotiation or a mediation in relation to the subject matter of the dispute. The members of the Committee will share the independent facilitator or mediator's fee based on the cost-share formula for local authorities in the process agreement (from the RSP programme budget) and will otherwise bear their own costs in relation to the facilitation or mediation. If the dispute remains unresolved 20 working days after the facilitator or mediator is appointed, the members of the Committee must comply with clause 9.4.

9.3 The Committee:

(a) will continue to perform its functions while a dispute is being addressed, to the extent reasonably practicable given the nature of the dispute; and

(b) where a dispute relates to a procedural or administrative matter, may record a disputed decision via a majority vote to allow work to continue while the dispute is resolved.

9.4 If the members of the Committee have failed to achieve consensus on a matter after using the dispute resolution process set out above, they must comply with the requirements of section 91 of the Planning Act.

10. SECRETARIAT

10.1 The Secretariat is appointed and managed in accordance with clause 10 (Establishment of the Secretariat) of the Process Agreement, including the requirement under section 83(2) of the Planning Act that the Secretariat include one or more technical experts or advisers appointed by the chief executive of the Ministry and funded by the Crown.

11. FUNDING AND RESOURCING

11.1 Funding and cost-sharing arrangements for the Committee's work, including the Committee's financial delegations, are set out in *clause 11 (Funding and Resourcing)* and *Appendix 4 (Funding and Cost-Sharing Arrangements)* of the Process Agreement.

11.2 Remuneration of any non-elected or non-Ministerially appointed Committee members will be on the basis of the following rates, including tāngata whenua representatives. This is based on the Bay of Plenty Regional Council's Māori Services Procurement Guidelines / He Ara Whiwhinga and take into account that appointed Committee members have significant governance responsibilities in terms of strategic oversight, prioritisation, targeted engagement, and implementation planning in a statutory RSP process, not in an advisory group role. *Include whether local authority reps will receive reimbursement in accordance with the policy of their own council.*

Role	Fee/Reimbursement
SPC Member attending scheduled SPC 2-monthly Meetings	$400 per SPC meeting (including preparation and travel time)
Additional workshop days and engagement activities, or other business as arranged and endorsed by the SPC and/or Secretariat.	$150/hr or agreed daily rate

Travel to and from meetings, workshops and engagement locations	Actual mileage reimbursement

12. WORK PLAN

12.1 The Committee will approve an annual work plan consistent with the Work Programme in Appendix 3 of the Process Agreement and the RSP Budget.

13. COMMUNICATION AND ENGAGEMENT

13.1 The Committee will engage and consult in accordance with clause 12 and Appendix 5 of the Process Agreement. The Chairperson, or a member nominated by the Chairperson, is the Committee's spokesperson. Members speaking about the Committee's work will reflect its consensus views/decisions.

14. REPORTING

14.1 The Committee will report to each Local Authority at the milestones in clause 5 of the Process Agreement (confirmation of the regional and sub-regional content split, pre-notification readiness, and receipt of the Independent Hearings Panel's recommendations), and annually on implementation of the RSP once adopted.

15. REVIEW AND AMENDMENT

15.1 The Local Authorities may review these TOR at any time, and must otherwise review them in accordance with the earlier of the following timeframes:

(a) simultaneously with, and in response to the same triggering events as, a review of the Process Agreement under *clause 15 (Review and Amendment)* of the Process Agreement; or

(b) At least once every three years.

1.2 Renewals

File Number: **A21507468**

Author: **Quinn Tawaka, Governance Advisor**

Authoriser: **Quinn Tawaka, Governance Advisor**

BACKGROUND

1. The report accompanying this agenda item, ‘Renewals’, will be circulated separately prior to the meeting.

1.3 LTP - Financial Strategy

File Number: **A21500029**

Author: **Kathryn Sharplin, Head of Finance**

Authoriser: **Craig Rice, Chief Operating and Financial Officer**

Presenter(s):

Craig Rice, Kathryn Sharplin

Workshop information

Purpose of workshop

1. The purpose of this workshop is to discuss the Financial Strategy for the 2027-37 Long-term Plan (LTP).

2. The workshop provides an opportunity for Council to discuss the significant factors informing Council's financial position and provide guidance on content.

Executive summary

3. The financial strategy is the financial story underpinning the LTP. It explains how Council intends to manage the financial consequences of its service, investment and policy decisions, and demonstrates how the overall package is prudent and sustainable.

4. The strategy explains the significant factors influencing Council's financial position, including growth and land-use change, infrastructure investment and renewals, changes in levels of service, and other significant pressures on Council's ability to maintain services and respond to demand.

5. A key requirement is to establish quantified limits on rates increases and borrowing, together with an explanation of the implications of those limits.

6. The attached presentation provides context for the Financial Strategy, updates Council's current LTP position against the existing quantified limits, and identifies significant factors, service delivery implications and risk mitigation.

7. Direction and decisions received from elected members from earlier workshops and meetings have informed the position as discussed in **attachment 1**.

8. For the consultation document, the significant financial issues, choices and trade-offs should flow into the matters put before the community. The proposed strategy therefore needs to be sufficiently advanced before the consultation document is adopted.

Context

9. The Local Government Act 2002 (LGA), principally s101A, sets the requirements for the content of the LTP Financial Strategy.

10. The financial strategy connects Council's proposed services and investment programme with their financial consequences. It creates a clear line between

    Services and infrastructure → expenditure → debt and interest → depreciation and operating costs → rates and other funding → affordability and financial sustainability

Attachments

1. **Attachment 1 - Financial Strategy presentation - A21500806** ⇩

FINANCIAL STRATEGY

2027–37 Long-term Plan

How Tauranga will fund services, invest for growth and remain financially sustainable

Draft for discussion • November 2026

Financial Strategy for the 2027-37 LTP

Workshop purpose: build a shared understanding of what a financial strategy is, and how Council's direction to date and decisions still to come will shape it.

WHAT IS A FINANCIAL STRATEGY

Outline what a financial strategy is and what it must cover

COUNCIL'S DIRECTION TO DATE

Highlight areas where Council's direction to date will impact the strategy

COUNCIL DECISIONS REQUIRED

Identify areas where Council has yet to make decisions

OPTIONS & FUTURE DECISIONS

High debt levels reduce Council's flexibility

Funding of a risk reserve or debt retirement provide a more sustainable financial direction

Financial Strategy for the 2027-37 LTP

The Local Government Act 2002 Section 101A sets the purpose of the Financial Strategy

PURPOSE

- **Prudent financial management**
- **Provide a guide for considering funding and expenditure proposals**
- **Provide transparent context for consultation showing the overall effects of proposals on services, rates, debt and investments.**

- **The principles that sit behind the financial strategy are those that guide the Revenue and Financing Policy and Funding Needs Analysis for who should pay to fund Council expenditure.**
- **The services Council provides will consider Core and Non-core activities as well as the priorities for the Tauranga community.**

Financial Strategy for the 2027-37 LTP

Section 101A sets out the minimum content of the Financial Strategy

SIGNIFICANT FACTORS

- Changing structures with waters reform
- Population growth, including its capital and operating cost impacts
- Network infrastructure and existing levels of service
- Other service pressures to maintain existing levels of service & meet additional demand (core & non-core)
- Mitigating potential risks to financial sustainability and maintaining service levels

QUANTIFIED LIMITS

- Financial limits on:
  - rates increases
  - borrowing
- Rates cap and its impact
- Debt to revenue within LGFA standard covenant of 280% or bespoke covenant of 330%
- Balanced budget for prudence and bespoke covenant

SERVICE DELIVERY IMPLICATIONS

- Impact of rates cap on ability to maintain and deliver infrastructure.
- Impact of rates revenue constraint on timing of infrastructure for growth
- Need for a temporary increase in rates cap with completion of three major transport initiatives.

SECURITIES & INVESTMENTS

- How Council secures borrowing
- The guarantee of the water organisation's borrowings with LGFA and hedging with banks
- Objectives for holding financial investments and quantified return targets.

Significant Factors: Structure Change with Water Services Transfer

Revenue, expenditure, debt and overhead allocations change from 1 July 2027

WHAT IT MEANS

1 July 2027

Water Services are removed from TCC accounts and LTP

Revenue
removed from Council LTP

Expenditure
removed from Council LTP

Debt transfer out
$620m estimate

Shared service
revenue FY28 & FY29

STRATEGY RESPONSE

1

Establishment of a joint water organisation (WO)

Separate water-services governance, planning, operation & reporting. Excluded from 2027-37 LTP.

2

Rates collected on behalf of the WO

Council will collect rates on behalf of the WO for two years but three water services revenue is not included in Council metrics or the LTP

3

Manage the transition and overheads

TCC and waters to manage transition and TCC to actively manage overheads. Significant revenue is assumed for shared services - estimated at $15.3m (to be agreed)

Significant Factors: Growth and Infrastructure

New dwelling estimates have slowed significantly, Existing growth areas & Intensification main areas

WHAT IT MEANS

New Dwelling growth is slower over next ten years

- Average people per household higher
- Rateable property growth is lower
- Growth Capex has reduced to existing growth areas, Intensification & Te Tumu.
- Population growth forecast 13% over LTP to 187,000

STRATEGY RESPONSE

1. **Prioritising growth infrastructure to support intensification and existing zoned growth areas.**
2. **Te Tumu is the only new greenfield urban growth area with capex funding**
3. **Focus on developer agreements for new growth areas not TCC forward funding**

Significant Factors: Network – Roading & Community Infrastructure

Level of Service improvements will be constrained under rates capping

WHAT IT MEANS

Prioritisation of capex will continue to be challenging

- Significant roading network infrastructure investment
- 15th Ave/Turret Rd, Cameron Rd Stage 2, Hewletts Rd
- Roading upgrade completion drives large rates increase in 2031
- Large Community investment TMOTP & active recreation

STRATEGY RESPONSE

1. Prioritising transport infrastructure to utilise Infrastructure Funding & Financing (IFF) facility and other funding government funding (IAF & NZTA)
2. Optimising other grant funding for community - primarily through Manawa Trust
3. Regional and growth focus when considering major investment such as waste facilities

Significant Factors: Maintaining Levels of Service & Changes

Level of Service decisions required to prioritise areas of improvement and change under rates cap

WHAT IT MEANS

Assessing level of service is necessary & ongoing

- Core services – what level of service to maintain for core services
- For non-core services justification of service levels
- Renewals planned through asset management
- Additional vesting – SH2 and new growth assets

STRATEGY RESPONSE

1. **Guide renewals requirements through asset management planning and phasing of new infrastructure including with WO.** Renewals budget to be confirmed.
2. **Review approach to community assets to optimise network investment and meet affordable service levels** Council decisions to come on community asset review to ensure cost-effective delivery
3. **Transparent & principle/strategy driven decision-making on core & non-core levels of service**
   Consult on principles for user fees and use strategic assessments to guide prioritisation and discussions with external funders.

Significant Factors: Managing Risk

Risks, hazards and unexpected events can impact Council's financial ability to maintain services

WHAT IT MEANS

Identify risks and mitigations in place to maintain financial sustainability

- Core services – what level of service to maintain for core services
- For non-core services justification of service levels
- Renewals planned through asset management
- Additional vesting – SH2 and new growth assets

STRATEGY RESPONSE

1. **Guide renewals requirements through asset management planning and phasing of new infrastructure including with WO.** Renewals budget to be confirmed.
2. **Review approach to community assets to optimise network investment and meet affordable service levels** Council decisions to come on community asset review to ensure cost-effective delivery
3. **Transparent & principle/strategy driven decision-making on core & non-core levels of service**
   Consult on principles for user fees and use strategic assessments to guide prioritisation and discussions with external funders.

Risks and Mitigation: Funding Uncertainty and Debt & Interest

Cost and funding uncertainty is managed with scenarios, treasury tools and secured funding

KEY RISKS

Cost, rates limits and external funding uncertainty

- Rates cap design and timing
- Interest rates and inflation
- External co-funding uncertainty
- Growth Infrastructure timing appropriate to funding timeframes

MITIGATION RESPONSE

1. **Model rates cap scenarios and cost reduction in LTP – consider use of exemption process**
   Engage with central government proposal and consider options for exemptions in appropriate years

2. **Lock in borrowing costs and keep forecasts current**
   Treasury hedging and borrowing through LGFA within treasury policy & strategy, including sound cash management & forecasting

3. **Confirm subsidies and grants before committing to expenditure**
   Confirm funding agreements before committing projects; stage projects and actively engage with potential external funding.

Risks and Mitigation: Infrastructure (assets)

Strong governance of design and delivery to ensure resilience and cost efficiency, debt headroom

KEY RISKS

Infrastructure costs, and asset resilience issues can erode ability to deliver services

- Capital cost, quality and timing
- Natural hazards and asset failure
- Reduction in borrowing capacity
- Unexpected cost increases

MITIGATION RESPONSE

1. **Strengthen project governance and cost control**
   Stage-gated investment, monthly forecast-to-complete reporting, procurement review and contingency.
2. **Build resilience to hazards and asset failure**
   Asset management plans, condition monitoring, insurance, targeted renewals and a risk reserve.
3. **Protect debt headroom and credit rating**
   Retain capacity below limits, monitor rating metrics, engage early with LGFA and report risks quarterly.

Key Financials - Draft first year increase above targets.

- Rates increase above elected member target FY28.
- Key prudence metrics met - sensitivity analysis shows at target rates increase in year 1 metrics still met
- Option - increased input to risk reserve/debt retirement in some years as indicated (Council decision)
- High depreciation when major projects completed 2031- options for rates cap e]xemption

	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037
Capital Programme $m	338	249	220	207	234	232	230	227	222	223
Capital Subsidies $m	86	114	88	59	58	58	52	60	37	71
Net Debt $m	1,166	1,149	1,176	1,223	1,299	1,355	1,418	1,471	1,521	1,553
Balanced Budget (Prudence)	113%	122%	116%	108%	108%	108%	107%	111%	109%	115%
Debt to revenue ratio (Prudence Calculation)	234%	210%	218%	233%	238%	237%	241%	237%	242%	228%
Financial limit on borrowing (debt to revenue ratio)	330%	330%	330%	330%	330%	330%	330%	330%	330%	330%
Total rates $m	282	302	318	342	359	378	397	415	436	459
Total rates increase	10.5%	7.3%	5.0%	7.5%	5.2%	5.1%	5.0%	4.7%	5.0%	5.1%
Assumed growth*	-1.2%	-1.0%	-1.0%	-1.0%	-1.3%	-1.3%	-1.3%	-1.3%	-1.3%	-1.2%
Total ratepayer increase net growth	9.3%	6.3%	4.0%	6.5%	3.9%	3.8%	3.7%	3.5%	3.7%	3.9%
*Includes Capital growth in Y1 and Y2, rating unit growth only from Y3 onwards										
Depreciation impact of new assets, particularly major transport projects would be a reason for a one-off rates cap exemption										
debt retirement available while remaining within rates increase limit (likely to be less in practice)			7.6			2.5	9	22	27	39

Rates

Elected member targets for 2027/28 not yet achieved. Rates cap of 4% commencing 1 July 2029

5.3% or 7%

Target rates increase for 2027/28
($2.55m is 1% rates increase)

9.3% **after growth***

Draft rates increase for 2027/28

4% **after rating unit growth (per legislation)**

Rates cap commences 1 July 2029

WHAT IT MEANS

- Initial financials were materially above Council's signalled affordability range for rates increases
- Interest costs increase $11m (4% of rates increase)
- Funding impacts cause $10m (4% of rates increase) – from opex funded from surplus, loans for BI & digital, reserves)
- Operating, employee and depreciation costs increase 1%
- Retained overhead costs of $13m from waters has in the draft been fully removed with target budget reductions
- Current approach to growth is capital growth (includes houses, SUIPs and property development)

BUDGET RESPONSE

- Level of service choices and reductions proposed in draft
- Support services budget reductions in progress ($12m)
- User fees increases $770,000
- Capital programme prioritisation & reduction
- Further expenditure reduction required to reach targets **($10.2m** to meet 5.3% or **$5.8m** to meet 7%)
- Budgeted increase above cap in 2031 assumes rates cap exemption because of significant roading infrastructure

Borrowing Limits: Three Key Metrics

Council remains compliant with its borrowing limit metrics throughout the ten years

LEVERAGE – Debt to revenue

Net debt ÷ operating revenue

How large is debt relative to the recurring revenue base?

Draft limit: 330%

OPERATING CAPACITY (interest to operating revenue)

Net interest ÷ operating revenue

How much of operating revenue is absorbed by interest?

Draft limit: 20%

RATES CAPACITY (interest to rates)

Net interest ÷ rates revenue

How much of the core rating base is absorbed by interest?

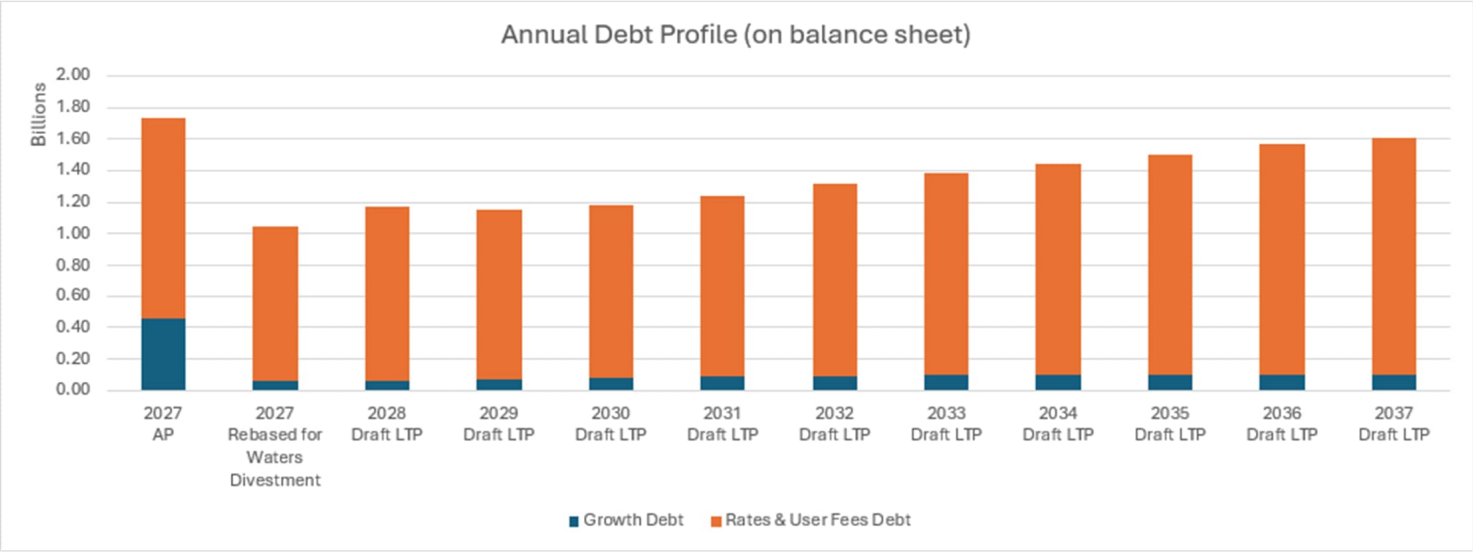
Draft limit: 25%

Debt Covenent Measures	FY 2028	FY 2029	FY 2030	FY 2031	FY 2032	FY 2033	FY 2034	FY 2035	FY 2036	FY 2037
Debt to Revenue Ratio (330% limit)	214%	192%	201%	211%	215%	214%	221%	221%	228%	218%
Net Interest as % of Operating Revenue (20% limit)	11%	12%	12%	12%	13%	14%	14%	15%	15%	15%
Net Interest as % of Rates Revenue (25% limit)	16%	17%	17%	17%	18%	19%	19%	20%	20%	20%

- **Historically Debt to revenue Ratio has been TCC's constraining metric**
- **Rates capping and higher borrowing costs increase the risk that the interest metrics become constraining.**

Growth Debt as a Share of Total Debt

Most growth debt is transferred to the water organisation from 2028.



Debt to revenue ratio through the 2027-37 LTP

Under the revised Capital programme with assumed external funding, Council would have sufficient borrowing capacity and debt headroom under the standard LGFA Borrowing covenant of 280%

