

Mā tō tātou takiwā  
**For our District**

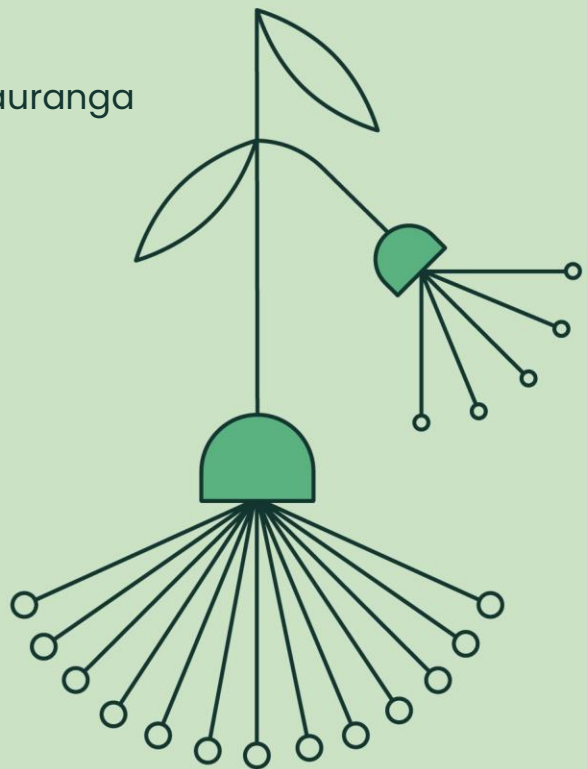
## Council

Te Kaunihera

CL25-7

Tuesday, 27 May 2025, 9.30am

Council Chambers, 1484 Cameron Road, Tauranga



# Council

## Membership:

<b>Chairperson</b>	Mayor James Denyer
<b>Deputy Chairperson</b>	Deputy Mayor John Scrimgeour
<b>Members</b>	Cr Tracey Coxhead Cr Grant Dally Cr Murray Grainger Cr Anne Henry Cr Rodney Joyce Cr Margaret Murray-Benge Cr Laura Rae Cr Allan Sole Cr Don Thwaites Cr Andy Wichers
<b>Quorum</b>	Six (6)
<b>Frequency</b>	Six weekly

## Role:

The Council is responsible for:

- Ensuring the effective and efficient governance and leadership of the District.
- Ensuring that all functions and powers required of a local authority under legislation, and all decisions required by legislation to be made by local authority resolution, are carried out effectively and efficiently, either by the Council or through delegation.

## Power to Act:

To exercise all non-delegable functions and powers of the Council including, but not limited to:

- The power to make a rate;
- The power to make a bylaw;
- The power to borrow money, purchase, or dispose of assets, other than in accordance with the Long Term Plan;
- The power to adopt a Long Term Plan, a Long Term Plan Amendment, Annual Plan or Annual Report and to receive any related audit report;
- The power to appoint a chief executive;
- The power to adopt policies required to be adopted and consulted on under the Local Government Act 2002 in association with the Long Term Plan or developed for the purpose of the Local Governance Statement;

- The power to adopt a remuneration and employment policy;
- The power to approve or change the District Plan, or any part of that Plan, in accordance with the Resource Management Act 1991;
- The power to approve or amend the Council's Standing Orders;
- The power to approve or amend the Code of Conduct for Elected Members;
- The power to appoint and discharge members of committees;
- The power to establish a joint committee with another local authority or other public body;
- The power to make a final decision on a recommendation from the Parliamentary Ombudsman where it is proposed that Council not accept the recommendation.
- To exercise all functions, powers and duties of the Council that have not been delegated, including the power to compulsorily acquire land under the Public Works Act 1981.
- To make decisions which are required by legislation to be made by resolution of the local authority.
- To authorise all expenditure not delegated to officers, Committees or other subordinate decision-making bodies of Council, or included in Council's Long Term Plan or Annual Plan.
- To make appointments of members to Council Controlled Organisation Boards of Directors/ Trustees and representatives of Council to external organisations.
- To monitor the performance of and make decisions on any matters relating to Council Controlled Organisations (CCO), including recommendations for
- modifications to CCO or other entities' accountability documents (i.e. Letter of Expectation, Statement of Intent), including as recommended by the Strategy and Policy Committee.
- To approve joint agreements and contractual arrangements between Western Bay of Plenty District Council and Tauranga City Council and/or any other local authority including the requirement to review the terms of any such agreements or contractual arrangements.
- To approve the triennial agreement.
- To approve the local governance statement required under the Local Government Act 2002.
- To approve a proposal to the Remuneration Authority for the remuneration of Elected Members.
- To approve any changes to the nature and delegations of Committees.

**Procedural matters:**

Approval of elected member training/conference attendance.

**Mayor's Delegation:**

Should there be insufficient time for Council to consider approval of elected member training/conference attendance, the Mayor (or Deputy Mayor in the Mayor's absence) is delegated authority to grant approval and report the decision back to the next scheduled meeting of Council.

**Power to sub-delegate:**

Council may delegate any of its functions, duties or powers to a subcommittee, working group or other subordinate decision-making body, subject to the restrictions on its delegations and any limitation imposed by Council.



Notice is hereby given that a Meeting of Council will be held in the  
Council Chambers, 1484 Cameron Road, Tauranga on:  
Tuesday, 27 May 2025 at 9.30am

## Order Of Business

<b>1</b>	<b>Karakia .....</b>	<b>7</b>
<b>2</b>	<b>Present .....</b>	<b>7</b>
<b>3</b>	<b>In Attendance.....</b>	<b>7</b>
<b>4</b>	<b>Apologies .....</b>	<b>7</b>
<b>5</b>	<b>Consideration of Late Items.....</b>	<b>7</b>
<b>6</b>	<b>Declarations of Interest.....</b>	<b>7</b>
<b>7</b>	<b>Public Excluded Items.....</b>	<b>7</b>
<b>8</b>	<b>Public Forum.....</b>	<b>7</b>
<b>9</b>	<b>Community Board Minutes for Receipt .....</b>	<b>8</b>
9.1	Minutes of the Katikati Community Board Meeting held on 2 April 2025 .....	8
9.2	Minutes of the Te Puke Community Board Meeting held on 3 April 2025 .....	17
9.3	Minutes of the Waihī Beach Community Board Meeting held on 7 April 2025 .....	28
9.4	Minutes of the Ōmokoroa Community Board Meeting held on 8 April 2025 .....	35
9.5	Minutes of the Maketu Community Board Meeting held on 15 April 2025 .....	43
<b>10</b>	<b>Council and Committee Minutes for Confirmation .....</b>	<b>49</b>
10.1	Minutes of the Audit, Risk and Finance Committee Meeting held on 13 March 2025.....	49
10.2	Minutes of the Projects and Monitoring Committee Meeting held on 20 March 2025.....	59
10.3	Minutes of the Community Committee Meeting held on 26 March 2025 .....	70
10.4	Minutes of the Strategy and Policy Committee Meeting held on 27 March 2025.....	77
10.5	Minutes of the District Plan Committee Meeting held on 8 April 2025 .....	81

10.6	Minutes of the Council Meeting held on 8 April 2025 .....	85
10.7	Minutes of the Strategy and Policy Committee Meeting held on 8 May 2025 .....	103
<b>11</b>	<b>Reports .....</b>	<b>106</b>
11.1	Deliberations on the future water services delivery model.....	106
11.2	Deliberations and adoption of the 2025-26 Dog Control and Health Registration Fees .....	258
11.3	Financial Performance Update Quarterly Report - 31 March 2025 .....	273
11.4	Waikato Local Authority Shared Services (Co-Lab) Constitution Amendment.....	288
11.5	Membership of the Leading for Delivery Sub-committee of the SmartGrowth Leadership Group .....	292
11.6	Recommendatory Report - Reconciliation of Katikati Community Town Centre Development Fund .....	296
11.7	Recommendatory Report from the Katikati Community Board - Kotahi Lane Strategic Land.....	306
11.8	Recommendatory Report - Ōmokoroa Community Board - Request for CCTV at the Tralee Street and Margaret Place Intersection Ōmokoroa .....	307
11.9	Mayor's Report to Council .....	312
<b>12</b>	<b>Information for Receipt .....</b>	<b>315</b>
12.1	Projects and Operations Update .....	315
<b>13</b>	<b>Resolution to Exclude the Public .....</b>	<b>316</b>
13.1	Confidential Minutes of the Audit, Risk and Finance Committee Meeting held on 13 March 2025 .....	316
13.2	Civic Financial Services Annual General Meeting - Nomination of Director .....	316
13.3	2025 Statute Barred Rates Report.....	316

**1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Āe

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.  
Yes

**2 PRESENT****3 IN ATTENDANCE****4 APOLOGIES****5 CONSIDERATION OF LATE ITEMS****6 DECLARATIONS OF INTEREST****7 PUBLIC EXCLUDED ITEMS****8 PUBLIC FORUM**

## **9 COMMUNITY BOARD MINUTES FOR RECEIPT**

### **9.1 MINUTES OF THE KATIKATI COMMUNITY BOARD MEETING HELD ON 2 APRIL 2025**

**File Number:** A6735163

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

#### **RECOMMENDATION**

1. That the Minutes of the Katikati Community Board Meeting held on 2 April 2025 be received.

#### **ATTACHMENTS**

1. Minutes of the Katikati Community Board Meeting held on 2 April 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
KATIKATI COMMUNITY BOARD MEETING NO. KKC25-2  
HELD IN THE CENTRE – PĀTUKI MANAWA DIGITAL HUB, 21 MAIN ROAD, KATIKATI  
(BOYD ROOM). ON WEDNESDAY, 2 APRIL 2025 AT 6.30PM**

**1 PRESENT**

Chairperson J Clements, Deputy N Mayo, Member A Earl, Member T Sage, Cr A Henry and Cr R Joyce.

**2 IN ATTENDANCE**

A Henderson (General Manager Corporate Services), R Garrett (Governance Manager) and R Leahy (Senior Governance Advisor).

**OTHERS IN ATTENDANCE**

8 Members of the Public including;

Councillor A Sole

Waihī Beach Community Board Member R Goudie

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

The Chairperson advised there was one late item for the Board to consider for inclusion in the open section of the agenda, being the Katikati Community Board – Projects and Operations Report – April 2025.

The reason that this item was not included on the agenda was that the information was not ready in time and it could not be delayed to the next scheduled Board meeting because the updates were required at this time.

---

**RESOLUTION KKC25-2.1**

Moved: Cr R Joyce

Seconded: Chairperson J Clements

That, in accordance with Section 46A (7) of the Local Government Official Information and Meetings Act the following item be considered as a late item of open business:

---

- 
- 10.5 Katikati Community Board – Projects and Operations Report – April 2025.

**CARRIED**

---

## **5 DECLARATIONS OF INTEREST**

Nil

## **6 PUBLIC EXCLUDED ITEMS**

Nil

## **7 PUBLIC FORUM**

6.36pm Cr A Henry entered the hui.

### **7.1 JOHN BOTHWELL – YOUTH PARK PROPOSAL**

Mr Bothwell was in attendance to provide an update on the Youth Park Proposal. He noted the below points:

- An onsite visit had been held with Council staff on the project.
  - Three funding applications had gone in for the project and were awaiting an outcome.
  - It was noted that a basketball hoop would be installed.
  - Open Air Katikati were working collaboratively on the project. A graffiti wall would be installed to deter tagging.
- 

### **7.2 MULTIPLE SPEAKERS – HIGHFIELD POND**

Sharon Olsen-Carson and Russell Squire, residents of Katikati, were in attendance to discuss the issue of weeds in Highfield Pond. They noted the below points:

- It had been suggested that the weeds be sprayed with a non-toxic herbicide for the pond.
- They believed the species of plants that had been used around the pond edge were plants that were typically used for screen planting as they grew tall and were not suitable for planting around the pond.
- More appropriate plantings would improve the amenity for wildlife.
- There were concerns that one of the outlet pipes may be leaking, which was causing the level of water in the pond to lower.

The Board advised the following:

- A maintenance plan for the pond was being developed and would be provided to the Board for information.
- 

### **7.3 ROSS GOUDIE – LOCAL WATERS DONE WELL**

Mr Goudie, a resident of Katikati, was in attendance to discuss the Local Waters Done Well proposal. He noted the below points:

- Mr Goudie queried what the governance structure would be like for the Council-controlled organisation (CCO), as he did not believe it was clear in the proposal how the governance structure would work.
  - The water charges for Western Bay of Plenty were 2.2 per cent of a median household income (\$105,000). Mr Goudie queried how it was affordable for lower income households like pensioners.
- 

### **7.4 KEITH HAY – VARIOUS ISSUES**

Mr Hay, Chairperson of Katikati-Waihi Beach Residents and Ratepayers Association, was in attendance to discuss the refurbishment of Western Bay Museum and upcoming resource consent hearings. He noted the below points:

- There was a proposal to spend \$1 million on the Western Bay Museum, which was primarily being funded externally.
- The Community Board had not seen any concept plans regarding the refurbishment. Mr Hay suggested that community engagement on the refurbishment take place.
- The resource consent hearings on rock revetment walls in Waihi Beach should be held at the Pātuki Manawa Digital Hub instead of in Tauranga to allow for local residents to easily attend the hearings.

The Board advised the following:

- The Board would request that representatives from the Western Bay Museum present their proposal at a future Board meeting.
- 

## **8 PRESENTATIONS**

### **8.1 KATIKATI COMMUNITY SPORT AND RECREATION CENTRE**

Ben Warren, was in attendance on behalf of the Katikati Community Sport and Recreation Centre to provide an update to the Board on the project. The below points were noted:

- The Katikati Community Sport and Recreation Centre was a combined project with Council, the community and user groups.
-

- The plans for the centre would be going to Council for building consent shortly, with an anticipated construction start date of August 2025.
  - Nearly three quarters of the funding (\$750,000) required to complete the build, had been raised. The project had a target of \$1.2 million in funding, which included the total fit out cost.
  - The next building planned would be an indoor centre, which provided Katikati with a space for indoor sports and training.
- 

## 9 MINUTES FOR CONFIRMATION

### 9.1 MINUTES OF THE KATIKATI COMMUNITY BOARD MEETING HELD ON 12 FEBRUARY 2025

---

#### RECOMMENDATION

Moved: Member T Sage

Seconded: Cr R Joyce

1. That the Minutes of the Katikati Community Board Meeting held on 12 February 2025 as circulated with the agenda be confirmed as a true and correct record.
  2. That the Chairperson's electronic signature be inserted into the confirmed minutes.
- 

## 10 REPORTS

### 10.1 KATIKATI COMMUNITY BOARD – WORKSHOP NOTES

The Board considered the workshop notes from 5 March 2025 and no discussion was held.

---

### 10.2 KATIKATI COMMUNITY BOARD – CHAIRPERSON'S REPORT – APRIL 2025

The Board considered a report from the Chairperson dated 2 April 2025. An overview of the report was provided and further discussion as below:

- The anticipated start date for construction on Market Square was 28 April 2025.
  - The Board would look at putting out some communications regarding construction on Market Square.
  - Board Members would note areas of issue with mowing and raise a service request with Council.
  - Construction on the Landing upgrades would begin on 11 April 2025, the work would take approximately 11 weeks to complete.
-



**RESOLUTION KKC25-2.2**

Moved: Member T Sage

Seconded: Deputy N Mayo

That the Chairperson's report dated 2 April 2025 titled 'Katikati Community Board - Chairperson's Report – April 2025' be received.

**CARRIED**

---

**10.3 KATIKATI COMMUNITY BOARD – COUNCILLOR'S REPORT – APRIL 2025**

The Board considered a report from Cr Henry dated 2 April 2025. An overview of the report was provided, with further discussion as below:

- There would be no formal engagement on the Annual Plan 2025/26 as there was no material change to what was proposed in the Long Term Plan.
  - Council had chosen a preferred model for Local Waters Done Well to present to the community for consultation.
  - It was noted that the timeframe for Local Waters Done Well was compressed, however, this was set by Central Government.
- 

**RESOLUTION KKC25-2.3**

Moved: Cr A Henry

Seconded: Member A Earl

That the Councillor's report dated 2 April 2025 titled 'Katikati Community Board – Councillor's Report – April 2025' be received.

**CARRIED**

---

**10.4 KATIKATI COMMUNITY BOARD – GRANT APPLICATIONS – APRIL 2025**

The Board considered a report from the Senior Governance Advisor dated 2 April 2025. The report was taken as read, with further discussion as below:

- The Board felt the application was an appropriate use of funding for the community.
- 

**RESOLUTION KKC25-2.4**

Moved: Cr R Joyce

Seconded: Member T Sage

1. That the Senior Governance Advisor's report dated 2 April 2025 titled 'Katikati Community Board – Grant Applications – April 2025' be received.
-

- 
2. That the Katikati Community Board **approves** the grant application from Tanners Point Residents & Ratepayers Association Incorporated for \$1,500, towards funding an Automatic External Defibrillator (AED) at Tanners Point Reserve, conditional on approval for the location of the AED by Council's Reserves and Facilities Team.

**CARRIED**

---

#### **10.5 KATIKATI COMMUNITY BOARD - PROJECTS AND OPERATIONS REPORT - APRIL 2025**

The Board considered a report from the Senior Governance Advisor dated 2 April 2025. The report was taken as read, with further discussion as below:

- It was important for the sport groups to invite the Reserves and Facilities Manager to their meetings to ensure there was clear communication about what could be achieved.
  - It was noted that Cr Henry was the Board's liaison between the sport groups and the Board regarding the Moore Park proposal.
- 

#### **RESOLUTION KKC25-2.5**

Moved: Cr A Henry

Seconded: Member T Sage

That the Senior Governance Advisor's report dated 2 April 2025 titled 'Katikati Community Board - Projects and Operations Report - April 2025' be received.'

**CARRIED**

---

#### **10.5 RECONCILIATION OF KATIKATI COMMUNITY TOWN CENTRE DEVELOPMENT FUND**

The Board considered a report from the Finance Manager dated 2 April 2025. The report was taken as read, with further discussion as below:

- The resolutions had been circulated to the Board separately, noting that many of the resolutions were not included in the public agenda as they were passed in confidential and had never been resolved into the public.
  - It was noted that the report would go to Council for consideration as recommendatory report.
- 

#### **RESOLUTION KKC25-2.6**

Moved: Chairperson J Clements

---

---

Seconded: Member A Earl

1. That the Finance Manager's report dated 2 April 2025 'Reconciliation of Katikati Community Board Town Centre Development Fund' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
3. That the Katikati Community Board recommend to Council that the historic overspend of the Katikati Town Centre Promotion Rate fund of \$160,381.74 be offset by the Katikati Town Centre Development fund to avoid the need for a rates charge back to the community.
4. That the opening balance of the Katikati Town Centre Development Reserve for 1 July 2024 is \$619,458 AND that this reserve be allocated for the purpose of Katikati Town Centre Development scheduled as and when opportunities arise by way of recommendation.
5. That the Katikati Community Board recommend to Council that it be consulted before funds from the Katikati Town Centre Development Fund are committed by Council.

**CARRIED**

---

#### **10.6 KATIKATI COMMUNITY BOARD – FINANCIAL REPORT – FEBRUARY 2025**

The Board considered a report from the Finance Business Partner Lead dated 2 April 2025. The report was taken as read, with further discussion as below:

- It was noted that the residual Town Centre Development funds would be split five ways between the Community Boards.
  - There was still approximately \$140,000 left in uncommitted funds in the Roothing Account.
- 

#### **RESOLUTION KKC25-2.7**

Moved: Deputy N Mayo

Seconded: Member T Sage

That the Finance Business Partner Lead's report dated 2 April 2025, titled 'Katikati Community Board – Financial Report – February 2025', be received.

**CARRIED**

---

#### **11 INFORMATION FOR RECEIPT**

Nil

---

**The Meeting closed at 8.24pm.**

**Confirmed as a true and correct record at the Katikati Community Board meeting held on 28 May 2025.**

.....  
Chairperson J Clements

**CHAIRPERSON**

Unconfirmed

**9.2 MINUTES OF THE TE PUKE COMMUNITY BOARD MEETING HELD ON 3 APRIL 2025****File Number:** A6735497**Author:** Ella Logan, Governance Advisor**Authoriser:** Robyn Garrett, Governance Manager**RECOMMENDATION**

1. That the Minutes of the Te Puke Community Board Meeting held on 3 April 2025 be received.

**ATTACHMENTS**

1. Minutes of the Te Puke Community Board Meeting held on 3 April 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
TE PUKE COMMUNITY BOARD MEETING NO. TPC25-2  
HELD IN THE TE PUKE LIBRARY AND SERVICE CENTRE, 130 JELlicoe STREET, TE PUKE  
(BOARDROOM). ON THURSDAY, 3 APRIL 2025 AT 7.00PM**

The Chairperson opened the hui with a karakia.

**1 PRESENT**

Chairperson K Ellis, Deputy D Snell, Member N Chauhan, Member K Summerhays, Cr G Dally and Cr A Wichers.

**2 IN ATTENDANCE**

C Crow (General Manager Infrastructure Group), R Garrett (Governance Manager), and E Logan (Governance Advisor).

Mayor J Denyer, Cr L Rae and 6 members of the public

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Members were advised that if they had an interest (actual, potential, pecuniary or non-pecuniary interest) in any item on the agenda, then they must declare this interest and refrain from discussing or voting on this item and were advised to withdraw from the meeting table for the item (As per the Local Authorities (Member's Interest) Act 1968.

- Chairperson K Ellis advised the Board that she had a declaration of financial interest regarding the Made in Te Puke Trust Grant Application in report 9.4 of the agenda – Te Puke Community Board – Grant Applications – April 2025.
- Deputy Chairperson D Snell advised the Board that she had a declaration of financial interest regarding the T Made in Te Puke Trust Grant Application in report 9.4 of the agenda – Te Puke Community Board – Grant Applications – April 2025.

**6 PUBLIC EXCLUDED ITEMS**

Nil

## **7 PUBLIC FORUM**

### **7.1 SAM EDWARDS – DISC GOLF COURSE**

---

Mr Edwards was in attendance to provide an update on the installation of a Disc Golf Course at Donovan Park. He noted the below points:

- The group had been running a pop up course for the community to participate in. The layout of the pop up course was the same as what was proposed within the Board funded course design.
  - The pop up course had been useful in determining what minor changes needed to be made to the original course design.
  - To help with its progression, the project had been split into two stages. Implementation of Stage 1 would put an operational course into Donovan park using the \$10,000 of funding from the Board. Stage 2 would include the more expensive aspects as funding became available such as the concrete Tee pads.
- 

### **7.2 TRUDY AND KEVIN ROWE – TREE REMOVAL**

---

Mr and Mrs Rowe were in attendance to discuss the removal of a tree on Moehau Street. The below points were noted:

- There was a protected tree on the property behind theirs and the landowner was wanting it to be removed.
- The tree dropped leaves about 9 months of the year which caused the surrounding drains to become blocked.
- Mr Rowe noted that he would support the removal or relocation of the tree.
- The tree was in need of an arborist. There were concerns about branches falling down.
- The landowner had contacted Council to request the removal of the tree.

The Board provided the following tākupu:

- The tree in question was scheduled in the District Plan as a category 1 Heritage Tree which recognised trees of such significance that their preservation was regarded to be of national importance.
  - The maintenance of the tree was the responsibility of the landowner.
  - The Board had provided staff with a Citizen Tree Report which had stated that the tree was in need of an arborist. Members were still awaiting staff feedback on the report.
-

---

The Governance Advisor would follow up regarding this issue and provide the Board with clarification around the advice that had been provided to Mr and Mrs Rowe.

---

### 7.3 VARIOUS SPEAKERS – LANDSCAPE ROAD/MCLOUGHLIN PARK FOOTPATH

---

Mrs Hodge and Mr Rule were in attendance to seek a progress update on the McLoughlin Park footpath. They noted the below points:

#### Steve Rule

- Mr Rule queried whether an engagement evening had taken place in regard to the McLoughlin Park footpath and the implementation of the wider concept plan.
- Mr Rule requested clarification on whether or not a gravel footpath was planned to be installed along Landscape Road and if Council was aware of any developments planned/in the works in the Landscape Road area.
- During kiwifruit season there was an increase in traffic and speeding on Landscape Road which jeopardised the safety of pedestrians. In Mr Rule's opinion, a footpath along the roadside would not improve this.

The Board were yet to determine a date for the engagement evening but had planned to do so at the end of the meeting.

The General Manager Infrastructure Services made the following tākupu:

- A concept plan for the McLoughlin Park area had been provided to the Board (**Tabled Item 1**), which included an option for a footpath along Landscape Road. This option was included within the concept plan for the purpose of completeness.
- He was not aware of any development that was being planned for the Landscape Road area.

#### Helen Hodge

- The Te Puke Squash Club (the Club) had hosted a club vs club event the previous weekend. During this event, a Landscape Road resident had had a near miss going around the corner due to the amount of cars and lack of parking space.
  - The increase in freedom campers had left little parking spaces for the Club members.
  - The safety of members, especially at night, was becoming more of an issue than it had ever been.
  - Installing a new carpark area was going to be a huge undertaking for the Club. It was estimated that this project could cost around \$100,000 to implement.
  - There had been a suggestion of building a pickle ball court on the land as the sport was becoming more popular.
-



The Board members provided the following tākupu:

- The Club members were encouraged to submit to the Draft Te Puke Spatial Plan when it came time for consultation. Board members would request that staff inform the Club when the consultation opened.
- Members would contact the relevant Club members regarding the date and time of the onsite hui once it had been confirmed.
- 

The General Manager Infrastructure Services noted that there was an opportunity to extend out the carpark area at the bottom of the hill.

---

## **8 MINUTES FOR CONFIRMATION**

### **8.1 MINUTES OF THE TE PUKE COMMUNITY BOARD MEETING HELD ON 20 FEBRUARY 2025**

---

#### **RESOLUTION TPC25-2.1**

Moved: Cr G Dally

Seconded: Member K Summerhays

1. That the Minutes of the Te Puke Community Board Meeting held on 20 February 2025 as circulated with the agenda be confirmed as a true and correct record.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

---

## **9 REPORTS**

### **9.1 TE PUKE COMMUNITY BOARD – WORKSHOP NOTES – APRIL 2025**

The workshop notes were received.

No further discussion was had.

---

### **9.2 TE PUKE COMMUNITY BOARD – CHAIRPERSON'S REPORT – APRIL 2025**

The Board considered a report from the Chairperson dated 03 April 2025. The report was taken as read, with further discussion on the below.

---

**RESOLUTION TPC25-2.2**

Moved: Member N Chauhan

Seconded: Cr A Wichers

1. That the Chairperson's report dated 03 April 2025 titled 'Te Puke Community Board – Chairperson's Report – April 2025' be received.

**CARRIED**

---

**RESOLUTION TPC25-2.3**

Moved: Member K Summerhays

Seconded: Chairperson K Ellis

That the Te Puke Community Board approves a budget of \$2,500 from the Reserves Account to carry out an initial public engagement workshop on a community plan with residents of Te Puke.

**CARRIED**

---

**9.2.1 COMMUNITY PLAN**

- Members questioned the value of holding a public workshop, considering it was the end of the triennium.
  - It was noted that the purpose of the public workshop was to gain an understanding of the communities appetite for a Community Plan.
  - The outcome of the public workshop would be recorded on an advisory note for the incoming Elected Members.
  - There were various issues that would not be addressed through the Draft Te Puke Spatial Plan but could be addressed within a Community Plan.
  - The Board envisioned sourcing an external person to facilitate the public workshop.
- 

**9.2.2 TOWN CENTRE DEVELOPMENT FUND**

- Staff advised that the town centre was mapped out in the Te Puke Town Plan. However, because the Te Puke Town Plan was almost 20 years old, the determination of the town centre was flexible.
-

---

**9.2.4 TE PUKE COMMUNITY CHARITABLE TRUST MEMORANDUM OF UNDERSTANDING**

---

- A draft Memorandum of Understanding (MOU) for the Te Puke Community Charitable Trust (the Trust) had been sent to Board members and Iwi representatives for confirmation.
  - There had been minor wording changes to reflect the potential change that could come from the Representation Review. The changes ensured that two Elected Members from the Te Puke area be appointed on to the Trust.
- 

**9.3 TE PUKE COMMUNITY BOARD – COUNCILLOR'S REPORT – APRIL 2025**

The Board considered a report from Councillor Dally dated 03 April 2025. The report was taken as read, with further discussion on the below.

---

**RESOLUTION TPC25-2.4**

Moved: Deputy D Snell

Seconded: Chairperson K Ellis

1. That the report from Councillor Dally dated 03 April 2025 titled 'Te Puke Community Board – Councillors Report – April 2025' be received.

**CARRIED**

---

**9.3.1 MUER PLACE**

---

- Staff were modelling flood events against the Tonkin + Taylor stormwater modelling. Work was being undertaken to drone and channel upstream to identify any changes that could have been the cause of the flooding.
- 

**9.3.2 LOCAL WATERS DONE WELL**

---

- It was noted that all information about the potential options was available on the Council website.
  - Board members were encouraged to attend the community consultation session on 12 April 2025 at the Te Puke Memorial Hall.
-

#### 9.4 TE PUKE COMMUNITY BOARD – GRANT APPLICATIONS – APRIL 2025

The Board considered a report from the Governance Advisor dated 03 April 2025. The report was taken as read. Board members expressed the need for further advertising of the Community Board Grant Funding on the Community Noticeboard Facebook page.

Chairperson K Ellis and Deputy Chairperson D Snell declared a financial interest in the Made in Te Puke Trust Grant Application and took no part in the discussion or voting on this application.

---

##### RESOLUTION TPC25-2.5

Moved: Cr G Dally

Seconded: Member K Summerhays

1. That the Governance Advisor's report dated 03 April 2025 titled 'Te Puke Community Board – Grant Applications – April 2025' be received.
2. That the Te Puke Community Board **approves** the grant application from the Made in Te Puke Trust (Charitable Trust) for \$2,308.00, to contribute to the costs of WasteWatchers for the Te Kete Matariki event. This grant will be funded from the Te Puke Community Board Grants Account, subject to all accountabilities being met.

Chairperson K Ellis and Deputy Chairperson D Snell abstained from voting.

**CARRIED**

---

#### 9.5 TE PUKE COMMUNITY BOARD – HERITAGE PLAZA PROJECT – APRIL 2025

The Board considered a report from the Transportation Project Engineer dated 03 April 2025. The report was taken as read, with further discussion on the below.

---

##### RESOLUTION TPC25-2.6

Moved: Cr G Dally

Seconded: Chairperson K Ellis

1. That the Transportation Project Engineer's report dated 3 April 2025 titled 'Te Puke Heritage Plaza' be received.
2. That the Te Puke Community Board approves the Heritage Plaza improvement final design (**Attachment 1**) and approves construction of phase 1 of the project.

**CARRIED**

---

**9.5.1 HERITAGE PLAZA FUNDING ALLOCATION**

- Board members raised a concern about the projects funding sources that were outlined in the report and requested further clarification on this.
- It was noted that the projects funding sources that were detailed in the report were incorrect.
- The Board requested that the funding source of the \$100,000 be allocated from the Transportation Surplus and the remaining \$52,000 from the Community Boards Roothing Account, noting that this was the opposite to what was outlined in the report.
- This would allow for the remaining \$40,000 (noting that \$8,000 had already been spent) from the Community Boards Roothing Account to be used for phase 2 of the project, which would include the lighting design.
- It was requested that a report be brought to the Board outlining the costs of stage 2 of the project.

**9.6 TE PUKE COMMUNITY BOARD – PRIORITY ROADING PROJECTS – APRIL 2025**

The Board considered a report from the Transportation Project Engineer's dated 03 April 2025. The report was taken as read, with further discussion on the below.

- The General Manager Infrastructure Services noted that staff had planned to look into the Te Puke (East) Traffic Congestion as a potential Council project, therefore, it was not necessary for this to be added as a priority project for the Board.
- The Board would discuss their potential funding contributions to the Waiāri Bridge Area Restoration Project at a workshop.
- Staff would undertake further investigation of the prioritised projects and seek approval to progress the projects through formal resolution at the next meeting.
- It was noted that the detailed design of the roading priorities would not come at a financial cost to the Board.

**RESOLUTION TPC25-2.7**

Moved: Member K Summerhays

Seconded: Chairperson K Ellis

1. That the Transportation Project Engineer's report dated 3 April 2025 titled 'Te Puke Community Board Priority Roothing Projects' be received.
2. That the Te Puke Community Board approves the following project prioritisation list.

Priority Projects	Rough Order Cost Estimate

Waiāri Bridge Area Restoration Project	\$300,000
McLoughlin Park Enhancements Project	\$100,000
Jellicoe Street Amenity Enhancements	\$150,000
Te Puke Quarry Road footpath extension (Jellicoe Street to Manoeka Road)	\$200,000

3. That the Te Puke Community Board approve for Transportation staff to complete a detailed design on each of the prioritised roading projects and report back to the Board with these detailed designs and cost estimates for approval at the next Te Puke Community Board meeting on 29 May 2025.

**CARRIED**

## 9.7 TE PUKE COMMUNITY BOARD – PROJECTS AND OPERATIONS REPORT – APRIL 2025

The Board considered a report from the Executive Assistant Infrastructure Group dated 03 April 2025. The report was taken as read, with further information on the below.

### RESOLUTION TPC25–2.8

Moved: Chairperson K Ellis

Seconded: Member K Summerhays

1. That the Executive Assistant Infrastructure Group's report dated 03 April 2025 titled 'Te Puke Community Board – Projects and Operations Report – April 2025' be received.

**CARRIED**

### 9.7.1 HISTORY BOARDS

- The Governance Advisor would reach out to the Kaupapa Māori Team to gain an understanding of their capacity to facilitate engagement with Tapuika and Waitaha on the project.

### 9.7.2 SERVICE REQUESTS

- Concern was raised about the uncompleted service requests regarding three drains.

- 
- The General Manager Infrastructure Services would take this issue back to the relevant staff members and report the findings back to the Board.
  - Within the budget available, staff were wanting to sweep fallen leaves once a week.
  - The Board requested further data on freedom camping including the number of freedom campers and the hotspots in the area. The General Manager Infrastructure Services would provide this to the Board.
- 

## 9.8 TE PUKE COMMUNITY BOARD – FINANCIAL REPORT FEBRUARY 2025

The Board considered a report from the Financial Business Partner Lead. The report was taken as read. It was noted that the Board would carry-out an audit of its finances at its next workshop to ensure that all unspent committed funds were released back into the relevant accounts.

---

### RESOLUTION TPC25-2.9

Moved: Deputy D Snell

Seconded: Cr G Dally

1. The Financial Business Partner Lead's report dated 3 April 2025 titled 'Te Puke Community Board – Financial Report February 2025' be received.

**CARRIED**

---

## 10 INFORMATION FOR RECEIPT

**The Meeting closed at 9.33pm.**

**Confirmed as a true and correct record at the Te Puke Community Board meeting held on 29 May 2025.**

.....  
Chairperson K Ellis

**CHAIRPERSON**

### **9.3 MINUTES OF THE WAIHĪ BEACH COMMUNITY BOARD MEETING HELD ON 7 APRIL 2025**

**File Number:** A6735166

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

#### **RECOMMENDATION**

1. That the Minutes of the Waihi Beach Community Board Meeting held on 7 April 2025 be received.

#### **ATTACHMENTS**

1. Minutes of the Waihi Beach Community Board Meeting held on 7 April 2025



**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
WAIHĪ BEACH COMMUNITY BOARD MEETING NO. WBC25-2  
HELD IN THE WAIHĪ BEACH COMMUNITY CENTRE, 106 BEACH ROAD, WAIHĪ BEACH  
ON MONDAY, 7 APRIL 2025 AT 5.30PM**

## **1 PRESENT**

Chairperson D Simpson, Deputy H Guptill, Member R Goudie, Member W Stevenson, Cr A Henry and Cr A Sole.

## **2 IN ATTENDANCE**

A Henderson (General Manager Corporate Services) and R Leahy (Senior Governance Advisor).

## **OTHERS IN ATTENDANCE**

6 Members of the Public.

## **3 APOLOGIES**

### **APOLOGY**

---

### **RESOLUTION WBC25-2.1**

Moved: Chairperson D Simpson

Seconded: Deputy H Guptill

That the apology for absence from Cr A Sole be accepted.

**CARRIED**

---

## **4 CONSIDERATION OF LATE ITEMS**

Nil

## **5 DECLARATIONS OF INTEREST**

Nil

## **6 PUBLIC EXCLUDED ITEMS**

Nil

## 7 PUBLIC FORUM

### 7.1 BOB HULME – DOG CONTROL AT ISLAND VIEW TO BOWENTOWN TRACK

Mr Hulme was in attendance to discuss issues with dog control at the Island View to Bowentown Track. He noted the below points:

- There were ongoing issues with dogs off leash at the Island View to Bowentown track. The track was used by pedestrians and cyclists who frequently encountered dogs off leash in this area.
  - There needed to be greater education around dogs off leash in this area, however, it was noted that increased signage was not enough.
  - It was suggested some communication about dogs being on leads should go out to the public as a reminder.
- 

### 7.2 MIKE HICKEY – VARIOUS ISSUES

Mr Hickey was in attendance to discuss various issues and provide an update on the MenzShed. He noted the below points:

- In the past, Mr Hickey was an Honorary Dog Warden and Assistant Dog Registrar for dogs at Waihi Beach. Dog control on the beach was still an ongoing issue.
  - He believed that Council should consider going out for tender for the CEO position to attract a person who would accept a lower salary.
  - There had been two traffic accidents on Beach Road/Oceanview Road due to loose metal from the recent road works and speeding drivers.
  - The crossing by the Surf Club was becoming hazardous to pedestrians due to speeding drivers.
  - The kerb and channelling and tar sealing outside the MenzShed was now complete. The group was continuing to provide vegetables to the community.
- 

### 7.3 KEITH HAY – LOCAL WATERS DONE WELL.

Mr Hay, Chairperson of the Katikati-Waihi Beach Residents and Ratepayers Association, was in attendance to discuss Local Waters Done Well. He noted the below points:

- Council's preferred option to comply with Local Waters Done Well legislation was to join Tauranga City Council in a Council-controlled organisation. The Katikati-Waihi Beach Residents and Ratepayers Association was opposed to this.
  - Mr Hay was of the opinion that no due diligence had been done on the proposal and there had been a lack of consultation and explanation as to why the status quo was not acceptable.
-

- Mr Hay felt, that because Tauranga City Council had a larger population and more revenue, it would make it the dominant entity in the partnership.
- Mr Hay raised concerns about the Tauranga City Council's debt levels and the impact it could have on Western Bay of Plenty.

## 8 MINUTES FOR CONFIRMATION

### 8.1 MINUTES OF THE WAIHI BEACH COMMUNITY BOARD MEETING HELD ON 17 FEBRUARY 2025

#### RESOLUTION WBC25-2.2

Moved: Member W Stevenson

Seconded: Chairperson D Simpson

1. That the Minutes of the Waihi Beach Community Board Meeting held on 17 February 2025 as circulated with the agenda be confirmed as a true and correct record.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

## 9 REPORTS

### 9.1 WAIHI BEACH COMMUNITY BOARD - WORKSHOP NOTES

The Board considered the workshop notes from 10 March 2025 and no discussion was held.

### 9.2 WAIHI BEACH COMMUNITY BOARD - CHAIRPERSON'S REPORT - APRIL 2025

The Board considered a report from the Chairperson dated 7 April 2025. An overview of the report was provided, with further discussion as below:

- The Board would discuss the Wilson Road Park upgrades at their next workshop.

#### RESOLUTION WBC25-2.3

Moved: Deputy H Guptill

Seconded: Cr A Henry

1. That the Chairperson's report dated 7 April 2025 titled 'Waihi Beach Community Board - Chairperson's Report - April 2025' be received.

---

**CARRIED**

---

**9.3 WAIHĪ BEACH COMMUNITY BOARD – COUNCILLOR’S REPORT – APRIL 2025**

The Board considered a report from Councillor Henry dated 7 April 2025. An overview of the report was provided, with further discussion as below:

- Council was holding an expo for the Katikati-Waihi Beach Community Forum which would be held in Katikati.
  - Concerns had been raised about the omission of lifts in the Heron Crescent elderly housing units.
- 

**RESOLUTION WBC25-2.4**

Moved: Chairperson D Simpson

Seconded: Member R Goudie

1. That the Councillor’s report dated 7 April 2025 titled ‘Waihi Beach Community Board – Councillor’s Report – April 2025’ be received.

---

**CARRIED**

---

**9.4 WAIHĪ BEACH COMMUNITY BOARD – PROJECTS AND OPERATIONS REPORT – APRIL 2025**

The Board considered a report from the General Manager Infrastructure Services dated 7 April 2025. The report was taken as read.

- It was noted that the MenzShed would manufacture the cycle racks.
- 

**RESOLUTION WBC25-2.5**

Moved: Member R Goudie

Seconded: Chairperson D Simpson

1. That the General Manager Infrastructure Services’ report dated 7 April 2025 titled ‘Waihi Beach Community Board – Projects and Operations Report – April 2025’ be received.
  2. That the Waihi Beach Community Board allocates up to \$6,000 from the Waihi Beach Community Board Roading Account for costs related to the manufacture and installation of three cycle racks to be located by the entrance to Wilson Road carpark (by The Porch) and rotation of the existing seat.
-

---

**CARRIED**

---

**9.5 BEACH ROAD PEDESTRIAN REFUGE PROJECT**

The Board considered a report from the Project Engineer Transportation dated 7 April 2025. The report was taken as read, with further discussion as below:

- The Board was pleased to be able to progress the project, noting they would use the remainder of their uncommitted Rooding Account for the project and fund any remaining costs from their Reserves Account.

**RESOLUTION WBC25-2.6**

Moved: Member R Goudie

Seconded: Deputy H Guptill

1. That the Transportation Project Engineer's report dated 7 April 2025 titled 'Beach Road Pedestrian Refuge Project' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the Waihi Beach Community Board **approves** the proposal to construct a pedestrian refuge on Beach Road at an estimated cost of up to \$203,500, to first be funded from the uncommitted funds in the Waihi Beach Community Rooding Account with the remainder of the project costs to be funded from the Waihi Beach Community Board Reserves Account.

---

**CARRIED**

---

**9.6 WILSON ROAD CAR PARK LIGHTING**

The Board considered a report from the Project Engineer Transportation dated 7 April 2025. The report was taken as read, with further discussion as below:

- The Board was concerned about the cost of the lighting options and queried how many lights would be required.
- The Board queried if the lights in the vicinity of the new library, that were being decommissioned, could be repurposed for the Wilson Road Car Park.
- The Board would consider options for lighting at Wilson Road car park at their next workshop.

**RESOLUTION WBC25-2.7**

Moved: Chairperson D Simpson

---

Seconded: Deputy H Guptill

1. That the Wilson Road Car Parking Lighting report dated 7 April 2025 lie on the table until further advice and options are obtained from staff.

**CARRIED**

---

#### **9.7 WAIHI BEACH COMMUNITY BOARD – FINANCIAL REPORT – FEBRUARY 2025**

The Board considered a report from the Finance Business Lead dated 7 April 2025. The report was taken as read, with further discussion as below:

- The Board would review their committed expenditure at their next workshop.
- 

#### **RESOLUTION WBC25-2.8**

Moved: Member W Stevenson

Seconded: Cr A Henry

1. That the Finance Business Partner Lead's report dated 7 April 2025 titled 'Waihi Beach Community Board – Financial Report – February 2025', be received.

**CARRIED**

---

#### **10 INFORMATION FOR RECEIPT**

Nil

**The Meeting closed at 6.50pm.**

**Confirmed as a true and correct record at the Waihi Beach Community Board meeting held on 9 June 2025.**

.....  
Chairperson D Simpson

**CHAIRPERSON**

**9.4 MINUTES OF THE ŌMOKOROA COMMUNITY BOARD MEETING HELD ON 8 APRIL 2025****File Number:** A6764274**Author:** Horowai Wi Repa, Governance Systems Advisor**Authoriser:** Robyn Garrett, Governance Manager**RECOMMENDATION**

1. That the Minutes of the Ōmokoroa Community Board Meeting held on 8 April 2025 be received.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**ATTACHMENTS**

1. Minutes of the Ōmokoroa Community Board Meeting held on 8 April 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
ŌMOKOROA COMMUNITY BOARD MEETING NO. OMC25-2  
HELD IN THE ŌMOKOROA LIBRARY AND SERVICE CENTRE, 28 WESTERN AVENUE,  
ŌMOKOROA (WHAKAMARAMA ROOM)  
ON TUESDAY, 8 APRIL 2025 AT 7.00PM**

**1 PRESENT**

Chairperson C Dever, Deputy A Hughes, Member P Presland, Member B Bell, Cr M Grainger and Cr D Thwaites.

**2 IN ATTENDANCE**

P Osborne (Senior Governance Advisor).

**OTHERS IN ATTENDANCE**

Mayor James Denyer.

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

**7.1 TIM DUNN - PRESIDENT ŌMOKOROA COMMUNITY TENNIS CLUB**

Mr Dunn was in attendance to seek support on behalf of the Ōmokoroa Community Tennis Club with their proposal for new tennis courts. He provided some history for the club and highlighted the below points:

- They were wanting to create a hub for tennis within Ōmokoroa.



- They were seeking to install two courts with flexipave surfaces (an approved Tennis New Zealand surface).
- They were proposing two new tennis courts and one multi-use court, acknowledging that the Kaimai Reserve Management Plan specified that the Community Board would work with the community to install a hard court.
- Tennis New Zealand guidelines suggested the number of courts based on population, however it was noted that many areas had a greater amount due to the strong tennis activity within the Western Bay of Plenty.

He responded to pātai as follows:

- Tennis New Zealand introduced an online booking system which provided those booking with a pin code. This allowed the public to use the courts. There was a sign regarding this, however, it could be relocated to help with visibility.
- It cost \$10 per person for members of the public to use the courts for 30 minutes, noting that there could be an opportunity to review this. Due to member costs being so low it was used as an incentive for people to become members.
- They were trying to provide facilities for the community and members during peak times/seasons.
- The Ōmokoroa Community Tennis Club were planning on submitting to the Kaimai Reserve Management Plan, as it was noted that this was still out for consultation.
- The membership fee for a senior was \$170 which worked out to be \$3 a week. It was noted that \$35 was given to Tennis New Zealand for their affiliation fees.

## 8 MINUTES FOR CONFIRMATION

### 8.1 MINUTES OF THE ŌMOKOROA COMMUNITY BOARD MEETING HELD ON 11 FEBRUARY 2025

#### RESOLUTION OMC25-2.1

Moved: Cr M Grainger

Seconded: Deputy A Hughes

1. That the Minutes of the Ōmokoroa Community Board Meeting held on 11 February 2025 as circulated with the agenda be confirmed as a true and correct record.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

## 9 REPORTS

### 9.1 ŌMOKOROA COMMUNITY BOARD – WORKSHOP NOTES – 11 MARCH 2025

The Board noted the notes from the workshop held 11 March 2025.

---

### 9.2 ŌMOKOROA COMMUNITY BOARD – CHAIRPERSON'S REPORT – APRIL 2025

The Board considered a report dated 8 April 2025 from the Chairperson. The report was taken as read.

---

#### RESOLUTION OMC25-2.2

Moved: Chairperson C Dever

Seconded: Member B Bell

That the Chairperson's report dated 8 April 2025 titled 'Ōmokoroa Community Board – Chairperson's Report – April 2025' be received.

**CARRIED**

---

### 9.3 ŌMOKOROA COMMUNITY BOARD – COUNCILLOR'S REPORT – APRIL 2025

The Board considered a report dated 8 April 2025 from Councillor Grainger.

#### **Representation Review**

Councillor Grainger provided an overview of the Representation Review outcome following the determination from the Local Government Commission, which was released earlier in the day.

The Commission determined a hybrid structure that combined key aspects of Council's proposed model, but retained and slightly reshaped the current community board setup to ensure more balanced and inclusive representation.

Under the new structure three community boards were retained with limited change:

- Maketu Community Board would continue to represent the township and surrounding area, with a slightly expanded area compared to the current community board boundary to better reflect the community of interest.
  - Katikati Community Board was retained with its existing boundary.
  - Waihi Beach Community Board was retained with its existing boundary.
-

Two Community Boards were extended to cover their respective wider wards, with electoral subdivisions to ensure representation from across the wards:

- A new Ōmokoroa-Kaimai Community Board would be established, covering the full Kaimai Ward.
- Ōmokoroa-Kaimai Community Board
  - 2 elected community board members from the Ōmokoroa Subdivision
  - 2 elected community board members from the Kaimai West Subdivision
  - 2 elected community board members from the Kaimai East Subdivision
  - 2 appointed councillors from the Kaimai General Ward
- A new Te Puke-East Community Board would represent Te Puke and the neighbouring eastern communities of Paengaroa, Pongakawa, and Pukehina.
- Te Puke-Eastern Community Board
  - 3 elected community board members from the Te Puke Subdivision
  - 2 elected community board members from the Eastern Subdivision
  - 2 appointed councillors from the Maketu-Te Puke General Ward

Councillors responded to pātai as follows:

- An overview of the determination could be found [here](#).
- A copy of the determination on the Commission's website could be found [here](#).

### RESOLUTION OMC25-2.3

Moved: Cr M Grainger

Seconded: Cr D Thwaites

That Councillor Grainger's report dated 8 April 2025 titled 'Ōmokoroa Community Board – Councillor's Report – April 2025' be received.

**CARRIED**

## 9.4 STREETLIGHT UPGRADES – TRALEE STREET/HAMURANA ROAD

The Board considered a report dated 8 April 2025 from the Transportation Director. The Chairperson provided an overview of the report and the rationale for the recommendations therein.

### RESOLUTION OMC25-2.4

Moved: Member B Bell

Seconded: Chairperson C Dever

1. That the Transportation Director's report dated 8 April 2023 titled 'Streetlight Upgrades – Tralee Street/Hamurana Road' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.

**CARRIED**

### RESOLUTION OMC25-2.5

Moved: Chairperson C Dever

Seconded: Cr D Thwaites

3. That the Ōmokoroa Community Board approve the proposal to install three new streetlights at the following locations at an estimated cost of \$30,000, to be funded from the Ōmokoroa Community Board Roading Account.

- Adjacent to 14 Tralee Street (opposite the entrance to the 'Village').
- Adjacent to the side entrance to CHT Acacia Park, 134 Hamurana Road (opposite the entrance to the 'Village').
- Adjacent to 112 Hamurana Road (opposite 67 Hamurana Road)

**CARRIED**

### 9.5 REQUEST FOR CCTV AT THE TRALEE STREET AND MARGARET PLACE INTERSECTION, ŌMOKOROA

The Board considered a report dated 8 April 2025 from the Operations Manager. The Chairperson provided the rationale for the report, which came from a request from the Ōmokoroa Community Policing Group. A representative from the group was in attendance and provided the below rationale for a CCTV camera at this particular location:

- The Police were finding that Margaret Place was being used as a 'cut-through' where they had previously lost vehicles;
- The camera would allow coverage for this end of the peninsula;
- Feedback from local street coordinators and the community patrol was that a camera would be beneficial for this intersection;
- A CCTV camera at this particular location was recommended and supported by the Police.

The Chairperson noted that the recommendation was that the CCTV camera be funded by the Town Centre Development Fund, which was now reported through the Financial

Report within the agenda. It was clarified that in order to use this fund the Board required approval from Council.

### RESOLUTION OMC25-2.6

Moved: Member B Bell

Seconded: Deputy A Hughes

1. That the Operations Manager's report dated 8 April 2025 titled 'Request for CCTV at the Tralee Street and Margaret Place intersection, Ōmokoroa' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.

**CARRIED**

### RESOLUTION OMC25-2.7

Moved: Chairperson C Dever

Seconded: Deputy A Hughes

3. That the Ōmokoroa Community Board recommends that Council approves up to \$25,000 from the Ōmokoroa Town Centre Development Fund for costs relating to the installation of a CCTV camera at the Tralee Street and Margaret Place intersection.

AND

That Council agrees to cover the ongoing monitoring and maintenance costs for the camera.

**CARRIED**

## 9.6 ŌMOKOROA COMMUNITY BOARD - PROJECTS AND OPERATIONS REPORT - APRIL 2025

The Board considered a report dated 8 April 2025 from the General Manager Infrastructure Services. The report was taken as read.

### Cooney Reserve Bird Hide

The Board acknowledged the photos that were on display at the Cooney Reserve Bird Hide, noting they were local birds, taken by local people.

### Leasing the Ōmokoroa-Pahoia Scout Den

It was noted that this particular project could now be completed, as the lease had been awarded to Pirirākau Authority Inc.

### RESOLUTION OMC25-2.8

Moved: Member P Presland

Seconded: Cr D Thwaites

That the General Manager Infrastructure Services' report dated 8 April 2025 titled 'Ōmokoroa Projects and Operations Report – April 2025' be received.

**CARRIED**

## 9.7 ŌMOKOROA COMMUNITY BOARD – FINANCIAL REPORT – FEBRUARY 2025

The Board considered a report dated 8 April 2025 from the Finance Business Partner Lead. The report was taken as read, noting that the Town Centre Development Fund was now shown on the Income and Expenditure Statement.

Staff would get a progress update on the committed projects, noting that if any of these projects were completed, the remaining funds could get released.

### RESOLUTION OMC25-2.9

Moved: Chairperson C Dever

Seconded: Member B Bell

That the Finance Business Partner Lead's report dated 8 April 2025 titled 'Ōmokoroa Community Board Financial Report – February 2025', be received.

**CARRIED**

## 10 INFORMATION FOR RECEIPT

Nil

**The Meeting closed at 7.44pm.**

**Confirmed as a true and correct record at the Ōmokoroa Community Board meeting held on 3 June 2025.**

.....  
**Chris Dever**  
**CHAIRPERSON**

**9.5 MINUTES OF THE MAKETU COMMUNITY BOARD MEETING HELD ON 15 APRIL 2025**

**File Number:** A6735486

**Author:** Ella Logan, Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

**RECOMMENDATION**

1. That the Minutes of the Maketu Community Board Meeting held on 15 April 2025 be received.

**ATTACHMENTS**

1. Minutes of the Maketu Community Board Meeting held on 15 April 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
MAKETU COMMUNITY BOARD MEETING NO. MKC25-2  
HELD IN THE MAKETU COMMUNITY CENTRE, WILSON ROAD, MAKETU  
ON TUESDAY, 15 APRIL 2025 AT 7.00PM**

**1 PRESENT**

Chairperson T Hopping, Deputy R Corbett, Cr L Rae, Deputy Mayor J Scrimgeour, Member D Walters and Member B Waterhouse.

**2 IN ATTENDANCE**

A Curtis (General Manager Regulatory Services) and E Logan (Governance Advisor).

**OTHERS IN ATTENDANCE**

Cr A Wichers

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

Nil

**6 PUBLIC EXCLUDED ITEMS**

Nil

**7 PUBLIC FORUM**

**7.1 COUNCILLOR ANDY WICHERS – REPRESENTATION REVIEW OUTCOME**

Cr Wichers was in attendance to discuss the Representation Review outcome. He extended his congratulations to Maketu for retaining its Community Board.

---



## 8 MINUTES FOR CONFIRMATION

### 8.1 MINUTES OF THE MAKETU COMMUNITY BOARD MEETING HELD ON 4 MARCH 2025

#### RESOLUTION MKC25-2.1

Moved: Deputy R Corbett

Seconded: Member B Waterhouse

1. That the Minutes of the Maketu Community Board Meeting held on 4 March 2025 as circulated with the agenda be confirmed as a true and correct record.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

## 9 REPORTS

### 9.1 MAKETU COMMUNITY BOARD - CHAIRPERSON'S REPORT - APRIL 2025

The Board considered a report from the Chairperson dated 15 April 2025. The report was taken as read, with further discussion of the below.

#### RESOLUTION MKC25-2.2

Moved: Deputy R Corbett

Seconded: Member B Waterhouse

1. That the Chairperson's report dated 15 April 2025 titled 'Maketu Community Board – Chairperson's Report – April 2025' be received.

**CARRIED**

#### 9.1.1 MAKETU PROJECTS LIST

Members queried when the Maketu Project list information would be made publicly available, noting that there was a strong desire within the community to receive this information.

The General Manager Regulatory Services would discuss this with staff, noting that the most appropriate place for this information would be on Councils [Your Place Tō wāhi](#) website.

### 9.1.2 SPENCER AVENUE CULVERT UPGRADE

The Board expressed an interest in paying for the Spencer Avenue Culvert Upgrade (Council-led Project) with the remainder of their Roading Account to ensure that the project was completed.

---

#### RESOLUTION MKC25-2.4

Moved: Cr L Rae

Seconded: Member D Walters

1. That the Maketu Community Board approve up to \$150,000 from the Maketu Community Board Roading Account as a contribution for the completion of the Council-led project 'Culvert Upgrade on Spencer Avenue'.

And

That the Maketu Community Board request for a provision to be included in the project that ensures access to the existing shared pathway on Spencer Avenue.

**CARRIED**

---

### 9.2 MAKETU COMMUNITY BOARD – COUNCILLOR'S REPORT – APRIL 2025

The Board considered a report from Deputy Mayor Scrimgeour dated 15 April 2025. The report was taken as read, with further discussion on the below.

---

#### RESOLUTION MKC25-2.5

Moved: Deputy Mayor J Scrimgeour

Seconded: Member B Waterhouse

1. That Deputy Mayor Scrimgeour's report dated 15 April 2025 titled 'Maketu Community Board – Councillors Report – April 2025' be received.

**CARRIED**

---

### 9.2.1 LOCAL WATERS DONE WELL

It was noted that the reason Council's preferred option was to create a joint Council-Controlled Organisation (CCO) was based on the projections within the Long-Term Plan (LTP), as Council would not be able to meet the legislative parameters that had been put in place by Central Government to continue with an inhouse model.

### 9.2.2 EASTER TRADING BY-LAW

Council had reviewed the Easter Trading By-Law and were not expecting any changes to be made.

---

### 9.2.3 COMMUNITY MATCHING FUND

- The Community Matching Fund (CMF) would be open for applications between 1-31 July 2025.
  - The CMF was available for community groups and organisations in the district with \$140,000 (\$100,000 general fund and \$40,000 environmental fund) available.
  - The CMF was 'matched' on a 50/50 basis. Council's half was in a cash grant, most commonly between \$1,000 - \$10,000. The community group contribution could be made up of any combination of volunteer labour, donated professional services, funds raised through other means and/or donations of materials.
  - Further information could be found on Council's [website](#).
- 

### 9.2.4 DISTRICT PLAN - TE PUKE SPATIAL PLAN

- The Te Puke Spatial Plan Sub-Committee were approaching the final stages of discussion.
  - Staff were in the process of preparing a Draft Te Puke Spatial Plan that would be presented to the community for consultation.
- 

## 9.3 MAKETU COMMUNITY BOARD - PROJECTS AND OPERATIONS REPORT - APRIL 2025

The Board considered a report from the General Manager Infrastructure Services dated 15 April 2025. The report was taken as read, with further discussion on the below.

---

### RESOLUTION MKC25-2.6

Moved: Member D Walters

Seconded: Deputy R Corbett

2. 1. That the General Manager Infrastructure Service's report dated 15 April 2025 titled 'Maketu Community Board - Projects and Operations Report - April 2025' be received.

**CARRIED**

---

### 9.3.1 MURAL PROJECT

Board members raised concerns regarding the lack of progress on the mural project, noting that it was important to have this completed before the end of the triennium.

---

### 9.4 MAKETU COMMUNITY BOARD – FINANCIAL REPORT – FEBRUARY 2025

The Board considered a report from the Financial Business Partner Lead dated 15 April 2025. The report was taken as read.

---

#### RESOLUTION MKC25-2.7

Moved: Cr L Rae

Seconded: Member B Waterhouse

3. That the Financial Business Partner Lead's report dated 15 April 2025 titled 'Maketu Community Board – Financial Report – February 2025' be received.

**CARRIED**

---

### 10 INFORMATION FOR RECEIPT

Nil

**The Meeting closed at 7.56pm.**

**Confirmed as a true and correct record at the Maketu Community Board meeting held on 17 June 2025.**

.....  
Chairperson T Hopping

**CHAIRPERSON**

## 10 COUNCIL AND COMMITTEE MINUTES FOR CONFIRMATION

### 10.1 MINUTES OF THE AUDIT, RISK AND FINANCE COMMITTEE MEETING HELD ON 13 MARCH 2025

File Number: A6717321

Author: Ella Logan, Governance Advisor

Authoriser: Robyn Garrett, Governance Manager

#### RECOMMENDATION

1. That the Minutes of the Audit, Risk and Finance Committee Meeting held on 13 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

#### ATTACHMENTS

1. Minutes of the Audit, Risk and Finance Committee Meeting held on 13 March 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
AUDIT, RISK AND FINANCE COMMITTEE MEETING NO. ARF25-1  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON THURSDAY, 13 MARCH 2025 AT 9.30AM**

**1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.

Āe

Yes

**2 PRESENT**

Cr M Grainger, Cr T Coxhead, Cr G Dally, Mayor J Denyer, Cr R Joyce, Cr M Murray-Benge, Cr L Rae, Deputy Mayor J Scrimgeour, Cr A Sole, Cr D Thwaites, Cr A Wichers and Independent Member S Henderson.

**VIA ZOOM**

Cr A Henry

**3 IN ATTENDANCE**

A Henderson (General Manager Corporate Services), A Curtis (General Manager Regulatory Services), R Davies (Deputy CEO/General Manager Strategy and Community), C Crow (General Manager Infrastructure Group), J Fearn (Chief Financial Officer), D Crowe (People and Capability Manager), R Garrett (Governance Manager), H Wi Repa (Governance Systems Advisor) and E Logan (Governance Advisor).

**4 APOLOGIES**

Nil

**5 CONSIDERATION OF LATE ITEMS**

Nil

**6 DECLARATIONS OF INTEREST**

Nil

## **7 PUBLIC EXCLUDED ITEMS**

Nil

## **8 PUBLIC FORUM**

Nil

## **9 PRESENTATIONS**

Nil

## **10 REPORTS**

### **10.1 PEOPLE AND WELLBEING REPORT**

- The Committee considered a report from the People and Capability Manager, who provided a brief overview of the report.
- Staff responded to pātai as below:
  - Council's Executive Leadership Team (ELT) reviewed internal vacancies weekly, with the organisation looking at ways to optimise internal vacancies. As a result, Council was making some good savings.
  - ELT was consistently looking at the organisation from a savings lens; looking at what projects or operations Council could halt or delay by 6–12 months, while still with a focus on key deliverables and priorities, in order to make savings.
  - The increase in the number of Councils employees was due to thirteen additional fix-term roles that we in place over the summer. Majority of these fix-term positions had concluded.
  - Council's People Leaders played a key role in ensuring that the activities that staff were focused on were the ones that were contributing the most to the organisation and were aligned with delivering Councils strategic priorities.
  - Staff were having to adapt, reprioritise and shift resources to respond to the level of reform that was coming down the pipeline.
  - In relation to the gender pay gap, it was noted that Council had a large number of community facing services that had front facing customer roles. These roles often sat within the lower pay band and there was a tendency for these roles to be filled by women. It was noted that this could be one of the elements that contributed to the gender pay gap. Staff were in the process of investigating this further.

- Staff were trying to move into a more proactive space in regard to Health and Safety systems and frameworks.
- Staff were wanting to drive the Maturity Scale within the organisation higher.
- Council reported on ethnicities as a way to understand its workforce and the diversity that was at play.
- Staff had identified the top critical risks; aggressive interaction being one of them. The majority of incidents were being reported against these critical risks. This was a space that staff monitored and reviewed extremely closely.
- Councils fleet was GPS tracked which meant, by default, the vehicles speed could be monitored. Through monitoring information and communication to staff, there had been a positive change in driver behaviour.
- At the end of 2024 Councils Roading Engineers had spoken with staff regarding the consequence of speed, which had also led to an improvement in driver behaviour within the organisation.

---

### RESOLUTION ARF25-1.1

Moved: Cr A Sole

Seconded: Cr T Coxhead

That the People and Capability Manager's report dated 13 March 2025 titled 'People and Wellbeing Report' be received.

**CARRIED**

---

## 10.2 FINANCIAL PERFORMANCE UPDATE QUARTERLY REPORT – 31 DECEMBER 2024

The Committee considered a report from the Chief Financial Officer. A brief overview of the report was provided, noting that column two of the '2023/24 Rates Funded Deficit – Solutions Tracking' table (Attachment 2) read 1.1, the correct number was 1.1 All other numbers in the table were correct.

Staff responded to pātai as below:

- The plan for the entire Capital Programme was targeting 107% for the end of the 2024/25 financial year.
  - The ultimate inhouse transport saving that had been identified was a result of the work that WestLink was doing for Council being brought inhouse.
  - The bad debt write off was \$700,00 lower than what was budgeted for the full financial year and it was expected that there would be more still to come.
-



- Council had a dedicated resource in the bad debt space that was able to follow up with overdue debts on a quicker basis.
- Rates was the larger area of overdue debts, however, this was present across the board.
- Council offered a 3% discount for the early payments of rates, there was a budget of \$400,000 for this. There had been a higher uptake of individuals paying their rates early which had led to the budget being unfavourable as this was not allowed for.
- The Capital Project and the Income both net off, which meant that there had not been a budget provision. However, the income would ultimately cover the costs of the Capital Project.
- Staff were working through closely to monitor each activity and cost centre to ensure there was no rates funded/other impacts.
- Staff would split out the actual borrowings to the interest rates swaps in the 'counter party limits' table of the report, and noted when the numbers were debit oppose to credit.
- Further gains in the interest rate space were expected, however, it was anticipated that these would not be as high as what had been achieved so far.
- In regard to volumetric water, during the review process, staff had looked at the dollars rather than total volumetric. When staff had referred back to the volumetric in the Annual Plan, they had found that volumetric had been behind.
- There was a complicated factor in 2024 where the per cubic metre rate had changed which meant there was a GST issue. The rate was a \$1.24 versus \$1.42 which had muddled the water.

---

### RESOLUTION ARF25-1.2

Moved: Cr R Joyce

Seconded: Cr T Coxhead

That the Chief Financial Officer's report dated 13 March 2025 titled 'Financial Performance Update Quarterly Report – 31 December 2024' be received

.Carried

---

### 10.3 AUDIT OF WESTERN BAY OF PLENTY DISTRICT COUNCIL'S LONG TERM PLAN 2024-34

The Committee considered a report from the Risk and Assurance Manager. The report was taken as read.

---

**RESOLUTION ARF25-1.3**

Moved: Cr R Joyce

Seconded: Cr A Sole

That the Risk and Assurance Manager's report dated 13 March 2025 titled 'Audit of Western Bay of Plenty District Council's Long Term Plan 2024-34' be received.

**CARRIED**

---

10.26am The hui adjourned.

10.38am The hui reconvened.

**10.4 RISK AND ASSURANCE REPORT - MARCH 2025**

The Committee considered a report from the Risk and Assurance Manager. The report was taken as read.

Staff responded to pātai as below:

- Feedback received through the Audit New Zealand Report to Management on the Annual Plan and Long-Term Plan (LTP) was taken on board. A review of the Internal Audit Deep Dive work programme was carried out annually as things changed and feedback was received, despite it being a three year cycle.
  - Staff had received the letter from Audit New Zealand on the Annual Report 2023/24 and were in the process of responding. This would be brought to the next Committee meeting in June 2025, along with any changes that needed to be made to the Audit work programme to reflect feedback received.
- 

**RESOLUTION ARF25-1.4**

Moved: Cr L Rae

Seconded: Cr A Sole

That the Risk and Assurance Manager's report dated 13 March 2025 titled 'Risk and Assurance Report - March 2025' be received, including the Strategic Risk Register and the Internal Audit Work Plan.

**CARRIED**

---

## 10.5 AUDIT, RISK AND FINANCE COMMITTEE WORK PROGRAMME

The Committee considered a report from the Risk and Assurance Manager. The report was taken as read.

10.45am Cr Henry entered the hui via zoom.

### RESOLUTION ARF25-1.5

Moved: Mayor J Denyer

Seconded: Deputy Mayor J Scrimgeour

That the Risk and Assurance Manager's report dated 13 March 2025 titled 'Audit, Risk and Finance Committee Work Programme' be received.

**CARRIED**

## 10.6 MONITORING INVESTMENT AUDIT REPORT – MARCH 2025

The Committee considered a report from the Risk and Assurance Manager. The report was taken as read.

Staff responded to pātai as below:

- Council had a dedicated Road Safety Engineer which gave staff total ownership in this space.
- The Audit was conducted by staff and New Zealand Transport Association Waka Kotahi (NZTA).
- Stormwater drainage was always an issue. One of its challenges was that it was a low value activity, which often caused contractors to be less inclined to this work because they often wanted to focus on their key KPIs parameters.
- It was important to keep drains as clean as possible because stormwater underpinned the integrity of pavements. Staff had inspected all culverts across the district and had created a robust programme that was being worked through.
- The geometrics of a road determined the road's speed limit. As part of the new inhouse roading structure, Council had three network inspectors inhouse which meant that staff were able to control the maintenance programme and constantly look at areas that had high accident rates.

- Staff had a positive relationship with NZTA, especially the maintenance and operations team, and often met with both them and Tauranga City Council (TCC). However, Council had no input into the work that was led by NZTA.
- Council had a list, prioritisation and budget within the LTP that staff would continue to deliver until a different direction from Elected Members was received.
- The utility Code of Practice was effectively like for like. Generally, best practice when doing rehabilitations, or new pavements, was to seal back to the boundary.
- Staff carried out high speed data annually. However, due to the change over from the WestLink contract, staff had not carried out this testing within the previous twelve months.
- Staff notified NZTA when repairs on the State Highways needed to be undertaken. However, this was an on-going challenge.
- The costs to bring older roads up to the new standards would not attract subsidy, therefore, this would be a significant cost to put into the LTP.
- Road markings were dependant on the volume of traffic and determined by the Traffic Control Devices (TCD) Manual to create consistency across the country.
- It was noted that if Council decided to stop its Sealing Programme, it could not charge that rate and use the budget elsewhere without undergoing a process to approve that.

---

### RESOLUTION ARF25-1.6

Moved: Cr A Sole

Seconded: Cr M Murray-Benge

That the Risk and Assurance Manager's report dated 13 March 2025 titled 'Monitoring Investment Audit Report – March 2025' be received.

**CARRIED**

---

### 10.7 OUTSTANDING RECOMMENDATIONS REGISTER – FEBRUARY 2025

---

The Committee considered a report from the Risk and Assurance Manager. A brief overview of the report was provided by the People and Capability Manager.

The following tākupu were made by Committee Members:

- Concern was raised regarding the content of the report and whether it met the requirement to be within the confidential agenda. It was noted that the removal
-

of cash handling was a public interest, therefore, it was important for it to be within the public agenda.

### RESOLUTION ARF25-1.7

Moved: Cr M Murray-Benge

Seconded: Cr L Rae

1. That the Risk and Assurance Manager's report dated 13 March 2025 titled 'Outstanding Recommendations Register – February 2025' be received.

**CARRIED**

### RESOLUTION ARF25-1.8

Moved: Cr R Joyce

Seconded: Cr A Sole

2. That the Audit, Risk and Finance Committee approve that the 'Outstanding Recommendations Register – February 2025' report be included in the minutes of the public agenda

**CARRIED**

## 11 INFORMATION FOR RECEIPT

Nil

## 12 RESOLUTION TO EXCLUDE THE PUBLIC

### RESOLUTION TO EXCLUDE THE PUBLIC

#### RESOLUTION ARF25-1.9

Moved: Cr A Sole

Seconded: Cr L Rae

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
---	---	---

<b>12.1 – Litigation Register Update – February 2025</b>	s7(2)(g) – the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) – the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>12.2 – Outstanding Recommendations Register – February 2025</b>	<p>s7(2)(f)(ii) – the withholding of the information is necessary to maintain the effective conduct of public affairs through the protection of Council members, officers, employees, and persons from improper pressure or harassment</p> <p>s7(2)(j) – the withholding of the information is necessary to prevent the disclosure or use of official information for improper gain or improper advantage</p>	s48(1)(a)(i) – the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>CARRIED</b>		

**The Meeting closed at 11.40am.**

**Confirmed as a true and correct record by Council on 27 May 2025.**

**10.2 MINUTES OF THE PROJECTS AND MONITORING COMMITTEE MEETING HELD ON 20 MARCH 2025**

**File Number:** A6732061

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

**RECOMMENDATION**

1. That the Minutes of the Projects and Monitoring Committee Meeting held on 20 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

1. Minutes of the Projects and Monitoring Committee Meeting held on 20 March 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
PROJECTS AND MONITORING MEETING NO. PMC25-1  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON THURSDAY, 20 MARCH 2025 AT 9.30AM**

## **1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.

Āe

Yes

## **2 PRESENT**

Cr D Thwaites, Cr A Sole, Cr T Coxhead, Cr G Dally, Mayor J Denyer, Cr M Grainger, Cr A Henry, Cr R Joyce, Cr M Murray-Benge, Cr L Rae, Deputy Mayor J Scrimgeour and Cr A Wichers.

## **3 IN ATTENDANCE**

A Henderson (General Manager Corporate Services), A Curtis (General Manager Regulatory Services), C Crow (General Manager Infrastructure Group), R Davie (Deputy CEO/General Manager Strategy and Community), R Garrett (Governance Manager), H Wi Repa (Governance Systems Advisor) and R Leahy (Senior Governance Advisor).

## **4 APOLOGIES**

### **APOLOGY**

---

### **RESOLUTION PMC25-1.1**

Moved: Cr R Joyce

Seconded: Cr M Murray-Benge

That the apology for lateness from Cr L Rae be accepted.

**CARRIED**

---



## 5 CONSIDERATION OF LATE ITEMS

Nil

## 6 DECLARATIONS OF INTEREST

Nil

## 7 PUBLIC EXCLUDED ITEMS

Nil

## 8 PUBLIC FORUM

### 8.1 MULTIPLE SPEAKERS – MUIR PLACE STORMWATER AND FLOODING ISSUES

Bev Steenson and Roy Ogle were in attendance to raise concerns about stormwater and flooding issues on Muir Place. They noted the below points:

- Logs had been jamming the Ohineanganga Stream upstream to the affected houses. Residents had submitted multiple complaints about the issue.
- On 28 January 2023, a rain event caused flooding in the area, which resulted in one horse being washed down stream and killed and another two requiring veterinary treatment, who ultimately succumbed to their injuries.
- The clean up following the rain event took residents 12 weeks and involved cleaning up mud and logs that had been swept downstream.
- There had been an increase in stormwater run off from a new housing development on Dunlop Road.
- The affected residents were facing the possibility of their properties being uninsurable.
- Muir Place residents queried why the alternative stormwater solution for the Dunlop Road development, which involved moving the water into a different stream, was considered but never implemented.
- Muir Place residents requested regular drone monitoring of the stream to ensure there were no log jams upstream that could add to the effects of flooding.

Staff responded to pātai as below:

- Tonkin & Taylor were commissioned to look at the consent for the stormwater retention pond for the Dunlop Road development to understand the impact on the area of interest. Staff also looked at the maintenance to ensure the stormwater retention pond was operating efficiently. The investigation showed that the contribution from the pond to the stream was only 0.5%, which was independently peer reviewed.

- There had been an increase in significant rain events which had pushed logs downstream. Council needed to liaise with Regional Council to ensure measures were put in place upstream to prevent flooding downstream.
- 

## **8.2 MULTIPLE SPEAKERS – PUBLIC TOILET IN PRECIOUS FAMILY RESERVE**

Roger Goodman, Rob Mitford-Burgess Denis Moller and Anderley Middleton were in attendance to speak in opposition to the proposal to install a public toilet in Precious Family Reserve, Ōmokoroa. They noted the below points:

- A recent petition showed that the public did not want a toilet installed at the location that it was currently proposed.
- Presenters felt the location of the proposed toilet was in an area that should not be developed for recreational use, it was more appropriate to have facilities at the Domain.
- Residents felt the toilet was not a good use of council funds.
- A memorial seat had been installed at Precious Family Reserve nearby to the proposed location of the toilet. They felt it was insensitive to install a toilet in close proximity to the memorial seat.
- Nearly 400 people had signed a petition to halt the construction of a public toilet in the Precious Family Reserve.
- It was felt that nearby the beach was a more appropriate location for a toilet.

Staff responded to pātai as below:

- The location of toilet was more than 3-4 metres away from the memorial seat. If required, there was an opportunity for the seat to be moved to a different location.
  - The land for Precious Family Reserve was purchased by Council for the primary purpose of stormwater.
- 

## **9 PETITIONS**

### **9.1 PETITION TO HALT THE CONSTRUCTION OF A PUBLIC TOILET IN THE PRECIOUS FAMILY RESERVE, ŌMOKOROA**

Bruce McCabe, president of the Ōmokoroa Residents and Ratepayers Association, was in attendance to present his petition to the Committee. He noted the below points:

- 379 people had signed the petition objecting to the construction of a public toilet at Precious Family Reserve.
  - Mr McCabe requested that the construction of the toilet be halted and that the location of the toilet be determined through the Kaimai Reserve Management Plan which was currently being consulted on.
  - It was suggested that staff consult with residents and neighbouring property owners as the most recent consultation on this reserve plan was in 2017.
-

- There was a difference in opinion on whether a toilet was required at Precious Family Reserve at all.

Staff provided the following advice:

- Under Standing Orders no decisions on a petition could be made at the meeting. The matter could be referred to staff for advice and reported back to the Committee.

---

## RESOLUTION PMC25-1.2

Moved: Cr L Rae

Seconded: Deputy Mayor J Scrimgeour

1. That the petition to halt the construction of a public toilet in the Precious Family Reserve, Ōmokoroa dated 10 March 2025 be received and the matter be referred to staff for advice and reported back to the Committee.

**CARRIED**

---

## 10 PRESENTATIONS

Nil

## 11 REPORTS

### 11.1 OPERATIONAL RISK AND SCORECARD REPORT QUARTERLY UPDATE ENDING 31 DECEMBER 2024

The Committee considered a report from the Transportation Administrator dated 20 March 2025. General Manager Infrastructure Services provided a brief overview of the report.

Staff responded to pātai as below:

- There had been a four-week delay in the No. 4 Road bridge project. The project was still anticipated to be complete by June 2025, however, if there was significant rainfall this could create further delays.
  - The proposed schedule for road rehabilitations and seal extensions would be presented at the next Projects and Monitoring Committee workshop.
  - A solution had been found to address the Hall Committee's concerns with the Waihi Beach Library project.
  - A work programme was being developed to manage autumnal leaf fall on roads. The Transportation Team had identified roads of interest where additional sweeping may be required during autumn.
-

- The Te Puna Industrial Limited resource consent hearing had been adjourned awaiting additional information. The information had since been provided and staff were awaiting a minute from the Commissioners regarding next steps.
  - One of the sections at 109 Clarke Road had been sold, staff were awaiting purchase agreements for two more sections.
  - There were no fines or penalties for non-compliance of drinking water systems with the protozoa requirement. The Water Services Authority – Taumata Arowai were satisfied with Council's approach to achieving compliance, noting the last UV system would be installed in January 2026.
  - Vercoe/Zest Development had a stormwater retention pond in their consent, which would be built by the developer.
  - Council was currently meeting its level of service for stormwater in Muir Place. A level of service review would be required to assess whether the level of service should be lifted for this area. The zoning of the area should also be considered through the Te Puke Spatial Plan.
  - Staff planned to install lifts into Heron Crescent when they were needed. Council could install lifts once the Code Compliance Certificate had been issued, noting that not every resident in the units would require a lift.
- 

### RESOLUTION PMC25-1.3

Moved: Cr A Sole

Seconded: Cr R Joyce

That the Transportation Administrator's report, dated 20 March 2025 titled 'Operational Risk and Scorecard Report Quarterly Update Ending 31 December 2024' be received.

**CARRIED**

---

## 11.2 2025/26 PROCUREMENT STRATEGY

The Committee considered a report from the Capital Delivery Manager dated 20 March 2025. A brief overview of the report was provided.

Staff responded to pātai as below:

- The proposed procurement strategy would provide staff with additional time to enable a more competitive tender process.
  - Staff had identified the Te Puke Wastewater Treatment Plant, Katikati Wastewater Future Directions and Waihi Beach Earth Dam as being high profile projects that would come to Elected Members for decision.
-

**RESOLUTION PMC25-1.4**

Moved: Mayor J Denyer

Seconded: Cr L Rae

1. That the Infrastructure Capital Delivery Manager report dated 20 March 2025 titled '2025/26 Procurement Strategy' be received.
2. That the report relates to an issue that is considered to be of **Low** significance in terms of Council's Significance and Engagement Policy.
3. That the Projects and Monitoring Committee supports the Infrastructure Capital Projects Procurement Strategy.
4. That the Projects and Monitoring Committee delegates the approval and signing of contracts included in the procurement strategy and funding provided for in the Long Term Plan to the Chief Executive Officer.
5. That the Projects and Monitoring Committee provides specific approval to the Chief Executive Officer to enable the Procurement and Contractual Commitments (per contract) for Goods/Services works that are budgeted within the Long Term Plan or Annual Plan greater than \$1,000,000 included within Appendix A of the draft procurement strategy (**Attachment 1**).
6. That the Projects and Monitoring Committee approves the procurement of professional services required to enable the 2025/26 capital works programme in advance of the 2025/26 annual plan adoption. Noting, the projects are approved in the Long Term Plan.

**CARRIED**

---

**CHANGE TO THE ORDER OF BUSINESS**

---

**RESOLUTION PMC25-1.5**

Moved: Cr R Joyce

Seconded: Cr A Henry

That that in accordance with Standing order 9.4 the order of business be changed with agenda item 11.4 being the next item on the agenda.

**CARRIED**

---

#### 11.4 PROPOSAL TO NAME THE WAIHĪ BEACH LIBRARY AND COMMUNITY HUB

The Committee considered a report from the Operations Manager dated 20 March 2025. The report was taken as read.

---

#### RESOLUTION PMC25-1.6

Moved: Cr A Henry

Seconded: Mayor J Denyer

1. That the Operations Manager's report dated 20 March 2025 titled 'Proposal to name the Waihī Beach Library and Community Hub' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
3. That the Project and Monitoring Committee approves the Te Reo name of the new Waihī Beach Library and Community Hub to be Te Ara Mātauranga - Waihī Beach Library and Community Hub.

**CARRIED**

Cr Murray-Benge vote against the motion and asked for her vote to be recorded.

---

#### 11.3 RESIDUAL TOWN CENTRE DEVELOPMENT FUNDS

The Committee considered a report from the Acting Policy and Planning Manager dated 20 March 2025. An overview of the report was provided.

Staff responded to pātai as below:

- The funds were collected for the purpose of town centre development to be distributed across the District's four main town centres being Te Puke, Katikati, Ōmokoroa and Waihī Beach.
  - Consultation on the initial proposal to split the fund between the four town centres would not be required as the decision would be consistent with the original intention of the fund.
  - If the fund were to be split five ways amongst the existing Community Board areas then it would be best practice to consult on the new proposal. However, if Council felt they sufficiently understood the views of the community to make the decision then Council could decide not to consult.
-

**MOTION**

Moved: Cr M Grainger

Seconded: Cr R Joyce

1. That the Acting Policy and Planning Manager's report dated 20 March 2025 titled 'Residual Town Centre Development Funds' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
- 3A. That the Projects and Monitoring Committee distribute the \$402,000 held in the General Town Centre Development reserve equally between the following:
  - Katikati Town Centre Development reserve
  - Ōmokoroa Town Centre Development reserve
  - Waihi Beach Town Centre Development reserve
  - Te Puke Town Centre Development reserve.

**AMENDMENT**

Moved: Cr D Thwaites

Seconded: Cr L Rae

1. That the Acting Policy and Planning Manager's report dated 20 March 2025 titled 'Residual Town Centre Development Funds' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
- 3B. That the Projects and Monitoring Committee distribute the \$402,000 held in the General Town Centre Development reserve equally between the following:
  - Katikati Town Centre Development reserve
  - Ōmokoroa Town Centre Development reserve
  - Waihi Beach Town Centre Development reserve
  - Te Puke Town Centre Development reserve.
  - Maketu Town Centre Development reserve

The amendment was put and declared **carried 7/5** by show of hands.

**SUBSTANTIVE MOTION:**

**RESOLUTION PMC25-1.7**

Moved: Cr D Thwaites

Seconded: Cr L Rae

1. That the Acting Policy and Planning Manager's report dated 20 March 2025 titled 'Residual Town Centre Development Funds' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
- 3B. That the Projects and Monitoring Committee distribute the \$402,000 held in the General Town Centre Development reserve equally between the following:
  - Katikati Town Centre Development reserve
  - Ōmokoroa Town Centre Development reserve
  - Waihi Beach Town Centre Development reserve
  - Te Puke Town Centre Development reserve.
  - Maketu Town Centre Development reserve

**CARRIED**

---

**11.5 DEVELOPMENT TRENDS REPORT 2024 OVERVIEW**

The Committee considered a report dated 20 March from the Research and Monitoring Analyst, who provided an overview of the report.

Staff responded to pātai as below:

- It was noted that the report was published onto council's website and would be circulated to the Katikati and Te Puke housing networks.
- 

**RESOLUTION PMC25-1.8**

Moved: Cr M Murray-Benge

Seconded: Cr A Sole

1. That the Research and Monitoring Analyst's report dated 20 March 2025 titled 'Development Trends Report 2024 Overview' be received.
  2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
  3. That the Projects and Monitoring Committee receives the Development Trends Report 2024 as set out in **Attachment 1** and receives the Summary Report as set out in **Attachment 2** of the agenda report.
-



---

**CARRIED**

---

## **12 INFORMATION FOR RECEIPT**

Nil

**The Meeting closed at 12.30pm.**

**Confirmed as a true and correct record by Council on 27 May 2025.**

Unconfirmed

### **10.3 MINUTES OF THE COMMUNITY COMMITTEE MEETING HELD ON 26 MARCH 2025**

**File Number:** A6723881

**Author:** Ella Logan, Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

#### **RECOMMENDATION**

1. That the Minutes of the Community Committee Meeting held on 26 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

#### **ATTACHMENTS**

1. Minutes of the Community Committee Meeting held on 26 March 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
COMMUNITY COMMITTEE MEETING NO. CM25-1  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON WEDNESDAY, 26 MARCH 2025 AT 9.30AM**

## **1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.

Āe

Yes

## **2 PRESENT**

Cr M Murray-Benge, Cr T Coxhead, Mayor J Denyer, Cr M Grainger, Cr A Henry, Cr L Rae, Deputy Mayor J Scrimgeour, Cr A Sole, Cr D Thwaites, Cr A Wichers, Katikati Community Board Chairperson J Clements, and Ōmokoroa Community Board Chairperson C Dever.

## **VIA ZOOM**

Cr G Dally, Cr R Joyce, Waihi Beach Community Board Chairperson D Simpson.

## **3 IN ATTENDANCE**

A Henderson (General Manager Corporate Services), R Garrett (Governance Manager), J Rickard (Community and Strategic Relationships Manager), L Carnie (Community Outcomes Advisor), J Duncan (Governance Coordinator) and E Logan (Governance Advisor).

## **4 APOLOGIES**

### **4.1 APOLOGIES**

---

### **RESOLUTION CM25-1.1**

Moved: Cr L Rae

Seconded: Cr A Sole

---

That the apology for absence from Maketu Community Board Chairperson Hopping, Te Puke Community Board Chairperson Ellis be accepted.

**CARRIED**

## **5 CONSIDERATION OF LATE ITEMS**

Nil

## **6 DECLARATIONS OF INTEREST**

Nil

9.32am Cr R Joyce (via Zoom) and Ōmokoroa Community Board Chairperson C Dever, entered the hui.

## **7 PUBLIC EXCLUDED ITEMS**

Nil

## **8 PUBLIC FORUM**

Nil

## **9 REPORTS**

### **9.1 PEST FREE PARKS**

The Committee considered a report dated 26 March 2025 from the Community Outcomes Advisor, who introduced the report and spoke to a PowerPoint Presentation.

Staff responded to pātai as below:

- Council handled progressive containment species (gorse, ginger, wallabies etc) in house. Species such as rats, mustelids and moth plants were covered by a strong network of volunteers within Council's Reserves.
- The Pest Free Parks were not about increasing funds, but instead utilising the current budget in a more strategic and effective manner.
- Within the Reserves and Facilities budget, less than 1% was spent on animal management. The Action Plan suggested the use of budgets from across the organisation.
- The Pest Free Parks Action Plan would not impact the services that Council was already providing.

- Staff would follow up with the Bay of Plenty Regional Council (BOPRC) in regard to the gorse that was growing between Island View and Bowentown.
- The Regional Plan contained every pest weed and pest animal that was known, and that was a potential threat to the Bay of Plenty.
- The contract for day to day maintenance on Council reserves only covered progressive containment weeds and animals. Full eradication response to these species would be carried out by BOPRC or the Ministry of Primary Industries.
- Staff had carried out five workshops across the district with volunteer groups known to Council. Through these workshops, groups had expressed their support for the Action Plan.
- The Action Plan allowed for increase in volunteers within areas that had been identified as areas in need of further support.
- The hope with 'Pest Free Parks' was that it would bring attention to pest issues in the Bay of Plenty and encouraged other agencies to bring focus to these issues as well.
- The point of developing a Mātauranga Māori approach to pest management was to work with iwi/hapū in identifying the connection with reserves that were sights of cultural significance. It was about how Council partnered and created positive connections for those spaces, allowing them to contribute even more to the surrounding communities.
- A large majority of reserves that were not labelled a "reserve" but used as such, were covered within Council's Reserves Management Plan. Council had management plans in place for 222 reserves across the district.
- There was a small amount of feedback indicating that the slogan 'Pest Free Parks' could be seen as negative. However, in the end it was decided that the slogan was understandable and quite tangible.
- There was already a lot of planting and native vegetation that needed to be protected, which involved high costs. Adding additional planting and native vegetation would only further increase the costs involved in the management of those sites. The goal was to look after and protect what was already there as much as possible.
- Volunteer Groups had communicated that if there was a Pest Free Park's platform to work from, they would have the ability to leverage from that to gain external funding for their work.
- A draft policy on 'Pest Free Parks' had been included in the Kaimai Reserve Management Plan that was out for consultation.
- Council's Volunteer Co-ordinator had strong relationships with the reserve volunteers. Part of the Volunteer Co-ordinator's role had been to ensure that

these volunteers were carrying out work on Council reserves that was appropriate to their role.

- The Action Plan was led by Council's Community and Strategic Relationships Team as it was a Council and community led initiative. The Reserves and Facilities Team had been heavily involved in the development of the Action Plan and would continue to be heavily involved in the delivery of it.
- Staff would monitor the progress of the Action Plan delivery. The first objective was to build a baseline of the reserves prior to the delivery of the Action Plan, to help measure the progress.
- TECT, Bay Trust and other external funders were aware that staff were scoping the Action Plan but were not across the full detail of it as it was yet to be adopted by the Committee. Staff would present the Action Plan to relevant parties following its adoption.
- Staff had discussed the Action Plan with Regional Council staff, and had identified various actions that could be aligned with their work programmes to provide further efficiency and clarity around roles and responsibilities.
- One of the actions with the Action Plan was to carry-out a mapping exercise to identify the amount of native biodiversity on Council's Reserves.
- A Green Waste and Illegal Dumping Programme, and a Behaviour Change in Education Programme was being established within Reserves. Staff believed that it was crucial to provide education regarding the impacts of dumping green wastes into reserves, and how these acts could cause the growth of weeds.
- Council had looked into the pesticides that were used within its reserves. The Reserves and Facilities team was consistently working with Council's contractors to ensure they were working to best practice in this area. The Reserves Volunteer Co-ordinator was working closely with volunteer groups to ensure they were also working to best practice and had the qualifications required to use pesticides.
- Often green waste facilities made compost from the green waste. Weed seedlings would compromise this compost, make it unusable and therefore unsellable.

---

## RESOLUTION CM25-1.2

Moved: Cr A Henry

Seconded: Cr M Grainger

1. That the Community Outcomes Advisor's report dated 26 March 2025 titled Pest Free Parks be received.

2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the Community Committee agrees to adopt Pest Free Parks Strategy and Action Plan.
4. That the update on the progress of the Pest Free Park's Strategy and Action Plan be reported on annually to the Community Committee.

CARRIED

### 10.1 COMMUNITY MATCH FUND – ENVIRONMENTAL FUND REDIRECTION

The Committee considered a report dated 26 March 2025 from the Community Outcomes Advisor, who provided an overview of the report.

Staff responded to pātai as below:

- Applications had closed. 57 applications from schools across the Bay of Plenty Region (13 from the Western Bay of Plenty District) had been received.
- The School Sustainability and Resilience Fund accepted applications for anything that increased resistance or sustainability which included projects such as gully restoration, stream erosion projects, building wetlands and school gardens.
- Schools had often collaborated with community volunteer groups to help deliver projects.
- Staff would report to the Committee in June 2025 on the funding outcomes. This would allow the Committee to decide if it wanted to continue contributing to the fund.
- The fund was a participatory budget model, which meant that the general public voted on which projects it wanted to fund. Those projects that did not receive funding within the first round then went to a youth panel. This youth panel had its own portion of funding to allocate.
- The total funding available was \$165,000 within the 2024/25 financial year. BOPRC matched 50% of the budget for the projects.

### RESOLUTION CM25-1.3

Moved: Cr M Murray-Benge

Seconded: Cr M Grainger

That the Community Outcomes Advisor's report dated 26 March 2025 titled 'Community Matching Fund – Environmental Fund Redirection', be received.

---

**CARRIED**

---

**10 INFORMATION FOR RECEIPT**

Nil

**The Meeting closed at 11.00am.**

**Confirmed as a true and correct record by Council on 27 May 2025.**



**10.4 MINUTES OF THE STRATEGY AND POLICY COMMITTEE MEETING HELD ON 27 MARCH 2025**

**File Number:** A6731249

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

**RECOMMENDATION**

1. That the Minutes of the Strategy and Policy Committee Meeting held on 27 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

1. Minutes of the Strategy and Policy Committee Meeting held on 27 March 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
STRATEGY AND POLICY COMMITTEE MEETING NO. SPC25-3  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON THURSDAY, 27 MARCH 2025 AT 9.30AM**

## **1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.

Āe

Yes

## **2 PRESENT**

Mayor J Denyer, Cr M Grainger, Cr T Coxhead, Cr A Henry, Cr M Murray-Benge, Cr L Rae, Deputy Mayor J Scrimgeour, Cr A Sole, Cr D Thwaites and Cr A Wichers.

### **VIA ZOOM:**

Cr Joyce and Cr Dally.

## **3 IN ATTENDANCE**

R Davie (Deputy CEO/General Manager Strategy and Community), A Henderson (General Manager Corporate Services), A Curtis (General Manager Regulatory Services), H Wi Repa (Governance Systems Advisor), E Watton (Strategic Policy and Planning Programme Director), R Garrett (Governance Manager), C Nepia (Strategic Kaupapa Māori Manager), N Rutland (Environmental Planning Manager), T Clow (Environmental Planning Lead), T Miller (Resource Management Strategic Advisor) and R Leahy (Senior Governance Advisor).

## **4 APOLOGIES**

Nil

## **5 CONSIDERATION OF LATE ITEMS**

Nil

## 6 DECLARATIONS OF INTEREST

Nil

## 7 PUBLIC EXCLUDED ITEMS

Nil

## 8 PUBLIC FORUM

Nil

## 9 PRESENTATIONS

Nil

## 10 REPORTS

### 10.1 SUBMISSION ON RESOURCE MANAGEMENT ACT REFORM AMENDMENT BILL (CONSENTING AND OTHER SYSTEM CHANGES)

The Committee considered a report from the Resource Management Strategic Advisor dated 27 March 2025. The report was taken as read.

Staff responded to pātai as below:

- Staff were anticipating more legislative reform around the Resource Management Act. It was expected that there would be a transition period before moving to a new legislative framework.
- Council was undertaking place-based spatial planning which enabled WBOPDC to prepare for a new resource management system.

### RESOLUTION SPC25-3.3

Moved: Cr D Thwaites

Seconded: Cr M Murray-Benge

1. That the Strategic Advisor: Resource Management report dated 27 March 2025 titled 'Submission on Resource Management Act Reform Amendment Bill (Consenting and Other System Changes)', be received.
2. That the submission, shown as **Attachment 1** to this report, is received by the Strategy and Policy Committee and the information is noted.

**CARRIED**

**The Meeting closed at 9.39am.**

**Confirmed as a true and correct record by Council on 27 May 2025.**

Unconfirmed

**10.5 MINUTES OF THE DISTRICT PLAN COMMITTEE MEETING HELD ON 8 APRIL 2025**

**File Number:** A6735717

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

**RECOMMENDATION**

1. That the Minutes of the District Plan Committee Meeting held on 8 April 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

1. Minutes of the District Plan Committee Meeting held on 8 April 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
DISTRICT PLAN COMMITTEE MEETING NO. DP25-1  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON TUESDAY, 8 APRIL 2025 AT ON CONCLUSION OF THE COUNCIL MEETING STARTING AT  
9.30AM**

**1 PRESENT**

Deputy Mayor J Scrimgeour, Cr M Grainger, Cr G Dally, Mayor J Denyer, Cr A Henry and Cr M Murray-Benge

**2 IN ATTENDANCE**

M Taris (Interim Chief Executive Officer), A Curtis (General Manager Regulatory Services), A Henderson (General Manager Corporate Services), A Price (Principal Planner), R Garrett (Governance Manager), H Wi Repa (Governance Systems Advisor) and R Leahy (Senior Governance Advisor)

**OTHERS IN ATTENDANCE**

1 member of the public; and

Cr A Wichers, Cr L Rae, Cr T Coxhead, Cr R Joyce and Cr D Thwaites

**3 APOLOGIES**

Nil

**4 CONSIDERATION OF LATE ITEMS**

Nil

**5 DECLARATIONS OF INTEREST**

**3 REPORTS**

**13.1 APPOINTMENT OF INDEPENDENT COMMISSIONERS FOR RESOURCE CONSENT APPLICATIONS**

The Committee considered a report from the Environmental Consents Planner dated 8 April 2025. The Principal Planner provided an overview of the report and the resource consent applications.

Staff responded to pātai as below:

- As some of the hearings may occur during the election period, staff would seek legal advice around whether Elected Members could still be on a resource consent hearing panel if they were not re-elected at the 2025 Local Body Elections.
- The costs of commissioners across the country were reasonable and generally standard. Using a commissioner from a different region would not usually result in additional costs.
- A longer list of commissioners than what would be required was provided in the recommendation to allow for flexibility around availability when it came to the hearings.

---

### RESOLUTION DP25-1.1

Moved: Mayor J Denyer

Seconded: Cr M Murray-Benge

1. That the Environmental Consents Manager's report dated 8 April 2025 titled 'Appointment of Independent Commissioners for Resource Consent Applications' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the District Plan Committee delegates the authority to Independent Commissioners to conduct hearings and/or decide on the resource consent applications outlined in this paper.
4. That the District Plan Committee approves that for recommendation 3, this authority can be carried out either independently or in collaboration with an Elected Member who holds a current Making Good Decisions certification.
5. That the District Plan Committee appoints the following accredited Commissioners to conduct hearings and/or decide on the resource consent applications outlined in this paper (either independently or collaboratively), subject to their availability:
  - a. Amanda de Jong
  - b. Greg Hill
  - c. Rob Van Voorthuysen
  - d. Alan Withy

That the District Plan Committee delegates to its Chairperson the ability to appoint Elected Members as appropriate to the Resource Consent Hearings where elected members are proposed to be included on the hearing panels.

**CARRIED**

**The Meeting closed at 11.28am.**

**The minutes of this meeting were confirmed at the Council Committee held on 27 May 2025.**

.....

Deputy Mayor J Scrimgeour

**CHAIRPERSON**

Unconfirmed



**10.6 MINUTES OF THE COUNCIL MEETING HELD ON 8 APRIL 2025**

**File Number:** A6764238

**Author:** Horowai Wi Repa, Governance Systems Advisor

**Authoriser:** Rachael Davie, Deputy CEO/General Manager Strategy and Community

**RECOMMENDATION**

1. That the Minutes of the Council Meeting held on 8 April 2025 be confirmed as a true and correct record and the recommendations therein be adopted.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**ATTACHMENTS**

1. Minutes of the Council Meeting held on 8 April 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
COUNCIL MEETING NO. CL25-4  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON TUESDAY, 8 APRIL 2025 AT 9.30AM**

## **1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.

Āe

Yes

## **2 PRESENT**

Mayor J Denyer, Deputy Mayor J Scrimgeour, Cr T Coxhead, Cr G Dally, Cr M Grainger, Cr A Henry, Cr R Joyce, Cr M Murray-Benge, Cr L Rae, Cr D Thwaites and Cr A Wichers.

## **3 IN ATTENDANCE**

M Taris (Interim Chief Executive), A Henderson (General Manager Corporate Services), A Curtis (General Manager Regulatory Services), E Watton (Acting GM Strategy and Community/Strategic Policy and Planning Director), J Fearn (Chief Financial Officer), S Bedford (Finance Manager), P Watson (Reserves and Facilities Manager), D Leslie (Senior Policy Analyst), K Little (Operations Manager), R Garrett (Governance Manager), R Gallagher (Policy and Planning Manager), H Wi Repa (Governance Systems Advisor) and P Osborne (Senior Governance Advisor).

## **OTHERS IN ATTENDANCE**

Gia Nelson (2025 Tuia Mayoral Mentoring Programme recipient)

Members of the Wanakore whānau

## **4 APOLOGIES**

### **APOLOGY**

---

### **RESOLUTION CL25-4.1**

Moved: Cr D Thwaites

---

---

Seconded: Deputy Mayor J Scrimgeour

That the apology for absence from Cr Sole be accepted.

**CARRIED**

---

## **5 CONSIDERATION OF LATE ITEMS**

Nil

## **6 DECLARATIONS OF INTEREST**

Nil

## **7 PUBLIC EXCLUDED ITEMS**

Nil

## **8 PUBLIC FORUM**

Nil

## **9 COMMUNITY BOARD MINUTES FOR RECEIPT**

### **9.1 MINUTES OF THE ŌMOKOROA COMMUNITY BOARD MEETING HELD ON 11 FEBRUARY 2025**

---

#### **RESOLUTION CL25-4.2**

Moved: Cr D Thwaites

Seconded: Cr M Grainger

That the Minutes of the Ōmokoroa Community Board Meeting held on 11 February 2025 be received.

**CARRIED**

---

### **9.2 MINUTES OF THE KATIKATI COMMUNITY BOARD MEETING HELD ON 12 FEBRUARY 2025**

---

#### **RESOLUTION CL25-4.3**

Moved: Cr A Henry

Seconded: Cr R Joyce

---

---

That the Minutes of the Katikati Community Board Meeting held on 12 February 2025 be received.

**CARRIED**

---

### **9.3 MINUTES OF THE WAIHĪ BEACH COMMUNITY BOARD MEETING HELD ON 17 FEBRUARY 2025**

---

#### **RESOLUTION CL25-4.4**

Moved: Cr A Henry

Seconded: Cr R Joyce

That the Minutes of the Waihī Beach Community Board Meeting held on 17 February 2025 be received.

**CARRIED**

---

### **9.4 MINUTES OF THE TE PUKE COMMUNITY BOARD MEETING HELD ON 20 FEBRUARY 2025**

---

#### **RESOLUTION CL25-4.5**

Moved: Cr A Wichers

Seconded: Cr G Dally

That the Minutes of the Te Puke Community Board Meeting held on 20 February 2025 be received.

**CARRIED**

---

### **9.5 MINUTES OF THE MAKETU COMMUNITY BOARD MEETING HELD ON 4 MARCH 2025**

---

#### **RESOLUTION CL25-4.6**

Moved: Cr L Rae

Seconded: Deputy Mayor J Scrimgeour

That the Minutes of the Maketu Community Board Meeting held on 4 March 2025 be received.

**CARRIED**

---

## 10 COUNCIL AND COMMITTEE MINUTES FOR CONFIRMATION

### 10.1 MINUTES OF THE STRATEGY AND POLICY COMMITTEE MEETING HELD ON 13 FEBRUARY 2025

---

#### RESOLUTION CL25-4.7

Moved: Mayor J Denyer

Seconded: Cr M Grainger

That the Minutes of the Strategy and Policy Committee Meeting held on 13 February 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

---

### 10.2 MINUTES OF THE COUNCIL MEETING HELD ON 18 FEBRUARY 2025

---

#### RESOLUTION CL25-4.8

Moved: Mayor J Denyer

Seconded: Deputy Mayor J Scrimgeour

1. That the Minutes of the Council Meeting held on 18 February 2025 be confirmed as a true and correct record and the recommendations therein be adopted.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

---

### 10.3 MINUTES OF THE ANNUAL PLAN AND LONG TERM PLAN COMMITTEE MEETING HELD ON 26 FEBRUARY 2025

---

#### RESOLUTION CL25-4.9

Moved: Deputy Mayor J Scrimgeour

Seconded: Cr A Henry

That the Minutes of the Annual Plan and Long Term Plan Committee Meeting held on 26 February 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

---

---

**10.4 MINUTES OF THE COUNCIL MEETING HELD ON 3 MARCH 2025**

---

**RESOLUTION CL25-4.10**

Moved: Mayor J Denyer

Seconded: Deputy Mayor J Scrimgeour

1. That the Minutes of the Council Meeting held on 3 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

---

---

**10.5 MINUTES OF THE STRATEGY AND POLICY COMMITTEE MEETING HELD ON 3 MARCH 2025**

---

**RESOLUTION CL25-4.11**

Moved: Mayor J Denyer

Seconded: Cr M Grainger

That the Minutes of the Strategy and Policy Committee Meeting held on 3 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

---

---

**10.6 MINUTES OF THE ANNUAL PLAN AND LONG TERM PLAN COMMITTEE MEETING HELD ON 12 MARCH 2025**

---

**RESOLUTION CL25-4.12**

Moved: Deputy Mayor J Scrimgeour

Seconded: Cr A Henry

That the Minutes of the Annual Plan and Long Term Plan Committee Meeting held on 12 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

---

---

**10.7 MINUTES OF THE COUNCIL MEETING HELD ON 18 MARCH 2025**

---

**RESOLUTION CL25-4.13**

Moved: Mayor J Denyer

Seconded: Cr L Rae

1. That the Minutes of the Council Meeting held on 18 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.
2. That the Chairperson's electronic signature be inserted into the confirmed minutes.

**CARRIED**

---

**11 REPORTS****11.1 PROPOSAL TO OFFICIALLY NAME PAEHI WANAKORE RESERVE (CURRENTLY UNOFFICIALLY KNOWN AS PARK ROAD AND BEACH ROAD RESERVE) KATIKATI**

Council considered a report dated 8 April 2025 from the Reserves and Facilities Manager, who provided an overview of the proposal and recommendations therein. Acknowledgement was made to the Wanakore whānau who were in attendance to see the closing of the process.

---

**RESOLUTION CL25-4.14**

Moved: Cr R Joyce

Seconded: Cr A Henry

1. That the Reserves and Facilities Manager's report dated 8 April 2025 titled 'Proposal to officially name Paeahi Wanakore Reserve (currently unofficially known as Park Road and Beach Road Reserve) Katikati' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
3. That Council, pursuant to s16(10) of the Reserves Act 1977 approves the naming of Lot 8 DP 36285, South Auckland Land District, being 1475m<sup>2</sup>, a recreation reserve, and by notice in the New Zealand Gazette, declare that the reserve shall be known by Paeahi Wanakore Reserve.

**CARRIED**

---

## 11.2 EASEMENT TO DRAIN SEWAGE OVER PART OF SEAFORTH ROAD LOCAL PURPOSE DRAINAGE RESERVE (LOT 248 DPS 76118) IN FAVOUR OF COUNCIL (IN GROSS)

Council considered a report dated 8 April 2025 from the Reserves and Facilities Manager, who provided an overview of the report and the recommendations therein.

### RESOLUTION CL25-4.15

Moved: Cr M Murray-Benge

Seconded: Cr A Henry

1. That the Reserves and Facilities Manager's report dated 8 April 2025 titled 'Easement to drain sewage over part of Seaforth Road Local Purpose Drainage Reserve (Lot 248 DPS 76118) in favour of Council (in gross)' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That, pursuant to the authority delegated by the Minister of Conservation to Western Bay of Plenty District Council, and the provisions of Section 48 of the Reserves Act 1977, Council hereby consents to the creation of an easement shown on the attached plan (**Attachment 1**) to allow Council in gross to discharge sewage over Lot 248 DPS 76118.

CARRIED

## 11.3 WAIKATO LOCAL AUTHORITY SHARED SERVICES (COLAB) LTD DRAFT STATEMENT OF INTENT 2025 - 2028 AND HALF YEAR REPORT AS AT 31 DECEMBER 2024

Council considered a report dated 8 April 2025 from the Financial Analyst. The General Manager Corporate Services provided an overview of the report and the recommendations therein.

Staff responded to pātai as follows:

- Staff did not feel that there were any amendments required to the Statement of Intent, noting a good level of engagement by CoLAB in working with Council in their service offerings.
- One director represented multiple councils; following the resignation of John Holyoake, David Speirs (Chief Executive Hauraki District Council) would be the representative.
- Council paid a membership fee of approximately \$60,000 and staff felt that Council received value for money, particularly through the procurement panel, noting that there was nothing similar that was offered through BOPLASS.
- The CoLAB Board determined the appointments and replacements.



**RESOLUTION CL25-4.16**

Moved: Cr M Murray-Benge

Seconded: Deputy Mayor J Scrimgeour

1. That the Financial Analyst's report dated 8 April 2025 titled 'Waikato Local Authority Shared Services (CoLAB) Ltd Draft Statement of Intent 2025 - 2028 and Half Year Report as at 31 December 2024' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That CoLAB's Half Year Report to Shareholders 31 December 2024 (**Attachment 1**) be received.
4. That CoLAB's Draft Statement of Intent 2025-2028 (**Attachment 2**) be received. Feedback, comments and recommended changes are to be provided to CoLAB no later than 1 May 2025, so that this can be considered for inclusion in their final Statement of Intent due to Council by 30 June 2025.
5. That the Board of the CoLAB be advised of any comments on their Draft Statement of Intent within two months from 1 March 2025.

**CARRIED**

---

#### **11.4 BAY OF PLENTY LOCAL AUTHORITY SHARED SERVICES LIMITED DRAFT STATEMENT OF INTENT 2025 - 2028 AND HALF YEAR REPORT AS AT 31 DECEMBER 2024**

Council considered a report dated 8 April 2025 from the Financial Analyst. The General Manager Corporate Services provided an overview of the report and the recommendations therein.

Staff responded to pātai as follows:

- The Statement of Intent, laid out in Attachment 2 of the report, set out what BOPLASS would be progressing. Their Annual Report spoke to their current initiatives.
  - In relation to 'Aerial Photography', this was carried out over a number of years, therefore having a separate budget line for this allowed money to be ring-fenced and to ensure they could keep track over time.
  - The Aerial mapping became part of Council's GIS, which became available to the public.
  - Interim CEO Miriam Taris would now be on this Board, as part of the CE delegations.
-

- Council's annual membership fee was approximately \$38,000, noting that additional costs were invoiced on a case by case basis depending on project involvement.
- BOPLASS secured a 'Group Insurance Cover' which saved Council a significant amount of money per year, by allowing Council to purchase insurance at a much lower rate.
- BOPLASS worked closely with the markets in London to ensure that Council received the best value, as well as understanding the risks of Council's current market.
- There were global changes and challenges, which was why Council had received presentations from AON in the past, to understand what was happening in the global market and to outline risk factors for Council, to ensure that this was understood and the best premium could be sought.

The following tākupu were made by Councillors:

- Page 5 of the Statement of Intent was provided as an example of the use of unquantified statements. There was a query around '*The company is committed to operating in an environmentally responsible way and will embed sustainability considerations (including ethical considerations)*'. Due to "ethical considerations" being a broad statement, clarification was sought on how this was interpreted by BOPLASS.
- It was suggested that Council encourage its valuers to use the aerial photographs to enable a more accurate reflection on what was seen on those photos within the valuations.

---

### RESOLUTION CL25-4.17

Moved: Deputy Mayor J Scrimgeour

Seconded: Cr T Coxhead

1. That the Financial Analyst's report dated 8 April 2025 titled 'Bay of Plenty Local Authority Shared Services Limited Draft Statement of Intent 2025 – 2028 and Half Year Report to 31 December 2024' be received.
  2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
  3. That BOPLASS's Half Year Report to Shareholders as at 31 December 2024 **(Attachment 1)** be received.
  4. That BOPLASS's Draft Statement of Intent 2025-2028 **(Attachment 2)** and accompanying cover letter **(Attachment 3)** be received. Feedback, comments and recommended changes are to be provided to BOPLASS no later than 1 May 2025, so that this can be considered for inclusion in their final Statement of Intent due to Council by 30 June 2025.
-

5. That the Board of the BOPLASS be advised of any comments on their Draft Statement of Intent within two months from 1 March 2025.

**CARRIED**

#### **11.5 WESTERN BAY OF PLENTY DISTRICT COUNCIL'S RATING FROM STANDARD AND POOR'S - MARCH 2025**

Council considered a report dated 8 April 2025 from the Financial Analyst. The Chief Financial Officer provided an overview of the report and the recommendations therein.

Staff responded to pātai as follows:

- Through the Long Term Plan it was projected that the rating would be downgraded, therefore retaining an AA rating meant that there was additional budget, which would be reflected in the actuals.
- Staff did not know at this stage what the ratings were for neighbouring councils, noting that Tauranga City Council (TCC) was part of a group of councils who were still having their rating reviewed.
- Staff had received indications that the CCOs in relation to Local Waters would be rated 'BBB'.

#### **RESOLUTION CL25-4.18**

Moved: Cr M Grainger

Seconded: Cr R Joyce

1. That the Financial Analyst's report dated 8 April 2025 titled 'Western Bay of Plenty District Council's Rating from Standard and Poor's - March 2025, be received.

**CARRIED**

#### **11.6 LOCAL GOVERNMENT FUNDING AGENCY DRAFT STATEMENT OF INTENT 2025 - 2028 AND HALF YEAR REPORT AS AT 31 DECEMBER 2024**

Council considered a report dated 8 April 2025 from the Financial Analyst. The General Manager Corporate Services provided an overview of the report and the recommendations therein.

Staff responded to pātai as follows:

- In relation to Green Loans, Council was looking at options for applying for these with large future projects.

- There was no progress in relation to LGFA seeing Council as a high growth council. It was noted that this was not an application process, but rather a matter of proving that Council met the criteria.
- Council received updates in relation to maturity matching for borrowing, noting that the report stated that LGFA's borrowing insurance went from 5.9 (3 years) to 6.8%. Under a CCO model it was anticipated that the length of life of the borrowings would get longer in terms of matching the debt life to the asset life.
- A council's debt requirement was determined by how far they were with their asset replacement and life cycle.
- Staff would require more information and feedback from LGFA to comment on extra debt capacity should Western Bay of Plenty District Council and Tauranga City Council form a CCO.
- Council did not currently have climate change disclosure reporting requirements, as this was just Auckland and Christchurch currently. Staff were aware these requirements were coming and therefore were keeping up to date with what these might look like, and how Council may respond.

#### RESOLUTION CL25-4.19

Moved: Mayor J Denyer

Seconded: Cr M Murray-Benge

1. That the Financial Analyst's report dated 8 April 2025 titled 'Local Government Funding Agency Draft Statement of Intent 2025 – 2028 and Half Year Report as at 31 December 2024' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That the LGFA's Half Year Report as at 31 December 2024 (**Attachment 1**) be received.
4. That the LGFA's Draft Statement of Intent 2025-2028 (**Attachment 2**) and accompanying cover letter (**Attachment 3**) be received. Feedback, comments and recommended changes are to be provided to LGFA no later than 1 May 2025, so that this can be considered for inclusion in their final Statement of Intent due to Council by 30 June 2025.
5. That the Board of the LGFA be advised of any comments on their Draft Statement of Intent within two months from 1 March 2025.

**CARRIED**

### 11.7 INDEPENDENT ASSURANCE REPORT OF THE DEBENTURE TRUST DEED FOR THE YEAR ENDED 30 JUNE 2024

Council considered a report dated 8 April 2025 from the Financial Manager. The Chief Financial Officer provided an overview of the report and the recommendations therein.

#### RESOLUTION CL25-4.20

Moved: Cr M Grainger

Seconded: Deputy Mayor J Scrimgeour

That the Financial Manager's report dated 8 April 2025 titled 'Independent Assurance report of the Debenture Trust Deed for the Year ended 30 June 2024' be received.

**CARRIED**

### 11.8 RECOMMENDATORY REPORT - STRATEGY AND POLICY COMMITTEE - ANIMALS (EXCLUDING DOGS) AND PUBLIC PLACES BYLAWS

Council considered a report dated 8 April 2025 from the Senior Policy Analyst, who took the report as read.

#### RESOLUTION CL25-4.21

Moved: Mayor J Denyer

Seconded: Cr M Grainger

1. That the Senior Policy Analyst's report dated 8 April 2025 titled 'Recommendatory Report – Strategy and Policy Committee – Animals (Excluding Dogs) and Public Places Bylaws', be received.
2. That Council adopts the Animals (Excluding Dogs) Bylaw (included at **Attachment 1** of the agenda), to come into force on 8 May 2025.
3. That Council adopts the Public Places Bylaw (included at **Attachment 2** of the agenda), to come into force on 8 May 2025.
4. That Council directs the Chief Executive to publicly notify the adoption of the Animals (Excluding Dogs) Bylaw 2025 and the Public Places Bylaw 2025 in accordance with section 156(2) of the Local Government Act 2002.

**CARRIED**

## 11.9 DISTRICT HALL AND COMMUNITY CENTRE LEASES 2025-2055

Council considered a report dated 8 April 2025 from the Operations Manager, who took the report as read.

Staff responded to pātai as follows:

- Staff did not see any need to keep the halls for Council use, noting that they were working well as they were.
- Not all of the halls were included in this recommendation due to the leases being up for renewal at different times.

### RESOLUTION CL25-4.22

Moved: Cr M Murray-Benge

Seconded: Cr M Grainger

1. That the Operations Manager's report dated 8 April 2025 titled 'District Hall and Community Centre Leases 2025-2055', be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council, in its capacity as administering body of the following lots, grants the named hall/community centre committees listed in **Table 1** below a land lease for 5 years with the ability to renew the lease five more times each for the purpose of a community hall/community centre:

Land Description	Title	Lease area	Hall/Community Centre	Lessee (Incorporated Society)	Current lease ends
Lot 1 DPS 65226	SA60A/140 - Local Purpose (Community Use) Reserve	1250 m <sup>2</sup> *	Waihi Beach Community Centre	Waihi Beach Community Centre Society Inc	6/6/2025 (30 years)
Section 3 SO 465654	No title - Local Purpose (Community Buildings) Reserve	1936 m <sup>2</sup>	Pongakawa Hall	The Pongakawa Hall and Domain Committee Inc	25/6/2025 (30 years)
Lot 1 DP 37163	SA963/204 - Fee Simple	809m <sup>2</sup>	Ohauiti Settlers Hall	The Ohauiti Settlers Association Inc	26/6/2025 (30 years)

Lot 1 DPS 710 and Lot 3 DP 539566	902614 - Local Purpose (Community Use) Reserve	5144 m <sup>2</sup>	Ōropi Memorial Hall	The Ōropi Settlers Incorporated	2/7/2025 (30 years)
Lot 23 DPS 12953	SA11B/478 - Fee Simple	3667 m <sup>2</sup>	Paengaroa Hall	Paengaroa Community Hall Society Incorporated	2/7/2025 (30 Years)
Part Lot 1 DP 34641	SA892/293 - Fee Simple	1619m <sup>2</sup>	Pyes Pā Hall	Pyes Pā Hall Incorporated	2/7/2025 (30 years)
Whakamārama 1C1A5B2B1 Block	SA14B/1263 - Fee Simple	3035 m <sup>2</sup>	Whakamārama Community Centre	Whakamārama Community Centre Incorporated	2/7/2025 (25 years)

Table 1 \*Building footprint only

Carried

#### 11.10 APPOINTMENT OF ALTERNATE LOCAL CONTROLLER AND ALTERNATE LOCAL RECOVERY MANAGER

Council considered a report dated 8 April 2025 from the Team Lead Emergency Management.

Due to Cedric Crow no longer being available to be the Alternate Local Controller/Alternate Local Recovery Manager for Western Bay of Plenty District Council, recommendation 3b was not considered.

#### RESOLUTION CL25-4.23

Moved: Cr A Wichers

Seconded: Cr D Thwaites

1. That the Team Lead Emergency Management's report dated 8 April 2025 titled 'Appointment of Alternate Local Controller and Alternate Local Recovery Manager' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That, in accordance with the Civil Defence Emergency Management Act 2002, and the Bay of Plenty Emergency Management Group Policy for selection and

---

appointment of Local Controllers and Local Recovery Managers, Western Bay of Plenty District Council:

- a) Acknowledges the retirement of Gary Allis and recommends that his appointment to the position of Local Controller be rescinded.

**CARRIED**

---

#### **11.11 ORDER OF CANDIDATE NAMES FOR THE 2025 TRIENNIAL ELECTIONS**

Council considered a report dated 8 April 2025 from the Governance Manager, who provided an overview of the report and the recommendations therein.

Staff responded to pātai as follows:

- While Council resolved for the order of the candidate names to be random prior to the last elections, there was an error by the elections services provider at the time, which meant that this did not happen.
- 

#### **RESOLUTION CL25-4.24**

Moved: Mayor J Denyer

Seconded: Cr D Thwaites

1. That the Governance Manager's report dated 8 April 2025 and titled 'Order of candidate names for the 2025 Triennial Elections' be received.
  2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
  3. That Council determines that the order of candidate names on the voting papers for the 2025 triennial elections, and any subsequent by-elections until October 2028, be:
    - The random order of candidate names.
- 

**CARRIED**

---

#### **11.12 MAYOR'S REPORT TO COUNCIL**

Council considered a report dated 8 April 2025 from the Senior Executive Assistant – Mayor/CEO. The Mayor acknowledged and welcomed Miriam Taris as Interim Chief Executive and introduced Gia Nelson who was the recipient of the 2025 Tuia Mentoring Programme.

---



The Mayor responded to pātai as follows:

- Regional Deals had to be approved by Council after negotiations took place by a smaller group.
- Development Levies through Regional Deals would replace Development Contributions, which created an entirely different regime. The CE believed this regime would be more permissive, encompassing and standardised, however Council did not have any further information at this stage.
- The Mayor was still invited to LGNZ meetings, and would still be attending meetings as he saw fit.
- The Mayor and Councillor Murray-Benge were invited to attend a presentation from the Port and Cruise Ship industry followed by a tour of the cruise ship, noting that this was fascinating.
- Film Bay of Plenty had a Service Delivery Contract with Council, noting that they encouraged filming across the Bay of Plenty.
- There were currently no updates on the alternative options for the Mayors' Taskforce for Jobs.
- The radio interviews that the Mayor undertook regarding LGNZ resignation were with 'The Platform' and 'Radio New Zealand'.
- In relation to the Place Brand workshop this would be coming back to Council as an Issues and Options Paper. It was noted that Council would try to resolve this in time for the Annual Plan 2025/26, however it could be included in the next Annual Plan if more appropriate.

The following tākupu were made by Councillors:

- It was requested that the Local MPs did not just meet with the Mayor, but with the Council as a whole, particularly now that Council was not a member of LGNZ.

### RESOLUTION CL25-4.25

Moved: Mayor J Denyer

Seconded: Cr L Rae

That the Senior Executive Assistant – Mayor/CEO's report dated 8 April 2025 title 'Mayor's Report to Council' be received

**CARRIED**

## 12 INFORMATION FOR RECEIPT

Nil

## 13 RESOLUTION TO EXCLUDE THE PUBLIC

As the confidential agenda only contained minutes for confirmation and there were no corrections required, to avoid moving into confidential, the minutes were confirmed as part of the open business.

---

**13.1 CONFIDENTIAL MINUTES OF THE COUNCIL MEETING HELD ON 18 FEBRUARY 2025**

---

**RESOLUTION CL25-4.26**

Moved: Mayor J Denyer

Seconded: Deputy Mayor J Scrimgeour

That the Confidential Minutes of the Council Meeting held on 18 February 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

---

---

**13.2 CONFIDENTIAL MINUTES OF THE COUNCIL MEETING HELD ON 18 MARCH 2025**

---

**RESOLUTION CL25-4.27**

Moved: Cr T Coxhead

Seconded: Cr M Grainger

That the Confidential Minutes of the Council Meeting held on 18 March 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**CARRIED**

---

**The Meeting closed at 10.30am.**

**Confirmed as a true and correct record at the Council meeting held 27 May 2025.**

.....

Mayor J Denyer

**CHAIRPERSON / MAYOR**

**10.7 MINUTES OF THE STRATEGY AND POLICY COMMITTEE MEETING HELD ON 8 MAY 2025**

**File Number:** A6771772

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

**RECOMMENDATION**

1. That the Minutes of the Strategy and Policy Committee Meeting held on 8 May 2025 be confirmed as a true and correct record and the recommendations therein be adopted.

**ATTACHMENTS**

1. Minutes of the Strategy and Policy Committee Meeting held on 8 May 2025

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
STRATEGY AND POLICY COMMITTEE MEETING NO. SPC25-4  
HELD IN THE COUNCIL CHAMBERS, 1484 CAMERON ROAD, TAURANGA  
ON THURSDAY, 8 MAY 2025 AT 9.30AM**

**1 KARAKIA**

Whakatau mai te wairua  
Whakawātea mai te hinengaro  
Whakarite mai te tinana  
Kia ea ai ngā mahi

Settle the spirit  
Clear the mind  
Prepare the body  
To achieve what needs to be  
achieved.

Āe

Yes

**2 PRESENT**

Mayor J Denyer, Cr M Grainger, Cr T Coxhead, Cr G Dally, Cr A Henry, Cr R Joyce, Cr M Murray-Benge, Cr L Rae, Deputy Mayor J Scrimgeour, Cr A Sole and Cr D Thwaites.

**VIA ZOOM**

Cr A Wichers

**3 IN ATTENDANCE**

M Taris (Interim Chief Executive), R Davie (Deputy CEO/General Manager Strategy and Community), E Watton (Strategic Policy and Planning Programme Director), R Gallagher (Acting Policy and Planning Manager), S Bedford (Finance Manager), D Leslie (Senior Policy Analyst), H Wi Repa (Governance Systems Advisor), R Garrett (Governance Manager) and R Leahy (Senior Governance Advisor).

**4 APOLOGIES**

Nil

**5 CONSIDERATION OF LATE ITEMS**

Nil

**6 DECLARATIONS OF INTEREST**

Nil

## 7 PUBLIC EXCLUDED ITEMS

Nil

## 8 PUBLIC FORUM

Nil

## 9 PRESENTATIONS

Nil

## 10 REPORTS

### 10.1 SUBMISSION ON THE REGIONAL SPEED LIMIT REVIEW – TE MOANA A TOI-TE-HUATAHI – SH2 KATIKATI TO TE PUNA

The Committee considered a report from the Senior Policy Analyst dated 8 May 2025. The report was taken as read.

### RESOLUTION SPC25-4.1

Moved: Cr M Grainger

Seconded: Cr M Murray-Benge

1. That the Senior Policy Analyst's report dated 8 May 2025 titled 'Submission on the Regional Speed Limit Review – Te Moana a Toi-te-Huatahi – SH2 Katikati to Te Puna' be received.
2. That the following submission, shown as **Attachment 1** to this report, be received by the Strategy and Policy Committee and the information noted.
  - a. Submission on the Regional Speed Limit for SH2 Katikati to Te Puna dated 13 March 2025.

**CARRIED**

## 11 INFORMATION FOR RECEIPT

Nil

**The Meeting closed at 9.37am.**

**Confirmed as a true and correct record by Council on 27 May 2025.**

## 11 REPORTS

### 11.1 DELIBERATIONS ON THE FUTURE WATER SERVICES DELIVERY MODEL

**File Number:** A6750581

**Author:** Ariell King, Strategic Advisor: Legislative Reform and Special Projects

**Authoriser:** Adele Henderson, General Manager Corporate Services

#### PURPOSE

1. For Council to decide on the future model of water service delivery. This model will underpin the development of the Water Service Delivery Plan (WSDP) that must be submitted to the Department of Internal Affairs (DIA) by 3 September 2025.
2. For clarity, if Council decides that the preferred model is a joint Council water services Council-Controlled Organisation (WSCCO), this decision does not include the other Councils that may be potential partners in a joint Council WSCCO, and which parts of the stormwater service may transfer to a potential joint Council WSCCO.

#### RECOMMENDATION

1. That the Strategic Advisor: Legislative Reform and Special Projects report dated 27 May 2025 titled 'Deliberations on the future water services delivery model' be received.
2. That the report relates to an issue that is considered to be of **high** significance in terms of Council's Significance and Engagement Policy.
3. That Council resolves that the future model of water service delivery is a joint Council water services Council-Controlled Organisation (WSCCO).
4. That Council directs the Chief Executive Officer to prepare the Water Services Delivery Plan on the basis of a joint Council WSCCO, for Council approval at a future meeting.
5. That Council maintains flexibility to determine which Councils would form part of any future WSCCO, and that this matter is the subject of further discussions.
6. That Council notes that decisions regarding the delivery of stormwater services (either all or in part) has not been decided and will be the subject of further discussions.
7. That Council adopts the establishment principles set out in this report and agrees to use the Department of Internal Affairs template for Commitment Agreements as a starting point.

8. That Council directs the Chief Executive Officer to take the necessary steps to progress consideration of a joint Council WSCCO including preparing a Commitment Agreement (on the basis of the establishment principles) with potential partners in a joint Council WSCCO, including, if necessary, independent support and advice, for Council approval at a future meeting.
9. That Council receives the minutes and additional information presented by submitters at the hearings on 13 May 2025 (**Attachment 1**).
10. That Council receives the presentation and minutes from the Council Workshop on 15 April 2025 (**Attachment 3 and 4**) and the Council Workshop on 8 May 2025 (**Attachment 5, 6 and 7**).

### EXECUTIVE SUMMARY

3. This report provides the Council with the evidence required to make a decision regarding the future model for water service delivery. The model will underpin the development of the Water Service Delivery Plan (WSDP) that must be submitted to the Department of Internal Affairs (DIA) by 3 September 2025. The report recommends that the Council adopts a joint Council water services Council-Controlled Organisation (WSCCO) as the preferred model for future water service delivery.
4. The coalition government's approach to managing three waters in New Zealand is provided for in the Local Government (Water Services Preliminary Arrangements) Act and the Local Government (Water Services) Bill released in December 2024. The Act requires the Council to prepare a WSDP that demonstrates commitment to delivering water services in compliance with regulatory standards, financial sustainability, and support for housing growth and urban development. The final requirements of the Bill will be confirmed when it becomes an Act (likely August 2025).
5. Council undertook financial modelling, analysis and assessment against the new and signalled legislative requirements. This included long-term considerations regarding anticipated capital infrastructure requirements, debt sustainability, revenue sufficiency and affordability and the agreed strategic objectives for Council to consider when assessing the available water service delivery models. The Council agreed on a preferred option of a joint Council WSCCO and consulted the community on this option.
6. Consultation was undertaken from 24 March to 24 April 2025, involving community information sessions, surveys, social media promotion, and a district-wide mailout. A total of 124 submissions were received, with the majority supporting a joint Council WSCCO. Council has also considered new information following the adoption of the consultation document, including further analysis of in-house or standalone options, the key milestones and timeframes required to establish a WSCCO and a

set of establishment principles to guide and inform discussions in the development of a potential Commitment Agreement.

7. Following Council's decision on the preferred water service delivery model, staff will prepare the Water Service Delivery Plan and continue discussions with potential partner Councils.

## BACKGROUND

8. Local Water Done Well is the coalition government's approach to the future management of three waters in New Zealand. The approach is provided for in the Local Government (Water Services Preliminary Arrangements) Act (the Act) and the Local Government (Water Services) Bill released in December 2024.

9. The Act requires Council to prepare a **Water Service Delivery Plan (WSDP)**. The Act sets out what must be included in the plan and that it must:

*demonstrate publicly its commitment to deliver water services in a way that—*

- (i) ensures that the territorial authority will meet all relevant regulatory quality standards for its water services; and*
- (ii) is financially sustainable<sup>1</sup> for the territorial authority; and*
- (iii) ensures that the territorial authority will meet all drinking water quality standards; and*
- (iv) supports the territorial authority's housing growth and urban development, as specified in the territorial authority's long-term plan.*

10. The financial sustainability requirements mean that water revenue must be kept separate from Council's other functions, so that this revenue is only used for water services (colloquially known as 'ring-fencing'). The WSDP must include the anticipated or proposed model or arrangements for delivering water services.
11. The Local Government (Water Services) Bill was released in December 2024. This Bill provides arrangements for the new water services delivery system including the models for service delivery; a new economic regulation and consumer protection regime for water services; and changes to the water quality regulatory framework and the water services regulator.
12. Council must submit the WSDP to the Department of Internal Affairs (DIA) by 3 September 2025.
13. Council engaged MartinJenkins to provide financial modelling, analysis and assessment against the new and signalled legislative requirements. This included

---

<sup>1</sup> **financially sustainable** means, in relation to a territorial authority's delivery of water services, that—

- (a) the revenue applied to the authority's delivery of those water services is sufficient to ensure the authority's long-term investment in delivering water services; and
- (b) the authority is financially able to meet all regulatory standards and requirements for the authority's delivery of those water services.



long-term considerations regarding anticipated capital infrastructure requirements, debt sustainability, revenue sufficiency and affordability and the agreed strategic objectives for Council to consider when assessing the available water service delivery models.

14. The MartinJenkins reports and workshop presentations were received by Council at meetings on 26 September 2024 and 3 March 2025. The Council agenda items can be accessed [here](#) and [here](#).
15. The outcomes of the financial modelling, analysis and assessment prepared by MartinJenkins confirmed that Council had three water service delivery models to consider including *remaining with the existing approach for delivering water services* (as required to be considered by the Act), *a single Council Water Services Council-Controlled Organisation (WSCCO)*, or *a joint Council WSCCO*. It also confirmed that a joint Council WSCCO had the strongest alignment with Council's strategic objectives including financial sufficiency and affordability.
16. Further modelling was undertaken to understand the implications of a joint Council WSCCO including the financial information of other Councils who expressed an interest in the opportunity of joining (and who agreed to this modelling). This information was included in the 3 March 2025 Council agenda (Attachment 7). This independent modelling confirmed a compelling case in relation to the financial benefits of a joint WSCCO.
17. Council adopted a consultation document on 18 March 2025 that set out that the preferred model for the future delivery of water services was a joint Council Water Services Council-Controlled Organisation (WSCCO). The Council agenda item can be accessed [here](#).
18. Staff have continued to explore options for a joint water services delivery model with other Councils, including a joint Council WSCCO with Tauranga City Council.
19. Council has also continued to participate in discussions with the Bay of Plenty Regional Mayoral Forum and has undertaken direct engagement with Thames Coromandel District Council. Council remains open to further discussions regarding potential Council partners in a joint Council WSCCO.

## SIGNIFICANCE AND ENGAGEMENT

20. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
21. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.

22. In terms of the Significance and Engagement Policy this decision is considered to be of **high** significance because Council is signalling a change to the model for the delivery of water services. The requirement to consider the future delivery of these services is set out in the Local Government (Water Services Preliminary Arrangements) Act and the Local Government (Water Services) Bill.

### ENGAGEMENT, CONSULTATION AND COMMUNICATION

23. Consultation was undertaken from 24 March to 24 April 2025. The consultation methods that were utilised were community information sessions in six different locations across the district, digital and paper surveys to collect feedback, social media to promote the purpose of the consultation and upcoming events and a district-wide mailout to all ratepayers and non-resident ratepayers of an information brochure (either in print or via email).
24. In addition, there were regular press releases to local media, digital advertising, Antenno, print advertising and use of Council's fortnightly electronic newsletter.
25. There were 124 submissions received from the community on the options for water service delivery with 15 submitters speaking at the hearings on 13 May 2025. Council formally received all submissions at the hearings. The minutes of the hearings are attached and include additional information provided by submitters at the hearing (**Attachment 1**).
26. Submissions were received from Te Runanga o Ngati Whakaue ki Maketu, Mokopuna Tia me Hei, Ngapeke 6C Ahu Whenua Trust, Ngāti Pūkenga Ki Tauranga, the Maketu Community Board, Katikati Community Board, Waihi Beach Community Board, Katikati – Waihi Beach Residents and Ratepayers Association, Ōmokoroa Residents and Ratepayers Association, Te Puna Heartlands, Federated Farmers and the Bay of Plenty Regional Council.
27. There were 1,200 visits to the Tō Wāhi/Your Place webpage and a total reach of 14,317 through Facebook.
28. The analysis of the submissions in terms of the water service delivery model is set out below:

Water service delivery model	Number	Percentage
Joint Council WSCCO	53	43%
Single Council WSCCO	14	11%
Status quo	8	7%
Model preference unclear or not stated	37	30%
Fluoride	4	3%
Other	6	6%
Total	124	100%

29. Of those submitters that specifically identified a preferred option, 70.5% supported a joint Council WSCCO, 18% supported a single Council WSCCO, and 11.5% supported the status quo.
30. During the consultation we also asked the community to let us know what was most important when considering the future of water services. Submitters were asked to select their top five from a range of issues. The table below sets out how each of these matters ranked by their importance:

What matters most to you?	Number
Ensuring safe drinking water – Meeting regulatory standards and protecting public health.	95
Consistent water service – Keeping or improving service levels for water, wastewater, and stormwater.	83
Strong governance and expert oversight – Ensuring Water Services are well-managed and meet required standards.	76
Future water costs and investment – Managing the cost of water services and securing infrastructure funding	72
Financial sustainability – Choosing an option that meets Government rules and avoids future financial risks.	69
Community influence – Residents having a strong voice in decision-making.	69
Growth planning – Preparing water services for population growth.	59
Innovation – Using new technology to make water services more efficient and sustainable	55
Climate resilience – Ensuring water services are prepared for climate change impacts (e.g., heavy rainfall and drought).	43
Cultural input – Ensuring Tangata Whenua involvement in water decisions.	36
Environmental benefits – Improving the environmental impact of water services	28

31. Submitters commented on a range of other matters including backflow protection, cost-effectiveness of a joint Council WSCCO, individual storage of water, efficient use of water, the value of professional directors and that Council should seek expert assistance to appoint directors. Some submitters raised the idea of amalgamation as an alternative option.
32. Some submitters raised concerns about forming a joint-Council WSCCO, loss of control and the ability to influence decisions that directly affected their community. There were also comments that submitters did not wish to subsidise investment in other communities' water services infrastructure. Submitters were also concerned about the affordability of water services and the potential impact on rates (over and above water charges).
33. Updates on the Council's approach and progress on the Local Waters Done Well requirements have been provided to Te Kāhui Mana Whenua o Tauranga Moana

and Te Ihu o te Waka o Te Arawa. Feedback has also been sought and provided from these forums as to how Tangata Whenua could participate in the pre-establishment phase of a joint Council WSCCO and in the ongoing direction and operations of a WSCCO. It is recommended that these discussions continue.

34. In the submissions received from Te Runanga o Ngati Whakaue ki Maketu, Mokopuna Tia me Hei, Ngapeke 6C Ahu Whenua Trust, and Ngāti Pūkenga Ki Tauranga generally supported a joint Council WSCCO. Key considerations in the development of a WSCCO need to include partnership with and representation of Tangata Whenua, hapu and iwi, the importance of Te Ao Māori, the careful selection of partner Councils, and a focus on all communities (not just towns and cities).
35. Ngāti Pūkenga Ki Tauranga also submitted their Te Mana o Te Wai Statement. This statement sets out their expectations on the importance of the wai in their rohe, how to give effect to their Treaty Settlement, the Ngāti Pūkenga Claims Settlement Act 2013 and Te Tiriti o Waitangi.
36. Depending on the final decision of Council on the preferred water service delivery model, there are potential implications for Western Bay of Plenty District Council staff. Staff are being kept updated on the process and support provided, as necessary.

## DISCUSSION

37. Council is legally required to decide the future model for water service delivery. This is a significant decision with Council ensuring that robust financial modelling, analysis and assessment was the foundation of identifying a preferred model for consultation.

### New information presented to Council

38. Further to Council's decision to adopt the consultation document on 18 March 2025 and undertake engagement with the community, additional information has been presented to Council.
39. In April 2025, the Local Government Funding Agency (LGFA), provided further details on how financial covenants would be calculated for a water CCO, for a council that transfers its water assets to a water CCO and for a council that retains its water assets in-house (**Attachment 2**).
40. MartinJenkins advised that the updated framework from the LGFA is broadly consistent with the approach taken to-date and that they did not anticipate the changes having a substantial or material impact on the options assessment or consultation materials.
41. A Council workshop with staff and MartinJenkins on 15 April 2025 outlined the process and timeframes for the establishment of a potential joint Council WSCCO (**Attachment 3 and 4**). This included an overview of the key documents required e.g., Commitment Agreement, Shareholders Agreement and transfers of assets.

42. A Council workshop with staff and MartinJenkins on 8 May 2025 provided a response to a number of questions raised by Councillors and a presentation on taking a principles-based approach to the development of a joint Council WSCCO (**Attachment 5, 6 and 7**).
43. This workshop included further discussion of the option for Council to standalone (either with an inhouse model or a single Council CCO) and reiterated the challenges of this approach including a discussion on leveraging water debt significantly (400 percent and 500 percent scenarios were provided).
44. This indicative analysis follows on from the alternative modelling that Council reviewed in January 2025. MartinJenkins confirmed their previous advice that stand-alone options were technically feasible but would present a much higher risk approach than a joint-WSSCO, including absorbing much of the Council's debt capacity under existing treasury policies.
45. The table below (from Attachment 6) provides a comparative assessment of the key financial metrics for an in-house delivery model, an in-house delivery model with a 400 percent debt to revenue ratio, a WBOPDC only WSCCO and a four Council WSCCO.
46. The table illustrates that a highly leveraged debt to revenue position (option 1b) creates an average cost per connection in FY34 similar to that of a joint Council WSCCO (when prices are non-harmonised). However, this is a **one-off pricing benefit** to current ratepayers and would result in higher water charges in the long-run (due to higher interest costs) and does not account for benefits from longer-term efficiencies that would accrue under the joint Council WSCCO option.
47. This option would also require increases in water charges in the short-term to maintain the target level of leverage, however this could be managed by accepting a higher debt-to-revenue ratio in the short-term. The table also notes, limited debt headroom (based on our WBOPDC's current treasury policy) for other community priorities, a higher water charge in the long run due to limited opportunities for efficiencies and also creates risks for Council's overall financial strategy. Option 1b does not have a strong alignment with the agreed strategic objectives including affordability for consumers over the longer term.

## Comparative assessment of key financial metrics

	1a. In-house delivery (LTP)	1b. In-house delivery (400% Debt : revenue)	2. WBOPDC only WSO	3. Four Council Water Services Organisation
	Creation of dedicated ring-fenced water services unit within WBOPDC, with revenues reflecting the LTP forecast.	Creation of dedicated ring-fenced water services unit within WBOPDC, with revenues set targeting a debt to revenue ratio of 400%	WBOPDC establishes its own WSO.	Partner with other Councils
<b>Average cost per connection FY34 (\$real)</b>	~\$4,900 p.a.** FY25 cost is around ~\$2,330 per connection	~\$2,450** <i>Note, in short term requires significant price increased</i>	~\$2,680	~\$3,050 (price harmonised) ~\$2,440 (non-harmonised)
<b>Efficiencies</b>	No efficiencies have been assumed.	No efficiencies have been assumed.	\$1.5 million cumulative <u>opex</u> efficiencies between FY29 and FY34. Cumulative <u>opex</u> efficiencies reach 3.8% p.a. in FY44. \$1.4 million cumulative <u>capex</u> efficiencies between FY27 and FY34 Cumulative <u>capex</u> efficiencies reach 4.8% p.a. in FY44.	\$8.5 million cumulative <u>opex</u> efficiencies between FY29 and FY34. Cumulative <u>opex</u> efficiencies reach 8.4% p.a. in FY44. \$6.4 million cumulative <u>capex</u> efficiencies between FY27 and FY34 Cumulative <u>capex</u> efficiencies reach 20.8% p.a. in FY44.
<b>Council financial position (FY34)</b>	Including water services, Council debt-to-revenue ratio (including three waters) is expected to be 91% in FY34 and sees a peak debt-to-revenue ratio of 183% in FY29.	Including water services, Council debt-to-revenue ratio (including three waters) is expected to be 151% in FY34 and sees a peak debt-to-revenue ratio of 164% in FY28.	When water services revenues and debt are removed from the Council, the Council's net external debt position would peak at 57% in FY34. In FY34, the Council would have around \$350 million of additional debt headroom when compared to retaining water services in-house (against the LGFA limit of 280%). This compares to debt headroom of around \$260 million if water services are retained in-house, and revenues are set at a level of 400% debt to revenue.	
		This high-level testing shows that while it is feasible to increase borrowing for water services it would: <ul style="list-style-type: none"> <li>• <b>Absorb much of WBOPDC's debt headroom</b> (cf. internal limit of 200%) leaving less balance sheet capacity for other priorities</li> <li>• Create a one-off pricing benefit to current ratepayers, by temporarily suppressing price increases</li> <li>• Result in <b>higher water charges in the long-run</b>, as there are limited opportunities for efficiencies / changes in cost structure</li> <li>• Result in <b>higher risks for WBOPDC's financing strategy</b> from being a highly geared Council.</li> </ul>		

\*\* Incorporates additional costs to meet LWDW.



MARTINJENKINS COMMERCIAL IN CONFIDENCE

LOCAL WATER DONE WELL - OPTIONS ASSESSMENT | 37

48. Council also considered a set of establishment principles (set out below) that will be used as the foundation for a Commitment Agreement with other Councils:

<b>Principles Based Approach</b>	
<b>Equitable services for communities</b>	Improved safety, quality, resilience and environmental performance of water services.
<b>Equitable and affordable</b>	Consumers have fair access to affordable water services, which are also financially sustainable, and represent value for money.
<b>Optimised delivery</b>	Cross council boundary coordination of resources, planning (including urban planning), and unlocking opportunities at a larger scale, while supporting local procurement where appropriate.
<b>Transparency and accountability</b>	Transparency about, and accountability for, the delivery of services to communities including through establishment.
<b>Council support</b>	All major Council decisions are made by Council consistent with legislation and delegations.
<b>Responsibilities to hapū and iwi are met</b>	Treaty obligations and commitments are upheld and met, including open engagement with iwi and hapū.
<b>Fair process and equal opportunity</b>	The transition must be underpinned by procedural fairness that gives staff from all organisations equal opportunity to apply for roles in the new entity (excluding executive and board appointments).
<b>Process related principles</b>	
<b>Decision-making equals</b>	The model of creating a joint water service organisation should be fair and the process designed to enable partners to contribute as decision-making equals rather than the lead council approach. This should be supported by a Joint Working Group of elected members and associated supporting officers.
<b>Follow the DIA guidance</b>	Unless there is a compelling reason not to, the guidance provided by DIA provides a useful starting point including a first stage commitment agreement.

#### Implications for rest of Council activities

49. There are potential implications for the rest of Council's activities if the water, wastewater and stormwater were to be delivered by a separate entity or were to be retained inhouse. This includes consideration of borrowing capacity and the ability for Council to invest in non-water related infrastructure and services. The community would be involved in future conversations as to what community

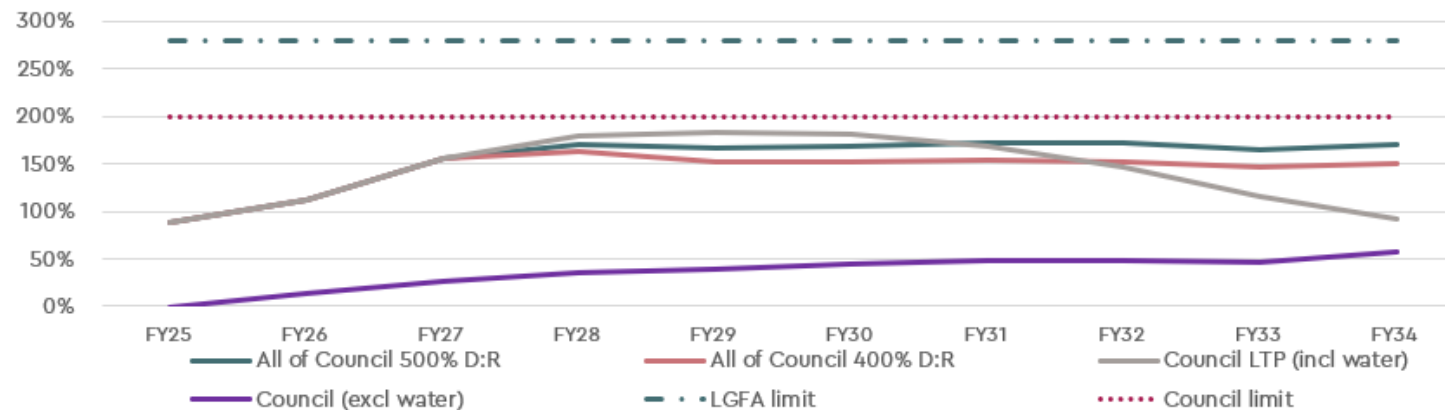
facilities and services should be invested in moving forward. The outcome of these conversations would then determine the level of rates required and debt.

50. There are also implications for organisational structure, management of stranded overheads including corporate costs, facilities requirements and IT system costs., Council planning processes, and associated policy changes.
51. Modelling of net debt to operating revenue has been undertaken for four scenarios (see graph below). It illustrates the debt capacity available to Council if the waters debt is moved to a joint Council WSCCO, and the impacts on all Council debt if the waters debt is leveraged to 400 or 500 percent.



## All of Council debt

Net debt to operating revenue



Council has an internal debt to revenue limit of 200%, while the LGFA limit is 280% for the Council.

### All of Council debt with inhouse water services delivery

As at June 2025, Council is forecasting to have a closing external net debt balance of \$160 million. Water debt totals \$161 million, including internal debt, meaning any transfer of water services and associated debt today (as a hypothetical) would result in the Council having no net debt.

Compared to the LGFA limit of 280%, and WBOPDC's internal limit of 200% debt to revenue under each scenario reaches a maximum of:

- 183% in FY29 using the LTP forecasts
- 172% in FY31 using the 500% debt to revenue scenario
- 164% in FY28 using the 400% debt to revenue scenario
- 57% in FY34 if water services are transferred to a WSO

#### Implications for rest of council opex

We have undertaken high level analysis of operating costs. Opex – excluding water services has increased 69% over the last three years to \$103 million in FY24 driven primarily through opex expenses (as opposed to finance costs). These costs are forecast to continue grow to \$147m in FY34. Our analysis highlights room for efficiency improvement but further work is required to understand overheads and cost allocation informed by decisions on the water services model and option and the treatment of transition costs



MARTINJENKINS COMMERCIAL IN CONFIDENCE

LOCAL WATER DONE WELL | 46

52. There is also other legislative reform underway that is likely to have an impact on Council including reform of the Local Government Act and the Resource Management Act. Further work will be undertaken when a decision is made on the water services delivery model and when further details are released by the Government on the legislative reform.

### Stormwater

53. All modelling and assessments to date have assumed that the delivery model will include water, wastewater, and stormwater. The rationale for this assumption is that no decisions have been made regarding what stormwater assets, operations or charging mechanism may be included in a potential joint-Council WSCCO.
54. The Local Government (Water Services) Bill includes provisions where Councils will retain legal responsibility and control of stormwater (through a management plan and bylaw), with flexibility to decide the best approach for managing it. This means councils can choose to continue delivering stormwater services themselves; contract a new water organisation to manage certain aspects of stormwater services e.g. a WSCCO; or transfer parts of stormwater service delivery to a water organisation. It is also important to note that aspects of the Bill maybe amended through the Select Committee process and may result in different requirements for stormwater.
55. Initial modelling suggests that retaining stormwater assets and debt increases Council's debt to revenue ratio in the short term but has no impact in the long run due to the steep revenue path. If Council retain this revenue path, the cost per connection would be ~\$725 more in FY34 than via a non-harmonised joint Council WSCCO (four entity modelling). This is being driven by the revenue profile. If Council flattened stormwater charges, Councils net position would increase marginally, but also reduce per connection costs to close the \$725 gap.
56. There is a Council workshop set down for 4 June to discuss the various aspects of stormwater service and delivery. As Council is aware, stormwater management is complex given the interactions with other community assets such as reserves.
57. The outcomes of this workshop will inform the development of the WSDP. It is expected that the final stormwater service arrangements will be completed as part of the discussions between partner Councils to a joint-Council WSCCO.

### Implementation of the WSDP

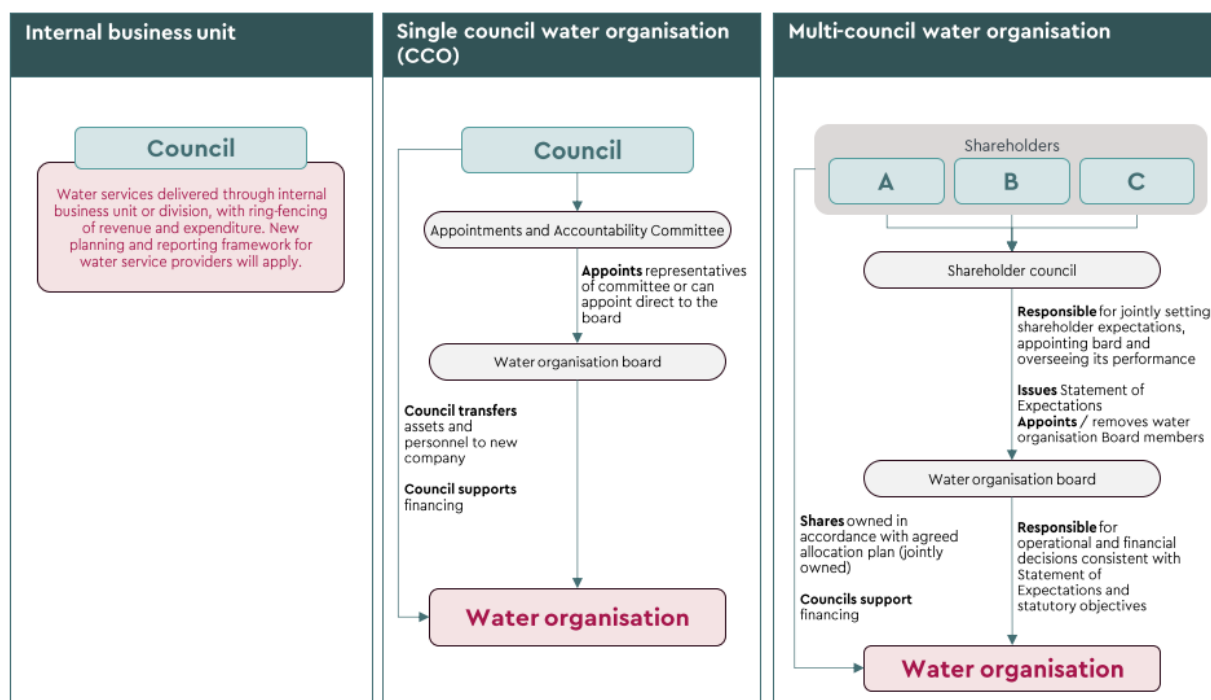
58. The WSDP must include an Implementation Plan. This plan will set out the process for delivering the proposed model identified in the Plan including the key milestones and timeframes. It will include a Council approved decision pathway to complete a Commitment Agreement, Shareholders Agreement, asset transfer agreements and any required service level agreements. In addition, it is expected that Council and potential Council partners will undertake further due diligence.

59. The WSDP will note that the potential partners in a joint-Council CCO are still to be confirmed.
60. The establishment principles noted above will be used as the basis for the development of a Commitment Agreement. It is recommended that the Council's involved in the development of this agreement seek independent advice and guidance to ensure beneficial outcomes for all Council's. It is expected that this will include, but not be limited to, discussion and agreement on ringfencing of debt and harmonisation of water charges.
61. The Act includes provisions that allow Council to amend a WSDP that has been submitted to the DIA. Section 23 sets out these provisions, noting that the amendments must be significant and due to exceptional circumstances, and the amendments are to the model for water service delivery. The process to amend the WSDP is the same as the process used to prepare the initial WSDP, including the streamlined consultation requirements. It should be noted that there is only a window of 12 months from the date of submitting the initial WSDP to submit an amended WSDP that complies with the requirements of the Act.
62. The Act also provides for the Minister to appoint a Crown facilitator in certain circumstances. This includes a request by Councils for the assistance of a Crown facilitator, or where the Minister thinks the Council (or group of Councils) is unlikely to submit a joint WSDP, or where the group of Council's are having difficulty agreeing on the terms of a joint WSDP, or where the group of Council's has not given effect to its WSDP.

### OPTIONS ASSESSMENT

63. Council must decide on the preferred model for water service delivery as this is required to complete the WSDP.
64. The Council has the following options to consider:
  - (a) **Option 1:** Council decides that the preferred model for the future delivery of water services is a joint Council WSCCO (**recommended**)
  - (b) **Option 2:** Council decides that the preferred model for the future delivery of water services is a single Council WSCCO (**not recommended**)
  - (c) **Option 3:** Council decides that the preferred model for the future delivery of water services is to retain the status quo model of delivery (inhouse). This includes consideration of an inhouse model with a highly leveraged debt to revenue position (**not recommended**)

65. The diagram below illustrates the likely structure of the three potential models:



66. The accountability requirements for each option are set out in the table below:

Structural components	Current model	Single-Council WSCCO	Multi-Council WSCCO
<b>Ownership</b>	Council-owned (internal division)	100% owned by the Council	Owned by the Council plus others
<b>Governance</b>	Council oversight (option of independent committee)	Council appointed or committee (Council officers and elected members cannot be on board)	Shareholder Councils appoint
<b>Accountability</b>	Water focussed annual reports and financial statements	Reports to owners quarterly, prepares audited annual reports, acts consistent with statutory objectives	Reports to owners quarterly, prepare audited annual reports, acts consistent with statutory objectives
<b>Borrowing</b>	Council borrows (LGFA limits) and internal policy limits.	Borrow via LGFA (up to 500% debt to revenue) if there is Council support	Borrow via LGFA (up to 500% debt to revenue) if there is Council support
<b>Planning</b>	Council prepares a Water Services Strategy, fully integrated with overall Council strategy and budgeting	Water organisation prepares its own Water Services Strategy, guided by a Council-issued Statement of Expectations	Multi-Council shareholders jointly issue a Statement of Expectations; the water organisation prepares a Water Services Strategy
<b>Operations</b>	Integrated with Council operations	New independent water organisation	Joint Council ownership

67. The advantages and disadvantages of each option are set out below. This assessment considers the financial modelling, analysis, and assessment that Council has undertaken to date and the new and signalled legislative requirements. This includes information presented at the workshop on 8 May 2025, and submissions from the community including those submitters who chose to speak at hearings.

#### Option 1

68. Council decides that the preferred model for the future delivery of water services is a joint Council WSCCO (**recommended**).
69. The modelling for this option indicates an average annual cost per connection, in today's dollars, in FY34 of ~\$3,050 (price harmonised) or ~\$2,440 (non-harmonised). The FY25 cost is ~\$2,330 per connection.
70. The advantages and disadvantages of this option are:

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Supported by majority of submitters.</li> <li>Able to meet the new and signalled legislative requirements regarding the future delivery of water services.</li> <li>Strongest alignment with Council's agreed strategic objectives for deciding on a future model of water service delivery.</li> <li>Governance provided by a competency-based Board of Directors.</li> <li>Councils would set the multi council CCO's objectives and performance expectations.</li> <li>Increased economies of scale, efficiencies and access to shared expertise.</li> <li>Lower cost to consumers than remaining with the current model.</li> <li>Covenants provided by the LGA provided higher ratios of debt to</li> </ul>	<ul style="list-style-type: none"> <li>Concerns raised by some submitters that investment in Western Bay communities will be disadvantaged if Council joins with a larger Council.</li> <li>There may be confusion from the community as to who is responsible for different services.</li> <li>Degree of separation between the community and operational decisions for water services.</li> <li>Council will be left with stranded overheads.</li> </ul>

<p>revenue which will create investment capacity.</p> <ul style="list-style-type: none"> <li>• Increased balance sheet capacity with increased borrowing capacity for Council to consider other investments that the community may support e.g. community facilities, transport.</li> <li>• Greater investment ensures compliance with national standards, improved resilience, and better service outcomes for the community.</li> <li>• Legal protections would be in place to prevent privatisation.</li> <li>• Coordinated and long-term strategic approach to infrastructure requirements and better alignment with planning for growth and urban development.</li> <li>• Regular reporting, audits, and compliance with statutory objectives will provide accountability and support effective service delivery.</li> <li>• Creates opportunity to consider regional-based climate investment, including potential to strengthen interface with regional council flood management.</li> </ul>	
---	--

### Option 2

71. Council decides that the preferred model for the future delivery of water services is a single Council WSCCO (**not recommended**).
72. The modelling for this option indicates an average annual cost per connection, in today's dollars, in FY34 of ~\$2,680. The FY25 cost is ~\$2,330 per connection.

73. The advantages and disadvantages of this option are:

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>Supported by some submitters</li> <li>Likely able to meet the new and signalled legislative requirements regarding the future delivery of water services but is at higher risk than alternative options.</li> <li>Moderate alignment with Council's agreed strategic objectives for deciding on a future model of water service delivery.</li> <li>Governance provided by a competency-based Board of Directors.</li> <li>Councils would set the single council CCO's objectives and performance expectations.</li> <li>Assuming that there was agreement for price harmonisation with a joint Council WSCCO from YR27 (noting that no agreement has been reached on this matter) this option is likely to be the lowest cost for consumers.</li> <li>Covenants provided by the LGA provided higher ratios of debt to revenue which will create investment capacity.</li> <li>Increased balance sheet capacity for Council to consider other investments that the community may support e.g. community facilities, transport.</li> <li>Greater investment ensures compliance with national standards, improved resilience, and better service outcomes for the community.</li> </ul>	<ul style="list-style-type: none"> <li>Degree of separation between the community and operational decisions for water services.</li> <li>Council will be left with stranded overheads depending on economic regulatory regime.</li> <li>Does not create a coordinated and long-term strategic approach to infrastructure requirements and unlikely to create alignment with planning for growth and urban development.</li> <li>Does not support greater consideration of regional-based climate investment, including potential to strengthen interface with regional council flood management.</li> <li>Requires a further level of separation from the existing inhouse model and the associated costs of establishing a WSCCO.</li> <li>Unlikely to achieve the same economies of scale, efficiencies, or create access to shared expertise as a joint Council WSCCO, particularly over the long-term.</li> <li>Reduced ability to access debt through the LGFA due to a lower number of connections.</li> <li>May have implications for access to Government funding as does not demonstrate commitment to regional collaboration.</li> </ul>

<ul style="list-style-type: none"> <li>• Legal protections would be in place to prevent privatisation.</li> <li>• Regular reporting, audits, and compliance with statutory objectives will provide accountability and support effective service delivery.</li> <li>• Western Bay of Plenty's communities would be the sole focus of the WSCCO.</li> </ul>	
---	--

### Option 3

74. Council decides that the preferred model for the future delivery of water services is to retain the status quo model of delivery (inhouse). This includes consideration of an inhouse model with a highly leveraged debt to revenue position (**not recommended**).
75. The modelling for this option indicates an average annual cost per connection, in today's dollars, in FY34 of ~\$4,900 or ~\$2,450 (where there is a water debt to water revenue ratio of 400 percent). The FY25 cost is ~\$2,330 per connection.
76. The advantages and disadvantages of this option are:

Advantages	Disadvantages
<ul style="list-style-type: none"> <li>• Council retains full ownership of all assets and services which was favoured by a small number of submitters.</li> <li>• Western Bay of Plenty's communities would be the sole focus.</li> <li>• Highest cost to consumers (unless rely on a highly leveraged water debt position).</li> <li>• Decisions for and management of water services remains integrated e.g. stormwater and reserves.</li> <li>• Does not incur costs to establish a new entity (although there will be increased costs to ensure that Council can demonstrate</li> </ul>	<ul style="list-style-type: none"> <li>• Increasing difficulty in meeting new standards and growth pressures due to funding limitations, risking compliance issues and potential service disruptions.</li> <li>• Does not meet the new legislative requirements for long-term financial sustainability (unless a highly leveraged waters debt to revenue ratio is created and there is a significant increase in charges for at least the first three years).</li> <li>• Likely to create higher costs than the other options due to limited financial capacity, borrowing constraints, and inefficiencies.</li> </ul>



<p>financial sustainability by 30 June 2028).</p>	<ul style="list-style-type: none"> <li>• The increased compliance (and costs) to meet new regulatory requirements set by the Commerce Commission and the Water Services Authority (Taumata Arowai) will only be borne by the Council (rather than shared across multiple Councils).</li> <li>• Does not support a coordinated and long-term strategic approach to infrastructure requirements and unlikely to create alignment with planning for growth and urban development.</li> <li>• Does not support greater consideration of regional-based climate investment, including potential to strengthen interface with regional council flood management.</li> <li>• Will not achieve the same economies of scale or create access to shared expertise as a joint Council WSCCO.</li> <li>• Will not have a competency-based Board of Directors.</li> <li>• May have implications for access to Government funding as does not demonstrate commitment to regional collaboration.</li> </ul>
---	--

### STATUTORY COMPLIANCE

77. The recommendations of this report meet the legislative requirements set out in the Local Government Act 2002 and the Local Government (Water Services Preliminary Arrangements) Act. In particular, the Local Government (Water Services Preliminary Arrangements) Act requires Council to adopt a Water Services Delivery Plan by 3 September. Due to the local elections, it is prudent and reasonable for Council to make a final decision on the Water Services Delivery Plan, prior to the interregnum period (August – October 2025).

78. Section 63 of the Act also sets out that consultation on an amendment to a Long-term Plan is not required to give effect to a proposal to establish, join, or amend a WSCCO if the Council has already consulted its community in relation to the proposal; and is satisfied that its community has a good understanding of the implications of the proposal; and is satisfied that it understands its community's views on the proposal.
79. The report is cognisant of the proposed requirements set out in the Local Government (Water Services) Bill. Council is also mindful that there is likely to be amendments to the Bill as it proceeds through the House, e.g. splitting the Bill into two Bills and consequent Acts. This means that there may (or may not) be other matters that Council may need to consider as part of their decision-making process. Council is actively participating in the development of the Bill (a submission was made on Friday 21 February 2025) and will maintain a watching brief as it proceeds through the House.
80. At this point in the decision-making process, it is not considered appropriate to determine that changes are required to other Council policies and bylaws. When Council decides on the water services model that they wish to include in a Water Services Delivery Plan, an assessment will be undertaken to determine any changes required to Council policies and bylaws. This assessment will also be cognisant of Resource Management reform and Local Government Act reform.















### FUNDING/BUDGET IMPLICATIONS

81. Funding has been included in the draft Annual Plan to allow for the pre-establishment and implementation costs of the Council's preferred water services delivery model. Council will make any necessary updates to the Annual Plan prior to its adoption in June 2025. Costs associated with implementation will be transferred to the new entity once established.
82. The DIA have provided funding of \$250,000 (split between TCC and WBOPDC) to support the progress of a joint Council WSCCO option.

### NEXT STEPS

83. Staff will prepare the Water Services Delivery Plan (WSDP) on the basis of Council's preferred model. The WSDP will be presented to Council for adoption prior to submitting to the Department of Internal Affairs by 3 September 2025.
84. Continue discussions with potential partner Council's including Tauranga City Council and Thames Coromandel District Council with the intention of progressing a Commitment Agreement and commercial terms that aligns with the agreed establishment principles and guidance set out by DIA.
85. Staff will continue to work on the tasks required to ensure a smooth transition to the Council's preferred model for water service delivery, including matters set out in the WSDP.

**ATTACHMENTS**

1. **Council Hearing - Minutes - 13 May 2025**  
2. **LGFA Lending to Water CCOs - April 2025 Update**  
3. **Council - Workshop Notes - 15 April 2025**  
4. **LWDW workshop slides 15 April 2025**  
5. **Council - Workshop Notes - 8 May 2025**  
6. **LWDW workshop slides ppt 1 18 May 2025**  
7. **LWDW WBOP Partnership principles ppt 2 8 May 2025**  

**MINUTES OF WESTERN BAY OF PLENTY DISTRICT COUNCIL  
COUNCIL MEETING NO. CL25-6  
WATERS DONE WELL CONSULTATION HEARINGS, HELD IN THE COUNCIL CHAMBERS,  
1484 CAMERON ROAD, TAURANGA  
ON TUESDAY, 13 MAY 2025 AT 10.00AM**

**1 KARAKIA**

Whakatau mai te wairua	Settle the spirit
Whakawātea mai te hinengaro	Clear the mind
Whakarite mai te tinana	Prepare the body
Kia ea ai ngā mahi	To achieve what needs to be achieved.
Āe	Yes

**2 PRESENT**

Mayor J Denyer, Deputy Mayor J Scrimgeour, Cr T Coxhead, Cr G Dally, Cr M Grainger, Cr A Henry, Cr R Joyce, Cr M Murray-Benge, Cr L Rae, Cr A Sole, Cr D Thwaites and Cr A Wichers.

**3 IN ATTENDANCE**

M Taris (Chief Executive Officer), A Henderson (GM Corporate Services), A King (Legislative Reform and Special Projects Strategic Advisor), E Wentzel (Director of Waters), R Garrett (Governance Manager), V Dekkerova (Systems Advisor), H Wi Repa (Governance Systems Advisor) and P Osborne (Senior Governance Advisor).

**OTHERS IN ATTENDANCE**

John Clements (Katikati Community Board Chairperson)  
Ross Goudie (Waihi Beach Community Board Member)  
Submitters as recorded below

**4 APOLOGIES**

**APOLOGY**

---

**RESOLUTION CL25-6.1**

Moved: Cr D Thwaites  
Seconded: Cr T Coxhead

---

---

---

Council Meeting Minutes13 May 2025

---

That the apology for lateness from Cr Dally be accepted.

**CARRIED**

---

## **5 CONSIDERATION OF LATE ITEMS**

Nil

## **6 DECLARATIONS OF INTEREST**

Nil

## **7 PUBLIC EXCLUDED ITEMS**

Nil

## **8 PUBLIC FORUM**

Nil

## **9 REPORTS**

### **9.1 LOCAL WATER DONE WELL HEARINGS**

Council considered a report from the Systems Advisor. The report was taken as read.

Submitters were welcomed and presented as noted below.

---

### **RESOLUTION CL25-6.2**

Moved: Cr M Murray-Benge

Seconded: Cr A Henry

1. That the System Advisor's report dated 13 May 2025 titled "Local Water Done Well Hearings" be received.

**CARRIED**

---

10.02am Cr Dally entered the hui.

### **9.1.1 SUBMISSION I.D 1 - JOHN BUTT**

Mr Butt was in attendance to talk to his submission, speaking to the main points.

Mr Butt responded to pātai as follows:

- In relation to poisoning statistics that were due to backwash, Mr Butt provided an example of a case of this happening around the Te Awamutu area that did not end in a death, but was close.
- 

Page 2

**9.1.2 SUBMISSION I.D 2 – GARRY WEBBER**

Mr Webber was in attendance to talk to his submission. He spoke to the main points of his submission, with the additional information:

- The three waters made up around 30% of Council's annual infrastructure costs.
- Mr Webber queried whether Councillors were aware of the current state of resource consent compliance of those councils Council might consider amalgamating with. It was important for Council to identify the current state of councils and their ability to comply with Taumata Arowai standards.
- Financial Contributions should not just cover the costs of new infrastructure required for each new lot, but also cover the additional costs required to process the new volumes of three waters that were generated by the new lots.
- Mr Webber believed that when the original infrastructure capacity was designed very little attention was paid to the possibility of the throughput doubling or tripling in the future. This resulted in maintenance, operating and capital costs tending to increase.
- He believed a three waters CCO with Tauranga City Council was imperative.
- Council had a reliable bore water supply for its drinking water, which was something that Tauranga City Council would need help with, given their current reliance on river catchments for drinking water. He believed this reliance would become questionable in the near to medium term, providing the example of the Waiāri monitoring and upstream catchment contamination.

Mr Webber responded to pātai as follows:

- Clarification was sought in relation to what Council's best option would be. Waikato District Council and Waipa District Council were provided as examples of councils with a similar set up, who would be good examples to look at.
- There were capable staff at Council with a very good understanding of the three waters.
- He believed that the 'ring-fencing' requirements allowed for Council to take a staged approach. He was concerned that a staged approach would mean that smaller councils would need to amalgamate, due to high costs.
- Recognising the similarities between the three waters reform and the dairy industry, it was noted that the dairy industry amalgamation resulted in a lot of the smaller plants shutting down, as they were not financially viable.

**9.1.3 SUBMISSION I.D 3 – WAIHĪ BEACH COMMUNITY BOARD**

Ross Goudie (Waihī Beach Community Board Member) was in attendance to speak on behalf of the Waihī Beach Community Board submission. The submission was taken as read.

---

Council Meeting Minutes13 May 2025

---

**9.1.4 SUBMISSION I.D 5 – ROSS GOUDIE**

Mr Goudie was in attendance to speak to his submission, highlighting the main points of the submission.

Tabled Item 1 was provided as additional information to his submission.

Mr Goudie responded to pātai as follows:

- When asked about his thoughts on the 'positives' associated with establishing a joint CCO with TCC, Mr Goudie noted that if Council shared a common purpose, philosophy and workplan, it could work well. He did note, however, that he did not have enough knowledge about the "ins and outs" of TCC to comment any further.
  - In regard to Auckland Water Care and its success in running two water entities, Mr Goudie supported people with expertise and experience facilitating the entities.
  - Clarification was provided regarding the role he believed the specialised recruitment agencies and advisory firms should play. Mr Goudie considered these agencies should make recommendations to Council on the appointments, as apposed to making the appointments themselves.
  - Although three waters reorganisation was, he believed, the most critical task that Council would ever undertake, the uptake during consultation and submissions was not overly high. He believed this was due to the nature of the kaupapa, acknowledging that it was complex and took a long time to navigate through all the information.
- 

**9.1.5 SUBMISSION I.D 9 – KEITH KAY**

Keith Hay was in attendance to speak to his submission, highlighting the main points.

Tabled Item 2 was provided as additional information to his submission.

Mr Hay responded to pātai as follows:

- The level of reporting on the growth proportion was satisfactory.
  - In relation to reporting, he would think that any future entity would report as any other board of a public company would.
  - Mr Hay's preferred option would be in line with the option that Rotorua Lakes Council had taken.
  - He believed that there was a large number of directors that would be available to the Council, however it was noted that they would likely be in high demand due to all Councils having to consider this decision.
  - Council should take professional advice on appointments to the CCO's.
- 

---

Page 4

## Council Meeting Minutes

13 May 2025

**9.1.6 SUBMISSION ID 10 - KATIKATI-WAIHĪ BEACH RESIDENTS AND RATEPAYERS ASSOCIATION**

Keith Hay was in attendance to speak on behalf of the Katikati-Waihi Beach Residents and Ratepayers Association submission. He spoke to the main points of their submission.

Tabled Item 3 was provided as additional information to their submission.

Mr Hay responded to pātai as follows:

- He acknowledged that joining a CCO later, compared to joining at the start, could result in Council being in a less favourable position on that CCO, however he believed that due to current uncertainties Council would be wiser to wait until there was more certainty around it.
- If Council waited before joining a CCO, it may be able to appoint directors with more experience, noting that some may have already served on a CCO for three years.

11:13 am The hui adjourned.

11:36 am The hui reconvened.

**9.1.7 SUBMISSION I.D 4 - MAKETU COMMUNITY BOARD**

Brett Waterhouse (Maketu Community Board Member) was in attendance to speak on behalf of the Maketu Community Board submission, highlighting the main points of the submission. The following points were spoken to in addition to the submission:

- Water was a taonga to Maketu.
- Maketu had 50-year old pipes, noting that only half were included in the Long Term Plan for replacement.
- They were strongly against Council combining with Tauranga City Council (TCC).
- Ensuring that all communities received the same Level of Service was important, considered that this did not currently happen.
- Clarification was sought around the Te Tumu project, noting that the Maketu community were affected and needed information prior to having consultation.

Mr Waterhouse responded to pātai as follows:

- He felt there was room for improvement on the communication of projects that were taking place, to avoid the community feeling 'surprised', specifically in relation to big projects.
- The Maketu Community Board was only supportive of a Single Council Water Services Council Controlled Organisation (CCO).



---

Council Meeting Minutes13 May 2025

---

- It was acknowledged that infrastructure was expensive, however keeping it in local control was preferred over having the ability to maintain it to a high standard.
- 

**9.1.8 SUBMISSION I.D 11 – BEV CAIN**

Bev Cain was in attendance to speak to her submission, highlighting the main points of her submission, with the below additions:

- She felt it was hard for the community to make a submission on the little information that they had.

The Mayor and Councillors clarified that there was a mandatory standard that Council had to meet, which Taumata Arowai would be enforcing. It was also noted that rural properties who were not currently connected would not be paying for any of these services, as was the current situation. If a property had the ability to connect to a water pipe but chose not to, they were only charged an availability charge.

Ms Cain responded to pātai as follows:

- The statement at the end of her submission was purely her opinion, as she did not believe that the government would prosecute a local body if not all water infrastructure had been updated. The Mayor confirmed that the government had been clear on consequences, noting that the rationale for the Local Waters Well Done reform was to ensure that no local body could excuse themselves from meeting the standards due to financial limitations.
- 

**9.1.9 SUBMISSION I.D 12 – KATIKATI COMMUNITY BOARD**

John Clements (Katikati Community Board Chairperson) was in attendance to speak on behalf of the Katikati Community Board submission. He spoke to the main points of the submission, with the additional information:

- Council's decision on what option they chose for future water services had a huge effect on ratepayers.
  - The Board believed this decision could lead Council to further integration with TCC.
  - The Board understood that there were now three options in relation to this decision.
  - The Board had researched and had difficulty understanding the 80% difference between a Single Council Water Services CCO and a Multi Council Water Service CCO, when the only difference was the organisation framework.
  - The Council proposal implied that there was no development contributions (financial contributions) applied in the in-house option.
  - Clarification was sought on the differential if the lack of financial contributions was not the cost driver.
- 

Page 6

---

Council Meeting Minutes13 May 2025

---

- The Board felt that Council's media releases, brochure and website stated information that was not correct, confusing, and was worded to scare people.
- Mr Clements questioned why the in-house solution cost 80% more than the single council solution when it offered the same service to the same ratepayers, but sat under a different organisation structure with higher overhead costs.
- The Board recommended Council follow the Rotorua option that showed there was very little difference between in-house, single council CCO and a multi-council CCO.
- The Community Board believed that Council should opt for services to remain in-house until there was thorough due diligence process as per the MartinJenkins report.

The Mayor clarified that financial contributions was not the only driver; however, the Local Government Funding Agency (LGFA) announced in April 2025 that the amount of financial contributions that could be included in Council's revenue line was determined by the number of connections. For Council this was 50% of FinCos, whereas if Council joined with TCC it would increase to 75%. This was only available if Council was in a CCO.

Mr Clements responded to pātai as follows:

- He did not feel that there were many professional directors with the right expertise that would be available to undertake the roles required.
- He believed that Council was making a decision based on incorrect information, due to not including financial contributions when considering an in-house model.

**9.1.10 SUBMISSION I.D 15 & 16 – TE PUNA HEARTLANDS AND LOCHHEAD DESIGN**

Peter Lochhead was in attendance to speak on behalf of the Te Puna Heartlands submission as well as his own. He took the submissions together as read, due to them being similar in nature.

The Mayor responded to pātai as follows:

- The government would not be contributing any funding to councils.
- Any costs relating to this piece of work would be funded from the water service organisation, as debt or from customers (ratepayers).

Mr Lochhead responded to pātai as follows:

- He was aware that councils had been mandated to fluoridate their water, and he believed that fluoride would kill more vegetables and flowers than it would help to grow.

---

12.24pm      The hui adjourned.

---

Page 7

---

Council Meeting Minutes13 May 2025

---

1.04pm the hui reconvened.

**9.1.11 SUBMISSION I.D 14 – BAY OF PLENTY REGIONAL COUNCIL**

Ken Shirley (Councillor) was in attendance to speak on behalf of the Bay of Plenty Regional Council submission. He spoke to the main points of the submission.

Mr Shirley responded to pātai as follows:

- Anything in the pipes was territorial authority, however regional council came in when the party wanted to discharge into the natural environment. They were seeking clarification on the “grey area” of wetlands in relation to the incoming legislation.
  - The water quality regulations were well specified, however it was acknowledged that for certain catchments quality could decline. An integrated catchment approach was required for the water quality to remain.
  - The Te Puke area was a good example of a natural low lying area, noting that the integration of the Kaituna River within this environment was a challenge. In relation to consents, it was important that it was a joint effort and process.
  - Central Government had set up a water regulator which outlined regulations around waters, which Local Government had to uphold.
  - There was always a tension between centralism and localism, but the view of the Regional Council was that these needed to work together and in harmony for the best outcomes.
- 

1.16pm Cr Wichers entered the hui.

**9.1.12 SUBMISSION I.D 17 – JOAN DUGMORE**

Joan Dugmore was in attendance to speak to her submission, highlighting the main points of the submission, with the addition of the following information:

- She believed there were in-house options that she was in favour of.
  - TCC had taken water from a spring in the Waiāri River, below Te Puke’s bore, and piped it into a reservoir in Pāpāmoa, noting that 90% of the people were against this.
  - She did not see the benefit in joining with TCC as the Western Bay of Plenty District area and land had different needs.
  - All Councils received loans from the government to install sewage systems, that were supposed to be paid back within 10 years.
  - Some rural organisations were allowed to pipe to Te Puke, which over stretched the sewage scheme.
  - Te Puke did not have the infrastructure or schools to handle the estimated population growth.
  - The amount of concrete being used in housing developments was causing flooding.
- 

Page 8

---

Council Meeting Minutes13 May 2025

---

- Te Puke joined Council in the amalgamation with Katikati and Waihi Beach, and she believed this was a bad decision.
  - Te Puke was a big horticultural area, however she did not feel as though the money was going back into the town.
  - There was a fear that combining with TCC would allow them to dominate the organisation, as she believed Council's water infrastructure was in a much better condition.
- 

**9.1.13 SUBMISSION I.D 18 – ŌMOKOROA RESIDENTS AND RATEPAYERS ASSOCIATION INC.**

Bruce McCabe, John Palmer and Kathleen McCabe were in attendance to speak on behalf of the Ōmokoroa Residents and Ratepayers Association Inc. submission. They spoke to the main points of the submission, with the addition of the following information:

- They outlined the reasons for the lack of control, which were set out very clearly in the Local Government (Water Services Preliminary Arrangements) Act 2024.
  - They believed there were many misconceptions in relation to the Local Waters Done Well reform, which they felt was derived from the term "Council Controlled Organisation".
  - In relation to 'Control and Ownership', it was noted that residents wanted a strong voice in decision making. It was felt that under Option 1 (Single Council Water Service CCO) Council would retain full ownership of the assets. Under Option 2 (Multi-Council Water Services CCO) Council would only have ownership oversight of its assets. For this reason Option 1 best reflected the outcome sought by the community.
  - They sought clarification over the statement in the 'Wai Brochure' regarding the need to significantly invest in order to maintain and upgrade the infrastructure, as they felt this was not required. There was discomfort that the rising cost indicated was to subsidise other councils that had not invested in maintaining and upgrading their water infrastructure.
  - The developer financial contributions should cover the growth related investment required for water infrastructure.
  - Council had an excellent credit rating, and therefore clarification was sought as to why Option 2 would provide better access to funding.
  - Wellington Water (a Multi-Council Water Services CCO) had been subject to many complaints. Due to these complaints, the Commerce Commission had launched an investigation of potential unlawful conduct by Wellington Water.
  - WaterCare (another multi-Council Water Services CCO) had strong governance and oversight, noting that the responsibility for stormwater management remained with Auckland Council.
  - There was concern that if CCOs were required nationwide, there would not be sufficient board directors of the right calibre to take on the roles.
- 

Page 9

---

Council Meeting Minutes13 May 2025

---

- It was recommended that Council considered stormwater remaining with Council and that a CCO be set up to only manage drinking water and wastewater.

Presenters responded to pātai as follows:

- The best way to avoid losing out on the best board directors was to get in early. They believed that there were more than enough people that could undertake these roles as long as Council looked in the right areas.
  - Council should be aiming to make money, as otherwise they would make a loss. However, it was recommended that any money made go back to the ratepayers.
  - An independent chair with significant commercial experience should be deciding what option Council should choose, including associated internal processes.
  - The CCO board should comprise members of multiple expertise including commercial, legal and a financial analyst. It was for this reason that the Ōmokoroa Residents and Ratepayers Association recommended that Council used an HR consultancy who could find a range of people of this calibre.
- 

**9.1.14 SUBMISSION I.D 20 – NICK OBRIEN**

Nick OBrien was in attendance via Zoom to speak to his submission, highlighting the main points of the submission, with the addition of the following information:

- The three main benefits of installing a water tank were:
  - Reduction of water usage that Council would need to supply;
  - Buffer the stormwater system, resulting in a reduction of water going down the stormwater system; and
  - Supplied an emergency source of water in case of a natural disaster.
- If water tanks were installed on a residential house, the homeowners would not notice any reduction in water usage, the cost was relatively low and this solution was scalable.
- This solution was also scalable to commercial businesses, and would help reduce the pressure on Council freshwater systems.

Mr OBrien responded to pātai as follows:

- This solution would reduce the urgency for infrastructure repairs, maintenance and upgrades due to the reduction in pressure from expected growth.
  - He was not sure what option Council should take, however he noted that this solution would benefit either option.
-

---

Council Meeting Minutes13 May 2025

---

**RESOLUTION CL25-6.3**

Moved: Cr M Grainger

Seconded: Cr G Dally

2. That the written and verbal submissions to the Local Water Done Well consultation be received.

**CARRIED**

---

**10 INFORMATION FOR RECEIPT**

Nil

**11 RESOLUTION TO EXCLUDE THE PUBLIC**

Nil

**9.1.15 TABLED ITEMS – ADDITIONAL SUBMISSION INFORMATION**

---

**ATTACHMENTS**

- 1 Tabled Item 1 – Submission I.D 5 – Ross Goudie – Council Hearings – 13 May 2025  
2 Tabled Item 2 – Submissions I.D 9 – Keith Hay – Council Hearings – 13 May 2025  
3 Tabled Item 3 – Submission I.D 10 – Katikati-Waihi Beach Residents and Ratepayers Association – Council Hearings – 13 May 2025
- 

**The meeting closed at 1.54pm.****Confirmed as a true and correct record at the Council meeting held 27 May 2025.**

.....  
Mayor J Denyer  
**CHAIRPERSON / MAYOR**

---

Page 11



**Western  
Bay of Plenty**  
District Council

# **MINUTES ATTACHMENTS**

**Council Meeting**

**Tuesday, 13 May 2025**





Table of Contents

9.1.15 Tabled Items – Additional Submission Information

Attachment 1 – Tabled Item 1 – Submission I.D 5 – Ross Goudie – Council Hearings – 13 May 2025.....4

Attachment 2 – Tabled Item 2 – Submissions I.D 9 – Keith Hay – Council Hearings – 13 May 2025 .....8

Attachment 3 – Tabled Item 3 – Submission I.D 10 – Katikati-Waihi Beach Residents and Ratepayers Association – Council Hearings – 13 May 2025..... 12

Tabled Item 1

## Good morning

I wish to speak about my submission.

We have been supplied with some information via 2 background papers from Martin Jenkins.

At the time that I wrote my submission, and now, I have had better explanations as to some of the material and processes.

There are a couple of questions I wish to pose to the council first :

Page 30 overview of council water charges, water charges, why is there no income from the consumption charge? I believe that it is \$6.7m as per the Rate model?

Page 13 LGFA lending requirements paragraph lending criteria, regarding a WBOPC -only CCO.

Is this alternative scenario still relevant information?

Is there a report on the potential partners' good and bad points?

I will read only the headings, letting you sort out if there are any questions.

My main concern is the process of getting a *Statement of Expectations* and the process of selecting a CCO board.

**The following is some of the information I have collected, relevant to this task.**

This is the most critical task this council will ever undertake. There is no room for mistakes, and the process must be clear and transparent. It is about RISK, and the future of WBOPDC.

Below are some of the questions I would ask myself if I were in your place. Some of these questions may repeat, but they are important.

**Is a CCO completely independent of councils?**

Not entirely! A **Council-Controlled Organisation (CCO)** operates with a degree of independence but remains accountable to the councils that own it. Under the *Local Water Done Well* framework, a water services CCO must be owned by councils and/or consumer trusts and governed by an independent, competency-based board.

While councils do not directly manage day-to-day operations, they retain influence through:

- **Ownership Structure:** Councils (or consumer trusts) are shareholders, ensuring community interests are represented.
- **Governance Oversight:** The board cannot include elected council members or employees of shareholder councils, maintaining operational independence.
- **Strategic Direction:** Councils set expectations through a *Statement of Expectations*, and the CCO must prepare a *Water Services Strategy*, annual budget, and reports.
- **Performance Monitoring:** Councils review financials, service levels, and major projects to ensure alignment with community needs.

So, while a CCO has autonomy in its operations, councils still play a crucial role in shaping its direction and ensuring accountability.

**What are some insights on how different councils approach this model?**

Different councils in New Zealand approach the **Council-Controlled Organisation (CCO) model** for water services in various ways, depending on their priorities and community needs. Here are some examples:

- **Dunedin City Council** considered multiple models before consulting on the **in-house model** and the **CCO model**. Their preferred option was to retain direct management of water services within the council while ensuring compliance with the *Local Water Done Well* reform.

- **Regional CCO Model:** Some councils explore **multi-council CCOS**, where **three or more neighbouring** councils jointly own a standalone entity. This model allows access to **long-term borrowing** for infrastructure investment without affecting individual council balance sheets.
- **Watercare Services Limited:** This is an example of a **regional asset-owning water services CCO**, providing insights into governance, financial independence, and regulatory challenges.
- **Guidance for New Water Organisations:** The Department of Internal Affairs provides **templates and guidance** to help councils establish new water organisations, whether as single-council or multi-council CCOs.

Each approach has trade-offs in terms of **local control, financial sustainability, and operational efficiency**.

**What insights can help councils evaluate these models before making a decision?**

Councils in New Zealand evaluate **Council-Controlled Organisation (CCO) models** for water services based on several key factors:

**1. Governance & Accountability**

- Councils assess how much control they retain over decision-making.
- They review governance structures, ensuring **independent boards** align with community interests.
- The Department of Internal Affairs provides **guidance and templates** to help councils establish new water organisations.

**2. Financial Sustainability**

- Councils consider whether a CCO can access **long-term borrowing** without impacting council balance sheets.
- They evaluate funding models, including **Local Government Funding Agency (LGFA) loans**.

**3. Operational Efficiency**

- Councils compare **in-house models** vs. **regional CCOs** to determine which offers better service delivery.
- They assess whether a **multi-council CCO** would improve economies of scale and infrastructure investment.

**4. Community & Environmental Impact**

- Councils consult with communities to ensure water services align with local needs.
- They consider environmental resilience, flood management, and climate change adaptation.

**What are some of the advantages and challenges of these models?**

Under the *Local Water Done Well* framework, the responsibility for organizing the establishment of an independent board for a water services Council-Controlled Organisation (CCO) primarily falls to the shareholder councils (or consumer trusts). Here's how the process is generally structured:

1. **Council-Led Process:**  
Councils set the governance framework and outline the criteria for board membership as required by legislation. They typically establish a board nomination or appointment committee that is tasked with finding individuals who meet the required independence and competency standards. **This committee operates independently of routine council operations to ensure that board members do not conflict with council interests.**
2. **Use of Established Guidelines and Templates:**  
The Department of Internal Affairs provides detailed templates, guidelines, and tools that councils can use

to structure the board establishment process. These resources help ensure that the board is formed in line with statutory requirements, such as excluding elected council members and council employees to maintain genuine independence.

3. **Collaborative and Transparent Recruitment:**

Although the councils lead and organize this process, they often work in consultation with external advisors or use professional recruitment services to ensure that the selection process is thorough and that the appointed board members bring the necessary expertise in water services management, regulatory compliance, and financial oversight. See below

In summary, while the day-to-day operations of the water services CCO are managed independently, the councils are the key organisers behind the appointment of an independent board, ensuring that the governance structure remains robust, impartial, and aligned with community expectations.

**Key Competency Areas for Board Members**

- **Financial Management:**  
Board members should understand financial oversight, including infrastructure finance, long-term borrowing, and cost control. This ensures that the CCO can manage its budgets responsibly and invest wisely in critical water infrastructure.
- **Regulatory and Legal Expertise:**  
Familiarity with relevant legislation and regulatory requirements is vital. This expertise helps the board navigate the complex legal landscape of water services, ensuring compliance and mitigating legal risks.
- **Technical and Operational Knowledge:**  
A strong background in water services is highly desirable. Candidates should have insights into water treatment, network management, and asset maintenance, enabling them to oversee the technical operations effectively.
- **Risk Management:**  
Expertise in identifying, assessing, and mitigating risks—whether financial, operational, or environmental—is a key asset. This ensures that the board can steer the organization through uncertainties such as climate change or aging infrastructure issues.
- **Strategic Leadership and Governance:**  
Experience in strategic planning, setting long-term objectives, and guiding organizational direction is important. Board members need to align the CCO's strategy with the community's interests and overarching regulations, fostering transparency and accountability.
- **Community Engagement and Stakeholder Management:**  
Since water services directly impact the community, stakeholder engagement experience helps ensure that the board's decisions remain aligned with public needs and expectations.

**The Recruitment Process**

- **Council-Led Organization:**  
The councils establish clear governance frameworks and use detailed statements of expectations to steer the board's activities. The independent nature of the board is maintained by prohibiting the inclusion of elected council members or council employees.
- **Transparent and Collaborative Approach:**  
Often, councils consult with external advisors or engage professional recruitment services to identify candidates with the necessary expertise. This collaborative process is geared toward achieving a balanced board that brings multiple perspectives to the table.

By emphasizing these competency-based criteria, councils aim to build a board that not only provides impartial oversight but also drives strategic improvements in water services delivery under the CCO model.

Councils in New Zealand often work with specialized recruitment agencies and advisory firms to find candidates with the right expertise. Some notable recruitment services include:

## Council Meeting Attachments

13 May 2025

- **Talent International** – An approved supplier to the All-of-Government (AoG) External Recruitment and Consultancy panels, specializing in tech, finance, HR, and government roles.
- **Consult Recruitment** – An award-winning recruitment agency based in Auckland, helping organizations hire top talent across various industries.
- **Beyond Recruitment** – A specialist agency covering government and policy roles, including policy advisors, governance managers, and regulatory experts.
- **Blomfield Recruitment** – Provides tailored recruitment solutions for permanent and contract roles across diverse industries.

These agencies help councils navigate hiring challenges and ensure they find the best professionals for their needs.

I wish to repeat, this is the most critical task this council will ever undertake. There is no room for mistakes, and the process must be clear and transparent. It is about RISK, and the future of WBOPDC. In my view, stay as you are and transfer to a single, standalone CCO, with the downsizing of the present council operation.

Thank you for your patience. Questions

Tabled Item 2

## SUBMISSION ON WBOPDC LWDW PROPOSAL

KEITH HAY

Council's decision on what option they choose for future water services will have a huge effect on ratepayers and on the future of Council itself. This decision will have a much greater impact than the recent decision on representation. Any bad representation decisions can be reversed in six years' time. It may never be possible to reverse any bad decision on what entity is chosen to provide water services. Despite this our council does not appear to have done any due diligence. They appear to be relying on analysis carried out by consultants Martin-Jenkins and by the Department of Internal Affairs (DIA). Martin-Jenkins was retained by the previous government to provide analysis in support of Three Waters. The quality of their work has been subject to much criticism.

The Martin-Jenkins report states: *"Further analysis of the value of a combined entity (with Tauranga) would require examination of Tauranga's financial position."*

We now know that our council's preferred option is to form a multi-council CCO with TCC. So, let's look at TCC's credentials. Would they be an honest, financially competent and technically proficient partner? What is their financial situation?

### TCC'S COMPETENCE (Show Table)

This table compares some aspects of the two councils: TCC's population and number of rating units is about 2.5 times that of WB. That should provide them with economies of scale. TCC's population density is 35 times higher than WB's. But despite a much larger and much more dense population their average residential rates are higher than WB's.

TCC have a workforce of 1299 full time staff, 4.8 times as many as WB's 280 full time equivalent staff. TCC's employee cost is \$128 million, 3.6 times that of WB (\$36 million). These numbers suggest that TCC staff are not very efficient, a problem that will probably be carried over into any CCO that is formed. The perks enjoyed by TCC staff are legendary and have recently received adverse publicity. Those perks will almost certainly be carried over into any CCO that we are funding.

COMPARISON OF WBOPDC AND TCC			
PARAMETER	WBOPDC	TCC	DIFF
POPULATION	59,700	155,200	2.6
NUMBER OF RATEABLE UNITS	23,890	56,472	2.4
AVE RESIDENTIAL RATES	\$3,431	\$3,482	Similar
AVE COMMERCIAL RATES	\$3,527	13,119	3.7
FTE staff	284	1,118	3.9
FTE STAFF SALARIES > \$100,000	84	316	3.8
FTE MANAGEMENT STAFF	24	190	7.9
COMMS AND MARKETING STAFF	5	20	4.0
FTE CORE SERVICE % OF TOTAL	64	59	
AREA (sq km)	1915	135	0.1
POPULATION DENSITY (per sq km)	31	1092	35.2
BORROWINGS (million)	\$115	\$1,160	10.1
NET DEBT TO RATES INCOME	73%	321%	4.4
DEBT PER RATING UNIT	\$3,299	\$12,494	3.8
INTEREST PAID PER RATING UNIT	\$171	\$355	2.1
Source: Ratepayers Report			

### TCC's FINANCES

TCC has borrowings of \$1.16 billion which is ten times more than WB's \$115 million. TCC is one of New Zealand's "most indebted councils" according to ratings agency S & P. They projected TCC's gross debt to exceed 300% of operating revenues by fiscal 2025 and they will be paying interest of over 12% of operating revenue. LGFA has just increased TCC's borrowing limit to 350%.

We have been unable to find out what proportion of TCC's total debt is for water infrastructure. However their 2024 Pre-election Review states: *"Because the three waters activities have a high level of debt as a result of investment in facilities to support growth (such as the Waiāri Water Treatment Plant and Te Maunga Wastewater Treatment Plant) the ratio of debt-to-revenue for the three waters activities is 400%-500%. When this is included in council's total debt and revenue, it constrains our ability to borrow for other infrastructure projects needed across the city."*

WBOPDC website states: *"...reality is, staying with our current model isn't an option – even if we wanted to, we don't have the financial*

*capacity to fund what's required on our own. This is where a potential multi council water organisation comes in. By working together with other councils, we can unlock greater financial capacity to invest in essential infrastructure, ensuring our water services remain strong and future-proofed."*

WB has not provided any information on what constitutes a "financially sustainable model". How is it different to what council has been using the last ten years? It appears to us that TCC is already at its financial capacity so how are they going to help fund what is required?

### **BUSINESS ETHICS**

But it is not just Tauranga's financial situation that should be cause for concern. During the time that the Commission was running Tauranga they sold the Marine Precinct at about \$5 million less than valuation. Although the injunction to stop the sale has been rejected by the court the deal could not have been completed without the assistance of some senior staff. But Mayor Drysdale is refusing to allow any investigation. Can we trust TCC to act honestly and with financial prudence if we are in a CCO with them?

And Tauranga's member of Parliament recently claimed that TCC was spending money like a drunken sailor.

### **THE INFRASTRUCTURE**

The WB website tells us that Council's three waters infrastructure is in good condition. WB Council's potable water supply is good but there is problems with waste water and with storm water in Waihi Beach. Why would TCC's representatives on the board of the CCO want to fix these problems when they have so many of their own?

### **CONFUSING INFORMATION**

WBOPDC again: *"We understand concerns about losing local control. That's why this kōrero is so important. Under a multi council model, our community will still have a voice. We would be a shareholder, involved in setting priorities, selecting leadership, directing priorities, and ensuring our local needs are met."*

*"... our community will still have a voice."* Like we had on Maori wards when 78% of residents were opposed but nine out of twelve councillors decided they knew best and voted for Maori Wards. Like the last-minute



decision to have community boards that cover the whole of the ward, left to the last minute so the community would not have a voice?

When the consultation document was approved by Council it contained three options:

- 1 Status Quo
- 2 Single council CCO
- 3 Multi council CCO

Despite the Government requiring that the status quo must be one of the options Council's Questionnaire does not even mention the status quo as an option. If this "korero is so important", who decided, without any consultation, that the status quo is not an option. When did the community have a voice on this? It should remain an option to be considered in the consultation.

Over the last ten years we have been frequently told that the reason our rates have been among the highest in New Zealand was because our three waters infrastructure has been maintained in excellent condition. While I have not been able to access historic average rates for three waters in WB, I have been able to access how much my personal rates for water have increased over the last ten years. Just a bit less than 20%.

But Council is claiming that unless we form a CCO our water rates will double over the next ten years. I don't accept that we will be better off in a CCO with Tauranga.

Thank You

Tabled Item 3

## SUBMISSION ON WBOPDC LOCAL WATER DONE WELL PROPOSAL

KATIKATI – WAIHI BEACH RESIDENTS AND RATEPAYERS  
ASSOCIATION

In Council's media releases, brochures and on their website they state: "Under the current model, average household water charges are projected to exceed \$4300 per connection annually over the next ten years." The literal meaning of this sentence is that charges for each connection are projected to exceed \$4300 every year over the next ten years. That is very scary stuff. But it is misleading. We hope it wasn't deliberately misleading in order to scare people into thinking that a multi-council CCO is the best option.

The real situation is that charges are projected to exceed \$4300 per connection in year ten of the LTP. Big difference.

The DIA report has a graph (Item 9.2 – Attachment 8) of Bay of Plenty councils' average water services bill per connection which shows clearly that the average bill in Western Bay will be \$7000 in 2033-34. This is a very serious error.

## THE DIA REPORT

The fine print of the DIA report *"Bay of Plenty Water Done Well - Investigating the viability of a Bay of Plenty Water CCO dated 24 January 2025 states that the document has been prepared to provide information to all the Bay of Plenty councils on the financial viability of a Bay of Plenty Water CCO.*

*The Department of Internal Affairs has relied on information provided by councils in the development of the analysis and guidance included in this report, including publicly available information from long-term plans and other council accountability documents. It is intended to support council decision-making requirements under Local Water Done Well."*

Table 1 uses data interpolated from graphs of the average water services bill per connection for each district in the Bay of Plenty for the next ten years. It shows that if the status quo is maintained Tauranga water rates will increase by 150% and WBOPDC water rates by 141% over the next nine years. These are much bigger increases than any of

the other councils in the region, but we can find no explanation of why there is such a big difference

The table also shows that if Western Bay water services were in a CCO, water rates would be \$3000 less in 2033-34 than if the status quo was maintained. This compares to \$500 less for Tauranga, \$300 less for Rotorua, \$100 less for Kawerau, and no difference in Opotiki and Whakatane. We contend that the LTP data provided to DIA by WBOPDC is not credible.

**Table 1**

<b>WATER CHARGES</b>					
<b>COMPARISON OF CCOs TO STATUS QUO</b>					
<b>COUNCIL</b>	<b>STATUS QUO</b>			<b>DIFFERENCE FROM STATUS QUO</b>	
	<b>2024-25</b>	<b>2033-34</b>	<b>CHANGE</b>	<b>SINGLE COUNCIL</b>	<b>MULTI COUNCIL</b>
	<b>(\$)</b>	<b>(\$)</b>		<b>(\$)</b>	<b>(\$)</b>
OPOTIKI	2000	4250	112%	0	0
WHAKATANE	1700	2700	59%	100	0
KAWERAU	1300	2000	54%	0	-100
ROTORUA	2000	2800	16%	-200	-300
TAURANGA	1800	4500	150%	-400	-500
WESTERN BAY	2900	7000	141%	-3000	-3000
Data: Interpolated from graphs in DIA report reproduced in Council Meeting Agenda, 3.3.2025					

Hauraki District Council's preferred option is to join six other Waikato councils in a CCO. The estimated cost to ratepayers in the CCO will be around \$4361 per annum. This is \$41 less than the annual cost over the LTP for the status quo of \$4402.

Table 2 shows Western Bay Total Operating Funding for each of the three waters for the 2024-34 LTP. The average yearly increase for the first four years is 6.6%. It then almost triples to 17.9% for the final five years of the plan. There is no explanation for this huge increase. The graphs showing rates for water for all the other district councils are flatter over the last five years of the LTP.

Table 2 also shows that total water rates in 2033-34 are \$104,372. If average water rates are really \$7000 in the last year of this LTP, this

means that there are only 14,900 connections in the district. The 2023-24 WBOPDC Annual Report states there are 18,651 connections in the district. What number did DIA use?

Table 2

2024-34 LONG TERM PLAN - THREE WATERS					
	STORM WATER	WASTE WATER	WATER SUPPLY	TOTAL	INCREASE
YEAR	\$x1000	\$x1000	\$x1000	\$x1000	%
2024-25	7,488	16,047	12,143	35,678	
2025-26	7,870	18,307	13,284	39,461	10.6
2026-27	8,758	19,785	14,057	42,600	8.0
2027-28	7,909	22,082	12,442	42,433	-0.4
2028-29	8,343	24,641	12,902	45,886	8.1
2029-30	10,746	28,239	15,398	54,383	18.5
2030-31	14,245	32,647	18,945	65,837	21.1
2031-32	18,466	36,447	23,346	78,259	18.9
2032-33	22,579	40,407	27,842	90,828	16.1
2033-34	27,026	44,893	32,453	104,372	14.9
Average increase 2025-26 to 2028-29 is 6.6%					
Average increase 2029-30 to 2033-34 is 17.9%					
Data from Funding Impact Statements 2024-34 LTP					

### HOW MANY COUNCILS ARE REQUIRED

Tauranga appear to want more councils than just WB to join them. One WB councillor suggested to us that it would be safer if there were more councils in the CCO than just TCC and WB so that TCC did not have a majority of votes on the board. This would require at least Western Bay, Rotorua and Whakatane to join because their combined household numbers are 67,341 compared to Tauranga's 56,472 (the ratepayers report provides household numbers which we assume are a reasonable approximation to rating units). Opotiki and Kawerau would not be required. But Rotorua appears to be quite happy to go it alone for at least the next three years.

Table 3

HOUSEHOLD NUMBERS VERSUS DEBT PER RATING UNIT FOR BAY OF PLENTY COUNCILS		
COUNCIL	HOUSEHOLDS	DEBT / R UNIT (\$)
Kawerau	2,742	2
Opotiki	4,323	1,285
Whakatane	14,505	5,473
Western Bay	23,890	3,299
Rotorua	28,946	9,365
Tauranga	56,472	12,494
Data:Taxpayers. Union		

Table 3 also shows that the smaller councils generally have the lowest debt per rating unit. This is contrary to Council's claim that bigger is better when it comes to Local Water Done Well

#### ROTORUA'S PREFERRED OPTION

Rotorua's calculations show there is very little difference between in-house, a single council CCO and a multi-council CCO even after thirty years. Their preferred option is that "water services would be delivered by an in-house Council water services division until July 2028. During the 2025-2028 triennium, Council would undertake a detailed study of a multi-council water organisation. In late 2026/early 2027 Council would decide whether it wants to join the multi-council WSCCO or, if not, to transfer water assets and operations to a Rotorua-Lakes Council WSCCO. This would enable a higher borrowing limit for water services and free balance sheet capacity for other council services."

That appears to be a much more sensible approach than jumping into either type of CCO at this time. We urge Western Bay of Plenty District Council to do the same.

Keith Hay

Chairman KKWBRA



## LGFA financing to local government for water services – April 2025 update

In December 2024, LGFA wrote to the Mayors and CEOs of councils to outline our involvement in the Local Water Done Well (“LWDW”) work programme and outline our thinking on how LGFA could help councils with the financing of their water service delivery plans (“WSDPs”).

Over recent months, LGFA has been asked by councils and their advisers for more specific information on the proposed bespoke financial covenants for water CCOs.

This information sets out:

- More detailed information on the how the proposed bespoke financial covenants will be calculated for a water CCO.
- How the LGFA financial covenants will be calculated for a council that transfers its water assets to a water CCO.
- Or alternatively, how the LGFA financial covenants will be calculated for a council that retains its water assets in-house.

### Further support and information

LGFA continues to work closely with council finance teams, Department of Internal Affairs, and National Infrastructure Funding and Financing to provide information and support for councils as you consider your future water services delivery arrangements through the development of your WSDPs.

We encourage you to contact us directly by emailing [andrew.michl@lgfa.co.nz](mailto:andrew.michl@lgfa.co.nz) if you would like further information or to discuss how additional financing from LGFA can benefit your council and communities.

LGFA is looking to assist you with your decision-making process. We look forward to continuing to support you to enable the successful delivery of water services.

New Zealand Local Government Funding Agency Limited  
Auckland Level 7, The Shortland Centre, 55 Shortland Street  
Wellington Level 11, City Chambers, 142 Featherston Street  
PO Box 5704, Lambton Quay, Wellington 6145 | Phone +64 4 974 6530  
[lgfa.co.nz](http://lgfa.co.nz)



### 1.0 Financial Covenants for Water CCOs.

LGFA expects that over time, water CCOs will reach a financial position that is equivalent to an investment grade credit rating (BBB at least).

LGFA has indicated that there will be two financial covenants and one additional revenue recognition adjustment for water CCOs that wish to join LGFA. The covenants are tiered based on the number of water connections that the water CCO has. These are:

- A Funds from Operation (FFO) to Gross Debt ratio of between 8% and 12%
- A Funds from Operation (FFO) to Cash Interest Coverage of between 1.5 times and 2.0 times.
- The percentage of development contributions recognised in operation revenue

A more detailed explanation of how these covenants will be applied is set out below:

Water Connections	FFO to Cash Interest Coverage Ratio (times)	FFO to Gross Debt Ratio	Percentage of Development Contributions recognised in operating revenue
Less than 5,000	2.00	12%	0%
5,000 - 10,000	2.00	11%	25%
10,000 - 20,000	1.75	10%	50%
20,000 - 50,000	1.50	9%	50%
Greater than 50,000	1.50	8%	75%

Note: The above information is to be used as guidance. LGFA may consider factors such as future population growth when determining the ratios and operating revenue recognition.

#### 1.1 Phase in period for water CCO Financial Covenants.

LGFA recognises that not all water CCOs will be able to comply with the financial covenants in the first year. This might be the case where the initial amount of water debt transferred to the water CCO is high.

A period will be agreed on a bespoke basis with each water CCO with interim targets in place to encourage an improving trend in ratios over time.

LGFA will allow a period of up to five years (from establishment) for the bespoke financial covenants negotiated with the water CCO to apply. Any request for a period longer than five years would need to be considered by the LGFA Board.

#### 1.2 Definitions of the water CCO Financial Covenants.

**Funds From Operations (FFO) to debt:** FFO to debt is a leverage ratio that LGFA, rating agency or other investor can use to evaluate a water entity's financial risk. It measures a water entity's ability to pay off debt using its net operating income alone. The higher the ratio, the stronger the position the water entity is in to repay its debt.

**Calculating FFO:** Free cash flow is net operating income plus depreciation plus any non-cash flow items plus tax (although water entities will not pay any tax).

**Calculating Debt:** Gross debt is a combination of all short-term loans and long-term loans.

## 2.0 LGFA Financial Covenants for Councils.

The LGFA financial covenants that apply to councils are listed below.

- The “Lending Policy Covenants” apply to councils who do not have an external credit rating
- The “Foundation Policy Covenants” apply to councils who have an external credit rating. Currently there are 40 councils who have an external credit rating.

Financial covenant	Lending policy covenants	Foundation policy covenants
Net Debt / Total Revenue	<175%	<280%
Net Interest / Total Revenue	<20%	<20%
Net Interest / Annual Rates Income	<25%	<30%
Liquidity	>110%	>110%

Alternative Net Debt / Total Revenue Covenant	
Financial Year ending	Net Debt / Total Revenue
30 June 2020	<250%
30 June 2021	<300%
30 June 2022	<300%
30 June 2023	<295%
30 June 2024	<290%
30 June 2025	<285%

The LGFA financial covenants are measured at the “parent” level of a council and not a consolidated group basis unless a council applies to LGFA to have their financial covenants measured at a “group” basis.

Development contributions are excluded for the purposes of calculating the revenue number.

### 2.1 LGFA Financial Covenants for councils that transfer their water assets to a Water CCO (either 100% owned or multiply owned).

The LGFA financial covenants will apply to the parent council.

After a council transfers its water assets to a CCO, it will lose its water debt and its water revenue. LGFA assumes that in time, the water CCO will introduce direct billing of its water customers. But if a council is collecting water revenue for a water CCO, LGFA will deduct this from the council’s revenue to calculate the adjusted revenue number.

As LGFA is measuring the financial covenants at the parent level, it will not consolidate the debt of the water CCO. Note that the external credit rating agencies might use a different treatment. It is LGFA’s understanding that S&P and Fitch would consolidate the water debt where a council owns more than 50% of a water entity. Where a council owns less than 50%, it would be treated as a contingent liability. Any treatment by an external credit rating agency has no implications for the way LGFA will calculate its financial covenants.

A council water CCO will have its own bespoke covenants. These will not have any impact for the way the council’s financial covenants are calculated.



## **2.2 LGFA Financial Covenants for councils that retain their water assets in-house.**

The LGFA financial covenants will continue to be applied exactly as they have been historically.

As water debt and revenue will remain in-house, these will be part of the council's parent financial position and therefore be included in the LGFA financial covenant calculations.

LGFA will not require councils to separate out their water debt and water revenue for the purpose of calculating the financial covenants. But it is important to note under the water legislation there is a requirement to ring fence water revenue (this is a legislative requirement not an LGFA requirement).

Councils will need to continue to comply with the financial covenants in each financial year. Please note there is no phase in period for councils as there is for water CCOs.

## **2.3 LGFA Bespoke Net Debt to Revenue Covenant of 350% for Councils.**

At the November 2024 AGM, LGFA shareholders approved changes to the Foundation Policy that provided the LGFA Board with the ability to approve a bespoke net debt to revenue covenant of up to 350%.

LGFA wishes to reiterate its previous guidance that the intention is to consider applications from councils who need additional headroom to support the investment in growth infrastructure.

The LGFA Board is unlikely to approve any application for a council who is seeking additional headroom for the renewal of water infrastructure.

**COUNCIL WORKSHOP**

<b>DATE:</b>	Tuesday 15 April 2025 at 2.15pm
<b>HELD:</b>	Council Chambers and Via Zoom
<b>TOPICS:</b>	1. Local Waters Done Well – next steps
<b>GENERAL MANAGER RESPONSIBLE:</b>	M Taris (Interim Chief Executive)
<b>FORUM MEMBERS PRESENT:</b>	Mayor J Denyer, Cr G Dally, Cr T Coxhead, Cr M Grainger, Cr A Henry, Cr R Joyce, Deputy Mayor Scrimgeour, Cr M Murray-Benge, Cr A Sole, Cr L Rae and Cr A Wichers.
<b>ABSENT:</b>	Cr D Thwaites
<b>STAFF IN ATTENDANCE:</b>	M Taris (Interim Chief Executive), R Davie (Deputy CEO/GM Strategy and Community), A Curtis (General Manager Regulatory Services), A Henderson (General Manager Corporate Services), C Crow (General Manager Infrastructure Services), E Wentzel (Director Water Services), J Fearn (Chief Financial Officer), A Carey (Finance Partner Lead), R Garrett (Governance Manager) and H Wi Repa (Governance Systems Advisor).
<b>INTRODUCTION:</b>	Due to external consultant, Sarah Baddeley (MartinJenkins), being unavailable, Councils General Manager Corporate Services took Councillors through the PowerPoint presentation and discussion points.

Council Workshop – 15 April 2025

**1. Local Waters Done Well – next steps**

To ensure Council could implement their decision regarding a future water services model, MartinJenkins prepared a presentation outlining the required next steps and timeframes. This had been developed on the basis of Council's preferred option.

**Summary of Key Themes**Local Waters Consultation Progress

The local waters consultation was ongoing, with about 47 pieces of feedback received so far. Approximately 70% of respondents supported a multi-council CCO (Council-Controlled Organisation). Council was maintaining regular communication with potential partner councils through fortnightly meetings. A timeline for the next steps was presented, including establishing a project office, completing the water services delivery plan by end July, and potentially transitioning to a new structure by July 2027. Councillors raised questions regarding taxation implications, recruitment of establishment personnel, and concerns about CCO governance and accountability.

Joint CCO for Water Services

There was discussion around the implications of forming a joint CCO with other councils for water services. Councillors discussed the challenges of price harmonisation and debt ring-fencing. The Councillors explored the potential for government intervention to achieve price harmonisation in the future. They also discussed the financial benefits of partnering with other councils, as it increased borrowing capacity. It was acknowledged that shared services were previously explored, however proved unfeasible due to financial and regulatory constraints.

Concerns on Lead Council

The importance of considering the interests of ratepayers and staff was discussed. It was noted that a lead host arrangement could be problematic, and that Council should aim for a transformation or shared vehicle approach.

Financial Constraints of In-House Water Delivery

There was a discussion around the financial constraints of delivering water services in-house, citing the inability to meet debt-to-revenue ratios and what was provided under the LGFA covenants. There was confusion regarding the interpretation of these ratios, with mixed messages received from different sources. Staff clarified that the financial contributions of the council would not be

Council Workshop – 15 April 2025

included in the calculations for in-house delivery. The discussion also touched on the limitations of borrowing for growth councils, with Local Government Funding Agency (LGFA) capping their borrowing at 20% for growth related Council borrowings.

#### Water Services Delivery Plan Discussion

Councillors discussed the water services delivery plan and potential partnerships for a multi-council CCO. Council was considering including stormwater management in the transfer, as it was deemed more efficient. The council aimed to align their decision-making timeline with TCC in June and July and planned to submit individual water services delivery plans with a focus on collaboration where possible in terms of the implementation plan. The Department of Internal Affairs (DIA) would review and approve the plans, with the council working towards a "no surprises" approach. The implementation plan may include named partners, depending on the information available at the time of submission. Concerns were raised regarding potential debt limits and cost increases for ratepayers in a CCO structure, with prioritisation of works being a potential solution.

#### Potential Partners for Water Services Project

Councillors discussed the potential partners for a CCO. It was noted that smaller councils might be cautious and delay their involvement, possibly establishing as a standalone CCO with the view of joining a combined CCO in the future. The challenges faced by smaller councils was also discussed, particularly in rural areas, in terms of resourcing and sustainability.

#### Stormwater Asset Transfer Challenges Discussed

The complexities of transferring stormwater assets to the new water entity were discussed. Council considered options such as contracting the entity to manage stormwater while the council retains responsibility or transferring some but not all assets. Councillors acknowledged that stormwater was more complicated than water and sewerage due to its connections with roading and reserves, and its different income and expense dynamics. A further workshop will held to discuss this matter.

#### Joint CCO Timeline and Consultation Process

The timeline for a joint CCO was discussed, outlining the priority terms and key agreements. There were concerns raised regarding the consultation process with Iwi/Hapū, which staff addressed by highlighting ongoing engagement and the involvement of councillors in the process. There was a discussion around the shareholder agreement, noting that it would not be finalised before the interregnum, due to ongoing discussions and the need for legislation to be enacted.

Council Workshop – 15 April 2025

Direction	Responsible
<ul style="list-style-type: none"><li>Review and discuss governance approach options for the water services reorganisation at a future workshop.</li></ul>	GM Corporate Services
Actions	Responsible
<ul style="list-style-type: none"><li>More detailed information on stormwater options and implications at the next workshop</li><li>Clarify the wording and implications of "Council will retain legal responsibility" for stormwater in the context of different delivery options.</li><li>Provide councillors with information on identified efficiencies and savings in the multi-council CCO options.</li><li>Discuss with Tauranga City Council the potential implications of credit rating agencies consolidating water CCO debt onto TCC's balance sheet.</li><li>Provide an update on iwi and hapū consultation regarding the water services reorganisation.</li></ul>	GM Corporate Services
<ul style="list-style-type: none"><li>Conduct internal workshops with the water service team, roading, and parks departments at the end of April 2025 to make a technical recommendation on stormwater management.</li></ul>	Director Water Services

The workshop finished at 4.10pm.

Council Workshop – 15 April 2025



## Creating a water services organisation

Prepared by MartinJenkins


**Western Bay of Plenty District Council**


---

11 April 2025

Commercial in Confidence








1

2


3

4

5



2



# What this presentation covers

What is required	1.0
Broad model choices	2.0
Early decisions required	3.0
Agreed priority terms update	4.0
Timeline and next steps	5.0

The slide features a dark teal background with a sidebar on the left containing icons for a cross, home, and a list of numbers 1 through 5, with '1' highlighted. The main content area displays '1.0' in large white font, followed by 'What is required' in white text. The footer includes 'COMMERCIAL IN CONFIDENCE', 'CREATING A JOINT WATER SERVICES ORGANISATION', and 'MARTINJENKINS'.

# 1.0

## What is required

COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS





## High level timeline

*Key next steps will be dependent on individual Council's preferred option and the outcome of consultation.*

*This analysis assumes a joint water organisation is the preferred model as it presents the more complex implementation path.*

*However, many of these steps will also be required if a stand-alone CCO is the preferred model.*

### SCOPING AND SET UP April-Jun 2025



**Phase purpose:** Identify work programme and put in place necessary governance and establishment arrangements

Key activities include:

- Receive feedback from community and support final decision
- Establishment of project governance arrangements, supported by clear TOR
- Establishment of secretariat / project office
- Creation of cross-functional project team, supported by clear TOR
- Approval of Project Plan, timeline, and decision points
- Decisions on how governance works and officers work with partner Councils
- Develop Communications plans and relationship agreements with Iwi/hapū
- Identify possible organisation (Council) changes needed and implications.

### EARLY STRATEGIC DECISIONS July-Aug 2025



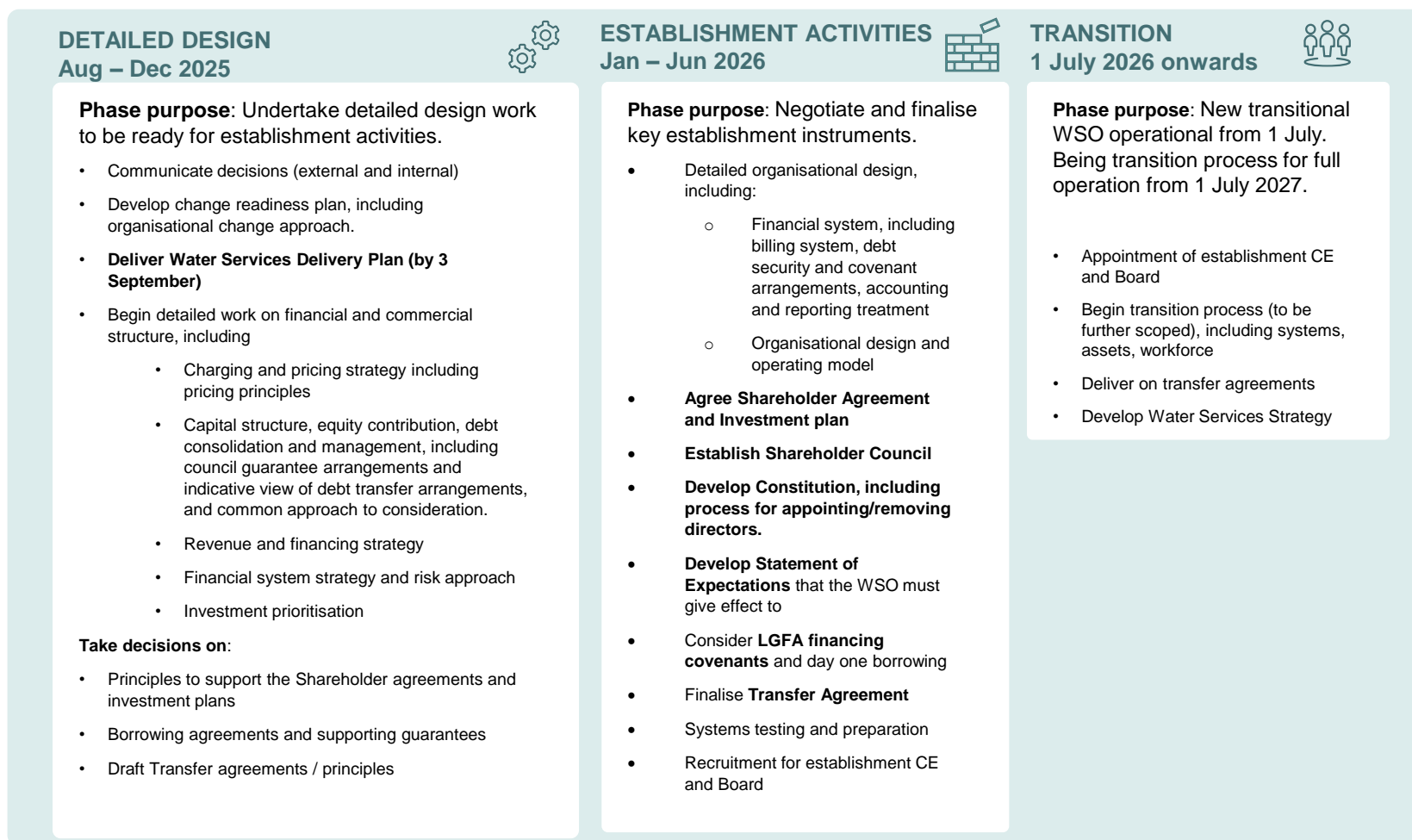
**Phase purpose:** Take initial decisions to guide detailed design and planning through interregnum period.

Key activities include:

- Negotiation and agreement of Commitment Agreement between Councils, including key principles that the Councils are working towards
- Decisions on merger models, partner councils, delivery models, and waters to be included.
- Direction to officers to continue detailed design work.
- Preparation of Water Service Delivery Plan, including decision on individual or joint



# High level timeline

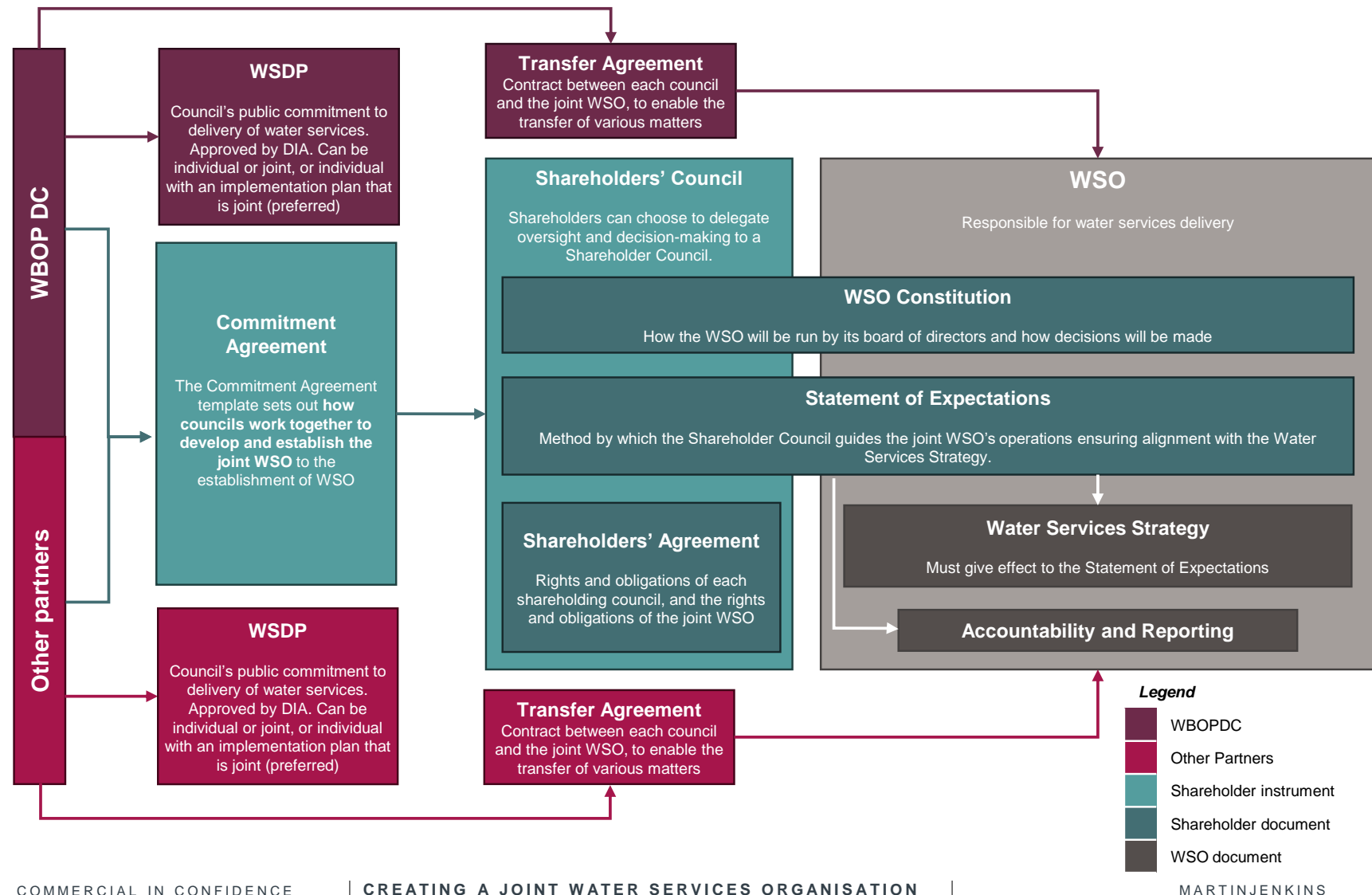


COMMERCIAL IN CONFIDENCE

| CREATING A JOINT WATER SERVICES ORGANISATION |

MARTINJENKINS

# Establishment instruments and documents



The slide features a dark teal background with a vertical sidebar on the left containing navigation icons: a red cross, a home icon, and numbered buttons 1 through 7, with button 2 highlighted. The main content area displays the text '2.0' in large, light blue font, followed by 'Broad model choices for establishment of joint water organisation' in white. On the right side, there are faint, overlapping geometric shapes consisting of squares and diamonds. At the bottom, a footer bar contains the text 'COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS'.

# 2.0

## Broad model choices for establishment of joint water organisation

COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS



1

2

3

4

5



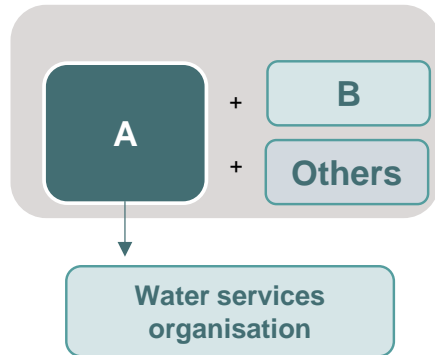
8



# Main options analysed – establishment phase

## Lead host

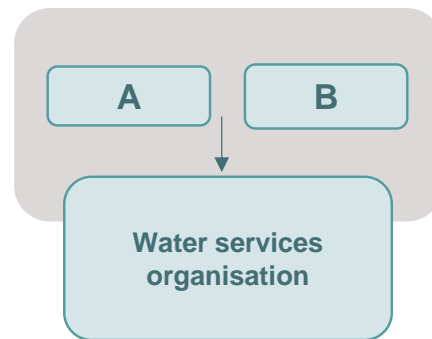
1



Larger organisation hosts establishment and then absorbs functions from smaller organisations.

## Transformation

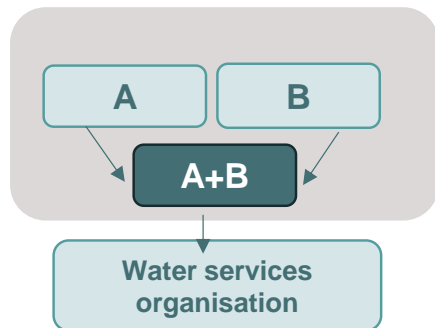
3



Move quickly to entirely new organization, with more transition work handled by the WSO

## Shared vehicle - Best of both

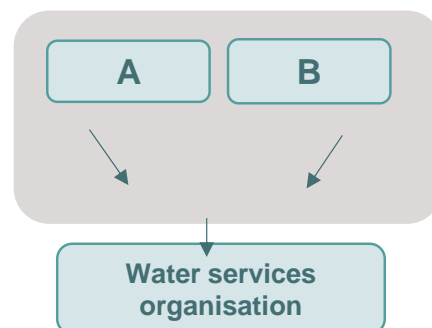
2



Strengths from each organisation selected (people, systems, processes)

## Preservation

4



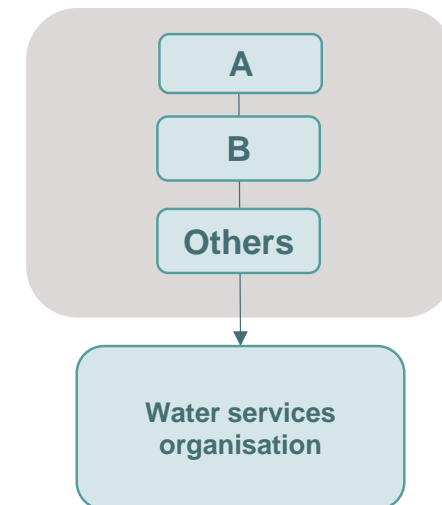
Maintain distinct operations, limited integration

The DIA template commitment agreement anticipates a council will become the “lead” council. This is not a requirement, however should be a factor that informs Council decision making on preferred approach.

Pros and cons of different models are set out in the appendix.

## Phased integration

5



Start with one and over-time phase integration

COMMERCIAL IN CONFIDENCE

CREATING A JOINT WATER SERVICES ORGANISATION

MARTINJENKINS

3.0

Early decisions required

COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS



# Decision 1: Agree target establishment date

## ESTABLISH EARLY, GO LIVE 2027

**Option description:** Transition entity established soon after initial decisions taken, to operate alongside existing services, with functions and services transitioned in over a longer term, fully operational from 1 July 2027 to 1 July 2028.

### Pros:

- Certainty for staff, and contractors
- Promotes joined up approach and enables Councils to focus on rest of Council functions

### Cons

- Resource intensive in the near term
- Duplicates costs with some functions
- Requires specific capacity and capability

## FAST TRACK: GO LIVE: 1 JULY 2026

**Option description:** Establishment tasks undertaken to be ready for new entity to be fully operational from 1 July 2026. Shorter term transition.

### Pros:

- Creates financial capacity earlier
- Certainty for staff, and contractors
- Takes advantage of wider IT joint system investments underway

### Cons

- Resource intensive in the near term
- May create delivery risks
- Requires specific capacity and capability

## SMOOTH GO LIVE: 1 JULY 2027



**Option description:** Longer lead in time, with transition entity established from 1 July 2026 to begin transition process to be fully operational from 1 July 2027.

### Pros:

- Allows greater investment of time to get things right
- May reduce delivery risks
- Clearer delineation of roles and responsibilities

### Cons

- Ongoing uncertainty for staff may give rise of losing staff to entities establishing earlier
- Delays ability to access increased financial capacity

There are two main choices: **the date of WSO establishment**, and **the date upon which the WBOP transfers responsibility**.  
Regardless of your preference, you may need to stay engaged with the timelines of the partner(s) or lead council to ensure interests are protect and you're not 'left behind'.



1

2

3

4

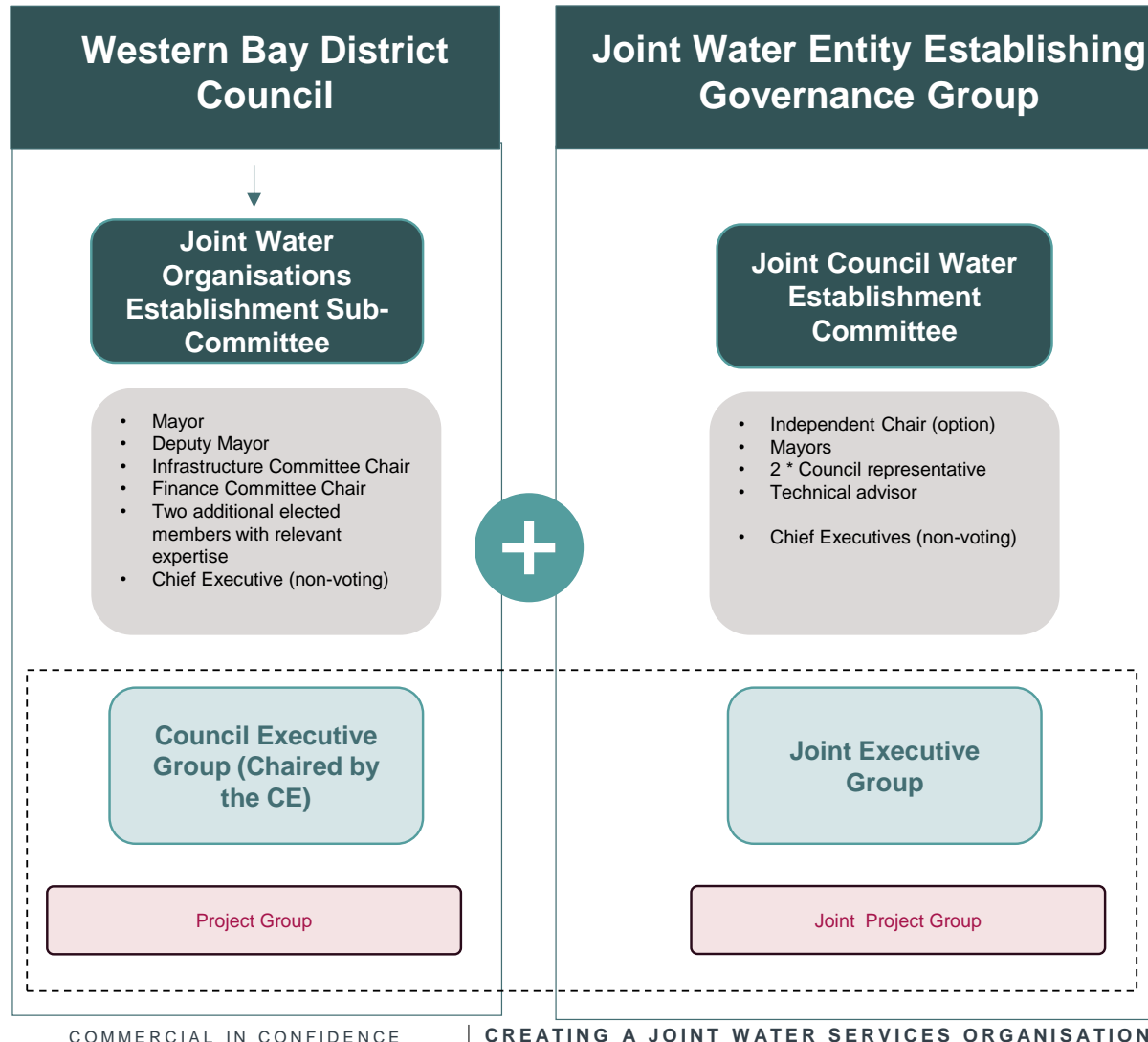
5



11



## Decision 2: Agree establishment governance approach



The DIA template commitment agreement does not provide for elected member governance, instead the governance arrangements are left to executives.

The approach proposed by DIA contains some risks for Council officers. An alternative is a sub-committee approach with a more limited frequency of meeting.

This governance approach can also be alongside the integration method – i.e. can sit alongside a lead host approach with seconded staff from Councils to a lead Council.

DIA materials also don't anticipate a process with iwi/hapū. Given Councils close relationship, a joint approach may also be taken to ensure the interests of iwi/hapū inform the establishment process.





## Decision 3: Agree individual or joint water service delivery plans

Councils can submit a separate WSDP just for their own district even though they are entering a joint arrangement with either:

1. another water services organisation/s, or
2. a joint water services CCO

It is mandatory for each Council to develop a WSDP for their own district (s8(1) LG (WS Preliminary Arrangements) Act 2024).

However, in both the above instances, the option to develop a *joint* WSDP relating to the joint service area covered by the joint arrangement is discretionary (see s10 LG (WS Preliminary Arrangements) Act 2024). It is likely that joint WSDP would be limited to common assumptions, and a joint transition plan.

Given the timing available, WBOPDC may want to consider a individual water service plan that includes implementation that sets out the intention to establish a joint water service arrangement.

It would be prudent to confirm this approach with DIA to ensure they are satisfied with the treatment.

### Option of a joint Water Services Delivery plan

If a joint Water Service Plan is the preferred option, joint Water Services Plan to cover how a proposed joint water services delivery arrangement will work, including information about:

- The councils that are a party to the joint arrangement
- The water services the joint arrangement will deliver (including whether it will deliver all or some of the councils' stormwater services)
- The likely form of the joint arrangement, including whether it will involve water services being delivered by:
  - A joint water services council-controlled organisation (WSCCO)
  - An arrangement described in section 137 of the Local Government Act 2002
  - Another organisation or arrangement that the councils are considering
- Further details relating to the joint arrangement, where it is available. For example, ownership and governance structure
- Transitional arrangements and steps required to form joint service delivery arrangements.



1

2

3

4

5



13



## Decision 4: Agree approach to stormwater



### WATER SERVICES PLANS

Water supply, Wastewater and Stormwater activities are to be included in the Water Service Delivery Plan (WSDP).



### NEW REGULATION

Council will retain legal responsibility and control of stormwater and will have flexibility to choose arrangements that best suit them.

Council will be able to:

- continue to deliver stormwater services; or
- contract a new water organisations to deliver aspects of those stormwater services; or
- transfer aspects of stormwater service delivery to a water organisation.

Council will retain responsibility for funding stormwater and will need to do so in a transparent manner.

This work is being led from within WBOPDC

There are pros and cons of including stormwater in a new joint water service entity or retaining them within Council. Relevant factors include:

- The nature of the assets (how integrated they are into other water systems, the roading corridor, or flood management infrastructure)
- The likely nature of future development and the degree to which it will be tied to greater climate and flood resilience, use of nature solutions and wider amenity considerations
- Where the balance of capacity and capability to support storm water services lie (within Council or within a water services organisation)
- The financial capacity of either option and the impact this will have on ratepayers

The slide features a dark teal background with a sidebar on the left containing navigation icons: a red cross, a home icon, a list of numbers 1-5 (with 4 highlighted), a back arrow, the number 14, and a forward arrow. The main content area displays '4.0' in large white font, followed by 'Priority terms' in a smaller white font. On the right side, there are faint, overlapping geometric shapes. The footer contains the text 'COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS'.

# 4.0

## Priority terms

COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS



# Council agreed priority terms for a joint CCO

STRATEGIC OBJECTIVES	TERMS	COMMENT
<b>Efficient and financially sustainable delivery of water services</b>	<ul style="list-style-type: none"> <li>Percentage real charges per water connection less than standalone options</li> <li>Water charges as a percentage of median income less the stand alone option</li> <li>Confirmation and confidence that efficiencies are delivered and shared across the shareholding regions on a fair basis.</li> <li>Agree a set of pricing principles including whether a level of price harmonisation should occur or not.</li> </ul>	<p>Joint modelling has confirmed that on average, a multi-Council water service CCO could deliver water services at a lower cost to consumers than individual councils under their current capital and operating models.</p> <p><input checked="" type="checkbox"/></p>
<b>Invests at a level that protects and promotes public health and the environment</b>	<ul style="list-style-type: none"> <li>CCO required to meet regulatory conditions set by environmental, water and economic regulators.</li> </ul>	<p>CCO will be subject to new regulatory arrangements</p> <p><input checked="" type="checkbox"/></p>
<b>Enables and supports high quality urban development outcomes</b>	<ul style="list-style-type: none"> <li>Greater investment capacity and capability than standalone options</li> <li>Requirements to deliver consistently with individual council spatial planning (on growth pays for growth basis).</li> </ul>	<p>Greater investment and financing sufficiency as measured compared to standalone options.</p> <p><input checked="" type="checkbox"/></p>
<b>Delivers a high-quality service to consumers and communities</b>	<ul style="list-style-type: none"> <li>Shareholding that makes provision for negative control i.e. the ability for a single shareholder group to block or prevent corporate actions</li> <li>Agreement to form a company constitution during the establishment process (as is good practice)</li> <li>Confirmation of the process to confirm appointment of high quality board and management in the best interests sustainable water service delivery.</li> <li>Does not unreasonably burden the rest of Council financial position (debt and operating costs)</li> </ul>	<p>Typical negative control mechanisms include super-majority voting requirements (e.g., 75% approval needed), reserved matters requiring specific shareholder approval, contractual veto rights in shareholders' agreements however the detail of these will be constrained by legislation.</p> <p>Measured by rest of Council financial analysis and by financing structure implications for Council (i.e. credit rating, contingent liability). This will only be able to be fully considered follow decisions around the preferred water services organisation.</p>
<b>Ensures that water services are sustainable, resilient to natural hazards and the effects of climate change</b>	<ul style="list-style-type: none"> <li>Greater investment capacity and capability than standalone options</li> </ul>	<p>Greater investment and financing sufficiency as measured compared to standalone options</p>
<b>Ensures that responsibilities to hapū and iwi are met</b>	<ul style="list-style-type: none"> <li>Meets all obligations set out in relevant Treaty settlement legislation and in any relationship agreements</li> <li>Greater investment capacity and capability than standalone options</li> <li>Meets specific consultation requirements as set out in the shareholders statement of intent</li> </ul>	<p>Informed by consultation with iwi/hapū</p>
<p>----- COMMERCIAL IN CONFIDENCE -----   <b>CREATING A JOINT WATER SERVICES ORGANISATION</b>   ----- MARTIN JENKINS -----</p>		



## Key agreements

AGREEMENT	DESCRIPTION	TIMING
<b>Councils Commitment Agreement</b>	The Commitment Agreement sets out how councils work together to develop and establish the water organisation, including a list of the key activities and programme, allocation of roles and sharing of resources, accountability measures and the governance structure during the period leading up to the establishment of the water organisation	Signed following Council decision on preferred option following consultation and prior to election
<b>Shareholders' Agreement</b>	The Shareholders' Agreement sets out the rights and obligations of each shareholding council of the water organisation in relation to governance and decision making, and other rights and obligations that shareholders will owe to each other. The agreement provides for the formation of a shareholder council that will be responsible for jointly setting shareholder expectations, appointing the board and overseeing its performance, with terms of reference set out in a shareholder charter.	Principles to be agreed post-election, and agreement early in 2026
<b>Transfer agreement</b>	This agreement provides for the transfer of the councils' water assets and liabilities from each council shareholder to the new water organisation and will specify matters being transferred; matters not being transferred; the transfer terms, including warranties; matters of shared interest; the provision of ad hoc services; and arrangements relating to whether the council or WO will undertake charging and revenue collection.	Establishment phase
<b>Water Entity Constitution</b>	The Constitution sets out how the water organisation will be run by its board of directors and how decisions will be made, including to prescribe processes relating to the management of share issues, meetings and resolutions, the appointment and removal of directors, directors' powers, and board proceedings.	Establishment phase
<b>Directors and officers deed of indemnity and insurance for water organisation</b>	This deed provides for the water organisation to indemnify and ensure its directors and officers from personal liability that may be arise in their capacity as directors and officers of the water organisation. The indemnity will not, for example, cover liability arising from a breach of the director's duties.	Establishment phase

COMMERCIAL IN CONFIDENCE

| CREATING A JOINT WATER SERVICES ORGANISATION |

MARTINJENKINS



# 5.0

## Timeline



COMMERCIAL IN CONFIDENCE

| CREATING A JOINT WATER SERVICES ORGANISATION

MARTINJENKINS



1

2

3

4

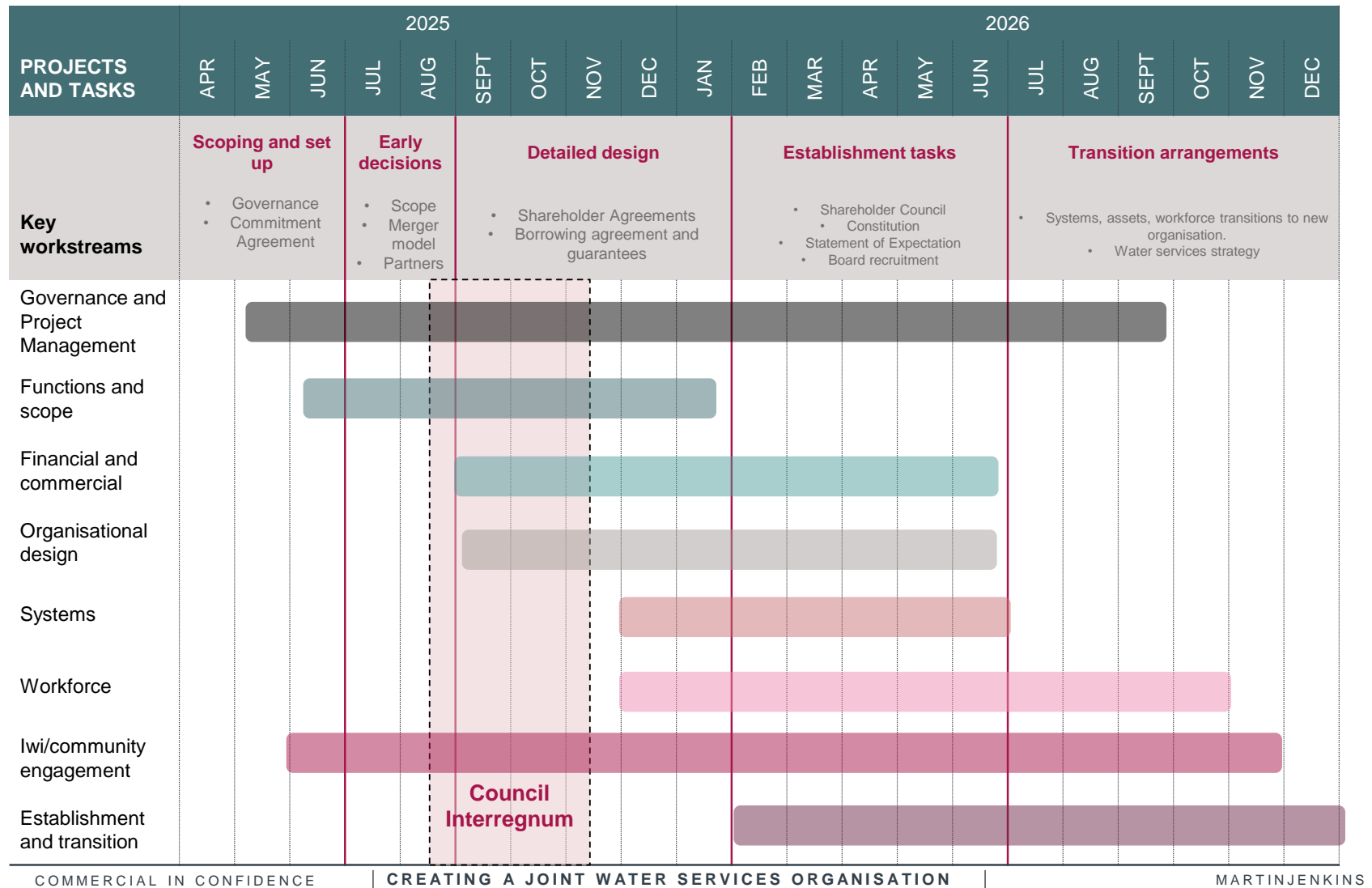
5





18



## Recap on the high level timing





1

2

3

4


5

<

19

>

# Appendices



COMMERCIAL IN CONFIDENCE | CREATING A JOINT WATER SERVICES ORGANISATION | MARTINJENKINS





20



# Pros and cons of different approaches to creating a joint entity

	Option 1 Lead host	Option 2 Best of both	Option 3 Transformation	Option 4 Preservation	Option 5 Phased integration
<b>Summary approach</b>	Larger organisation hosts and then absorbs functions from smaller organisations	Strengths from each organisation selected (people, systems, processes)	Move quickly to entirely new organisation	Maintain distinct operations, limited integration	One Council begins, with a phased integration from others
<b>Pros</b>	<ul style="list-style-type: none"> <li>Streamlined accountability structure with clear decision-making processes</li> <li>Faster integration of water infrastructure and asset management systems</li> <li>Lower disruption costs for smaller councils joining larger</li> <li>Faster path to standardised approach to service delivery across regions and scale benefits</li> <li>Consistent with DIA templated approach</li> </ul>	<ul style="list-style-type: none"> <li>Combines technical expertise from larger organisations with local knowledge of smaller ones</li> <li>Optimises systems and processes</li> <li>Balanced approach to both infrastructure efficiency and local responsiveness</li> <li>Ability to retain staff expertise from both organisations in their areas of strength</li> <li>Can operate similar to 1, with key personnel seconded.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to design water services delivery model with clean sheet of paper</li> <li>Potential for innovative approaches to systems and processes</li> <li>Greatest potential to create new culture and ways of working</li> <li>Fresh approach to community partnership and engagement from early in the process</li> <li>Ability to address legacy infrastructure issues with new integrated solutions</li> </ul>	<ul style="list-style-type: none"> <li>Maintains strong local connection and understanding of existing operations</li> <li>Preserves existing relationships with community groups and stakeholders</li> <li>Potentially least disruptive to staff</li> <li>Minimises disruption to frontline water service delivery and operations</li> <li>Retains institutional knowledge about local infrastructure condition and issues</li> </ul>	<ul style="list-style-type: none"> <li>Allows staged implementation aligned with wider water reform timelines</li> <li>Enables careful planning for critical infrastructure transitions with minimal service disruption</li> <li>Progressive alignment with regulatory requirements</li> <li>Provides a clear path for staff to new culture</li> </ul>
<b>Cons</b>	<ul style="list-style-type: none"> <li>Potential loss of local knowledge about specific catchment areas and infrastructure challenges</li> <li>Resistance from staff in smaller organisation that they will be disadvantaged in change process</li> <li>Assumes host systems are superior</li> <li>Disproportionate cost implication for smaller organisation (overhead pressure)</li> </ul>	<ul style="list-style-type: none"> <li>More complex accountability and decision-making about which systems to adopt</li> <li>Time-consuming process to harmonise different approaches to infrastructure investment</li> </ul>	<ul style="list-style-type: none"> <li>Significant costs during transition period potentially impacting rates or service delivery</li> <li>Risk of disruption to essential water services during transformation</li> <li>Potentially more costly as existing operations continue while new operations are established</li> <li>May require retraining of staff in new systems and approaches</li> </ul>	<ul style="list-style-type: none"> <li>More costly as slower transition misses opportunities for economies of scale</li> <li>Limited ability to create new culture and ways of working</li> <li>Perpetuates fragmentation in approach</li> <li>Maintains separate and potentially inconsistent systems and processes</li> </ul>	<ul style="list-style-type: none"> <li>Risk of losing momentum</li> <li>Stakeholder fatigue from prolonged consultation and change processes</li> <li>May result in staff churn as staff take roles in organisations establishing sooner</li> <li>Challenges in maintaining consistent communications across multiple stakeholders</li> <li>Interim inefficiencies with some duplicated systems during transition phases</li> </ul>

COMMERCIAL IN CONFIDENCE

| CREATING A JOINT WATER SERVICES ORGANISATION |

MARTINJENKINS<sup>20</sup>



1

2

3

4

5



21



# What factors influence model choice

FACTOR	CONSIDERATION	WBOP/TCC SPECIFIC CONSIDERATIONS
<b>Strategic intent and outcomes</b>	<ul style="list-style-type: none"> <li>Financial drivers: Speed of establishing the WSO to accelerate achieving cost efficiencies vs. service improvement vs. infrastructure development and balance sheet capacity</li> <li>Timeframe requirements: Short-term consolidation vs. long-term decision making (contract de-setting, large investment decisions or procurement drivers, electoral processes)</li> <li>Integration depth needed: Depends on the degree of integration and operating model for e.g. full integrated water management vs. shared services with local oversight in the near term phased overtime</li> <li>Innovation objectives: Maintaining current practices vs. implementing new technology and management approaches (including procurement)</li> </ul>	Relevant factors include progress of the ERP system replacement
<b>Organisational characteristics</b>	<ul style="list-style-type: none"> <li>Relative size disparity: Large regional authority absorbing smaller council water operations vs. equal partners forming new water entity</li> <li>Power dynamics: Balance between territorial authorities and relationship</li> <li>Cultural compatibility: Similar service delivery approaches vs. differing priorities (urban/rural)</li> <li>Operational overlap: Shared catchments or networks vs. distinct water systems</li> <li>Geographical distribution: Neighbouring councils vs. catchment-based groupings vs. regional boundaries (this depends on number of Councils - the fewer the easier to do in the near term).</li> </ul>	Organisational and political momentum
<b>Capability assessment</b>	<ul style="list-style-type: none"> <li>Relative strengths and weaknesses: Technical expertise, asset condition, financial capacity</li> <li>Critical capabilities to preserve: Local knowledge, specialised expertise, successful maintenance programmes (including retention arrangements)</li> <li>Systems compatibility: Asset management systems, billing platforms, monitoring infrastructure</li> <li>Service equity: Existing service levels and pricing structures across communities</li> </ul>	Billing system and integrated contractor management relevant consideration
<b>Implementation considerations</b>	<ul style="list-style-type: none"> <li>Available resources: Debt capacity, capital structure, technical expertise, and transition support</li> <li>Leadership capacity: Experience with water sector reform and large-scale integration</li> <li>Workforce readiness: Technical staff adaptability and retention during transition</li> <li>Stakeholder expectations: Community voice, iwi partnerships, and customer service commitments</li> <li>Risk tolerance: Balancing service continuity with system transformation</li> </ul>	Capacity and capability to drive change key consideration
<b>External environment</b>	<ul style="list-style-type: none"> <li>Regulatory framework: Water Services Act requirements, economic regulation, and environmental standards</li> <li>Infrastructure challenges: Ageing assets, climate resilience needs, and growth pressures</li> <li>Funding constraints: Rate caps, debt limits, and infrastructure investment requirements</li> </ul>	Large capital programme and potential for scale procurement. Debt cap relatively important though transition can be managed.



**Wellington** T +64 4 499 6130

Level 1, City Chambers, Cnr Johnston and Featherston Streets, Wellington 6011, PO Box 5256, Wellington 6140, New Zealand

**Auckland** T +64 9 915 1360

Level 16, 41 Shortland Street, Auckland 1010, New Zealand

**info@martinjenkins.co.nz**   **[martinjenkins.co.nz](http://martinjenkins.co.nz)**

**COUNCIL WORKSHOP**

<b>DATE:</b>	Thursday 8 May 2025 at 12.40pm
<b>HELD:</b>	Council Chambers and Via Zoom
<b>TOPICS:</b>	1. Local Waters Done Well – Taking a principles based approach
<b>GENERAL MANAGER RESPONSIBLE:</b>	M Taris (Interim Chief Executive)
<b>FORUM MEMBERS PRESENT:</b>	Mayor J Denyer, Cr G Dally, Cr T Coxhead, Cr M Grainger, Cr A Henry, Cr R Joyce, Deputy Mayor Scrimgeour, Cr M Murray-Benge, Cr A Sole, Cr L Rae and Cr D Thwaites.
<b>VIA ZOOM:</b>	Cr A Wichers
<b>STAFF IN ATTENDANCE:</b>	M Taris (Interim Chief Executive), R Davie (Deputy CEO/GM Strategy and Community), A Henderson (General Manager Corporate Services), C Crow (General Manager Infrastructure Services), J Fearn (Chief Financial Officer), A King (Legislative Reform and Special Projects Strategic Advisor), R Garrett (Governance Manager) and H Wi Repa (Governance Systems Advisor).
<b>OTHERS IN ATTENDANCE:</b>	Sarah Baddeley (MartinJenkins) and Mike Chatterley ((MartinJenkins) Via Zoom)
<b>INTRODUCTION:</b>	Councils General Manager Corporate Services took Councillors through the PowerPoint presentation and discussion points.

Council Workshop – 8 May 2025

**1. Local Waters Done Well – Taking a principles based approach**

To ensure Council could implement their decision regarding a future water services model, MartinJenkins prepared a presentation outlining the required next steps and timeframes. This had been developed on the basis of Council's preferred option.

12.45pm Cr Wichers entered the workshop via Zoom

**Summary of Key Themes**Water Services Establishment Principles Review

The discussion focused on the establishment principles for water services and reviewing outstanding questions from Councillors. There was a recap of the previous analysis of standalone options for the council, including risks, challenges, and assessment criteria. MartinJenkins were present to provide technical expertise and modelling updates. There was further discussion around financial sustainability tests, debt limits, and the implications of recent changes in LGFA (Local Government Funding Agency) guidelines.

Water Service Merger and Ring-Fencing

The workshop covered the potential merger of water services between councils and the concept of ring-fencing. MartinJenkins explained that harmonisation of rates between councils was a negotiation point. She cautioned against making firm promises on price paths before further analysis was undertaken. Councillors discussed the importance of delivering benefits to ratepayers and the challenges of merging organisations with different debt levels. It was clarified that ring-fencing was an accounting concept that could provide confidence during transitions but may limit the new organisation's strategic choices in the long term. The Department of Internal Affairs report suggested a starting position of ring-fencing for 10 years, with the possibility of extension.

Harmonising Water Charges Across Councils

MartinJenkins explained that smaller councils with lower starting points would find it difficult to harmonise with larger councils. The discussion also covered the impact of debt transfer to a Council-Controlled Organization (CCO) on credit ratings and borrowing capacity. It was clarified that while the Local Government Funding Agency (LGFA) would exclude water-related debt from council calculations, credit rating agencies might still consider it for larger entities. The group also touched on the future role of economic regulators in setting water pricing principles and the potential changes to stormwater charging methods.

Council Workshop – 8 May 2025

Water Service Delivery Options Discussed

The workshop discussed various options for water service delivery, including in-house delivery, standalone CCO, and multi-council CCO. Councillors reviewed financial modelling and efficiency assumptions for each option. While an in-house option with increased debt capacity was technically feasible, it would limit the council's ability to fund other activities. The multi-council CCO option was still seen as preferable due to greater potential efficiencies, though some council members questioned the assumptions. An independent review of the council's capital programme found no major issues with the current approach.

Council Debates Water Services Strategy

Councillors discussed the sustainability of their Long-term Plan (LTP) and the reasons behind their current financial position. They debated the merits of joining a Council-Controlled Organisation (CCO) for water services, with some arguing for early adoption to have more influence, while others advocate for a wait-and-see approach. The discussion touched on concerns regarding staffing, director competencies, and the risks of delaying decisions. The councillors also considered the implications of neighbouring councils' decisions and the government's intentions regarding water asset management. There was a focus on balancing the need for infrastructure investment with financial sustainability and operational efficiency.

Water Service Delivery Financial Implications

The Councillors discussed the financial implications of different water service delivery options. It was clarified that the current borrowing limit of 280% of total revenue could potentially be increased to 350% on a case-by-case basis through the Local Government Funding Agency (LGFA). For a standalone option, the council would need to propose an alternative revenue path with significant price increases in the first few years. The council also explored partnership options with other councils, particularly Tauranga City Council, though they were still in early discussions with Thames-Coromandel District Council. There were concerns about negotiating leverage and having alternative options, however it was noted that the council had the backstop option of going it alone if needed. The council sought to understand what the rest of the council would look like after any water service changes, before making a final decision.

Council Workshop – 8 May 2025

Modelling Financial Impacts of Water Reform

The workshop talked through the complexities of modelling financial impacts of water services reform, particularly regarding stormwater assets. Councillors were advised that if the preferred model was a CCO, that further financial due diligence would be undertaken before agreements were finalised with any potential partner Council. The challenges of separating stormwater assets from other council assets like parks and roads was explored, with consideration to the possibility of keeping stormwater assets with the council while transferring operations to a water services entity. The discussion highlighted the interconnected nature of water systems and the need for careful consideration in asset transfer decisions.

3.04pm      The workshop adjourned.

3.20pm      The workshop reconvened.

Tauranga City Council's Water Services Principles

The workshop discussed the establishment principles for a potential Council-Controlled Organisation (CCO) for water services. Presenters explained that Tauranga City Council (TCC) had shared their principles. Councillors discussed the need for a merger of equals approach rather than a takeover, and the importance of joint political governance. They also considered non-negotiable terms, including improved affordable services for communities and equal opportunities for staff.

Partnership Principles and Treaty Settlements

The unusual mix of entities and the need for a generous disposition in partnership was discussed, along with the importance of principles in negotiations and the need for a counterparty to agree on these principles. Councillors emphasised the importance of equitable and affordable prices for communities and the need for transparency and accountability in the delivery of services. They also discussed the need for a joint political working group and the importance of upholding treaty settlements. The conversation ended with a discussion on the potential for an independent chair in the governance group and the need for a coordinated approach.

Direction	Responsible
<ul style="list-style-type: none"> <li>Review and refine overhead allocations and charging regime for remaining council operations after water services transfer.</li> </ul>	GM Corporate Services

Council Workshop – 8 May 2025

<ul style="list-style-type: none"><li>Review and analyse establishment costs for different CCO options, including standalone versus joint organization scenarios.</li></ul>	
<ul style="list-style-type: none"><li>Meet with Thames-Coromandel Council representatives to discuss potential CCO partnership</li></ul>	Mayor/Deputy Mayor

<b>Actions</b>	<b>Responsible</b>
<ul style="list-style-type: none"><li>Define clear delegation frameworks and decision-making authorities between council and CCO.</li><li>Complete detailed analysis of stormwater assets and operations to determine which components should transfer to water entity vs remain with council.</li><li>Prepare council paper outlining guidelines for council consideration and CCO governance structure.</li><li>Re-engage with Tauranga City Council to present Western Bay's preferred principles and approach for the water services organisation.</li><li>Add two additional principles to the existing framework – one about merger of equals and one about joint political oversight.</li></ul>	GM Corporate Services

The workshop finished at 4.10pm.

Council Workshop – 8 May 2025





# **Local Waters Done Well Responses to Councillor Questions**

Combination Report by Officers in response. Based on material from various presentations to date, and new material requested



## Question from Council...

Can we stand alone?

- Recap and why it was initially discounted
- Further modelling undertaken in light of LGFA updates April 2025



## Recap presentation September 2024

- Standalone option discussed

The slide features a dark teal background with a sidebar on the left containing icons for a home, a list of numbers 1 through 5 (with '2' highlighted), a back arrow, the number 11, and a forward arrow. The main content area displays '2.0' in large light blue font, followed by 'Assessment framework' in white. On the right, there are faint, overlapping geometric shapes. The footer contains the text 'ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)'.

# 2.0

## Assessment framework

ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)



## Key risks and challenges over the next 10 years

- ▲ Providing for high growth
- ▲ Delivering a large capital expenditure programme with limited resources given the same of the anticipated investment
- ▲ Ensuring integrated response to growth demands with Tauranga
- ▲ Uncertainty in regulatory environment, particularly for wastewater
- ▲ Renewal of underground water supply assets
- ▲ Extreme weather events and building climate resilience
- ▲ Compliance with water quality standards
- ▲ Ensuring appropriate levels of service for stormwater



12



# Key elements of Local Water Done Well

The Government's Local Water Done Well policy will significantly change the operating environment for water services in New Zealand.

New regulatory requirements, coupled with new structural and financing tools, is expected to lead to significant changes in service provision over time, including the adoption of new service delivery models.

## WATER SERVICES PLANS

Plans will need to show how councils will meet water quality and infrastructure rules, while being financially sustainable  
Plans need to include asset and financial information, investment required and proposed service delivery arrangements



## FINANCIAL SUSTAINABILITY

- Plans will need to show that:
- Water revenue is sufficient to cover maintenance, financing costs and depreciation
  - Planned capital investment is sufficient to meet regulatory requirements and provide for growth
  - Available financing does not constrain investment required to support service delivery



## NEW STRUCTURAL AND FINANCING TOOLS

Future legislation, to be introduced in December 2024, is expected to provide for a range of structural and financing tools, including a new type of financially independent council-owned water organisation



## NEW REGULATION

Legislation will set out long-term requirements for financial sustainability and provide for economic regulation. This will include requirements for councils to ring-fence their water services from other council activities and will include new information disclosure and reporting requirements.



1

2

3

4

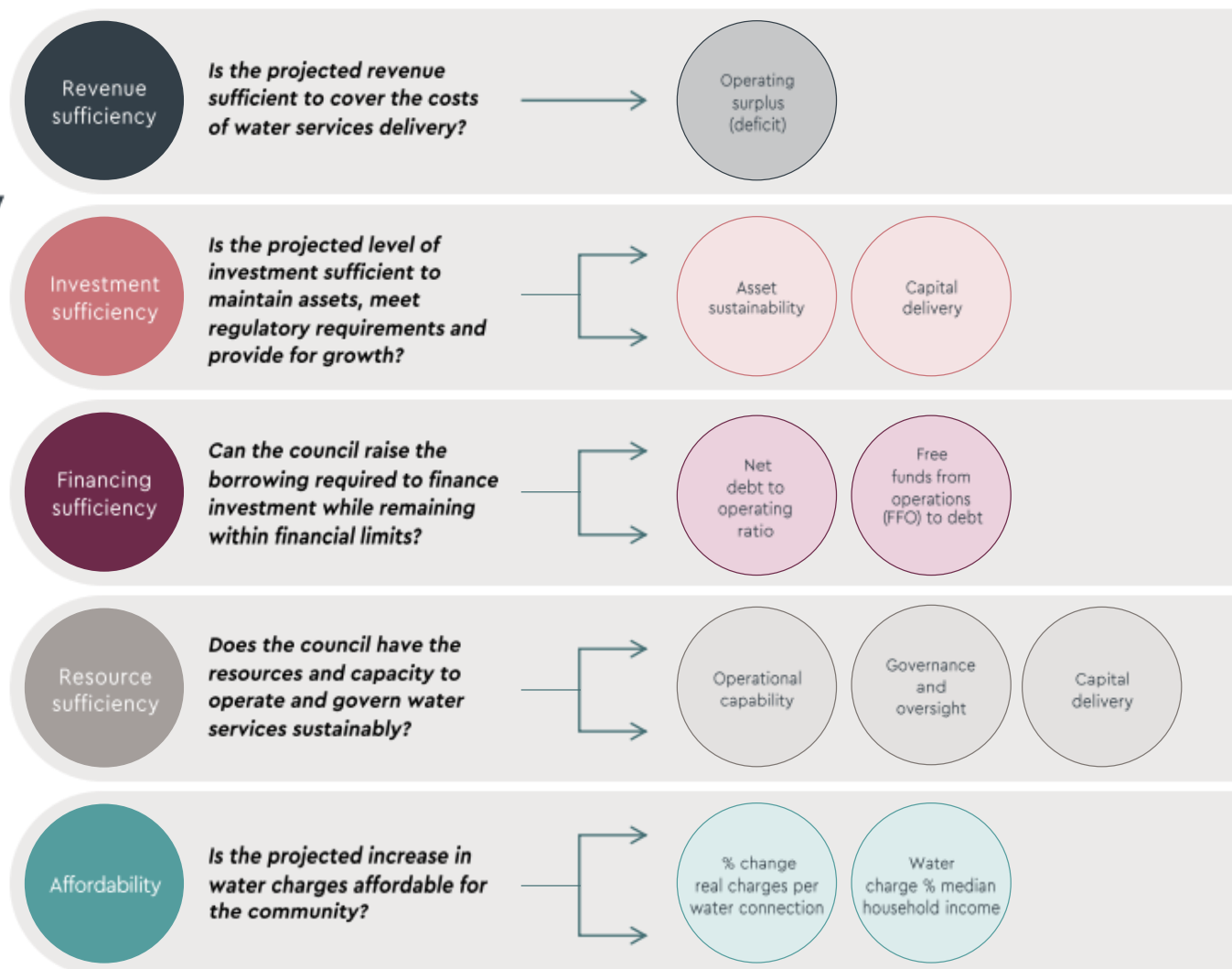
5



13



## Criteria for assessing viability and sustainability



The slide features a dark teal background with a large, light blue '3.0' and the text '10-year outlook' in white. A sidebar on the left contains a red cross icon, a home icon, and numbered buttons 1 through 5, with button 3 highlighted. Below these are navigation arrows, the number 14, and a right arrow. The bottom of the slide contains the text 'ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)'.

# 3.0

## 10-year outlook

ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)





## Summary assessment

Revenue sufficiency	<b>Is the projected revenue sufficient to cover the costs of water services delivery?</b>	<ul style="list-style-type: none"> <li>Revenue appears to be sufficient to cover the costs of water services delivery but is contingent on realising significant planned increases in operating revenue in the final years of the LTP.</li> <li>An alternative and likely more sustainable price path could be to increase revenue earlier and offset this with smaller increases in later years.</li> </ul>	
Investment sufficiency	<b>Is the projected level of investment sufficient to maintain assets, meet regulatory requirements and provide for growth?</b>	<ul style="list-style-type: none"> <li>Planned investment represents a significant increase on recent levels and appears to be driven largely by growth.</li> <li>Delivery may be challenged given historic under-delivery against planned budgets and will require close oversight.</li> <li>Future regulatory requirements and the risk of further climate-related events may result in greater than expected costs.</li> </ul>	
Financing sufficiency	<b>Can the council raise the borrowing required to finance investment while remaining within financial limits?</b>	<ul style="list-style-type: none"> <li>The debt path represents a 'highly leveraged' position and would not be considered prudent or sustainable by local government or water industry standards.</li> <li>The debt trajectory appears unsustainable for three waters on a standalone basis, especially considering the projections also assume a significant drawdown on reserves in the first part of the period.</li> </ul>	
Resource sufficiency	<b>Does the council have the resources and capacity to operate and govern water services sustainably?</b>	<ul style="list-style-type: none"> <li>Council resource constraints, including in staff and contractor resourcing (e.g. for skilled project managers) and governance will likely be further tested as the capital delivery programme expands.</li> <li>Partnership with another water service provider including TCC may be a source of support, including through seeking efficiencies in the long-term operations contract with Downer.</li> </ul>	
Affordability	<b>Is the projected increase in water charges affordable for the community?</b>	<ul style="list-style-type: none"> <li>Projected revenue increases occur later in the LTP period which means charges exceed a common international benchmark for water affordability (2.5% of median household income) in year eight.</li> <li>This might happen sooner if price increases are brought forward or if costs escalate over the LTP period.</li> </ul>	

ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)



## Summary of findings

**1.** The current way that WBOPDC treats debt, depreciation and revenue (particularly development and financial contributions) at a water activity level will need to be revised to conform with ring-fencing requirements under the proposed water service development plans. This should include a review of operating expenses, debt and revenue across and between different water activities.


**2.** Current LTP projections appear unlikely to meet financial sustainability requirements for a stand-alone business unit approach for a number of reasons:


- net debt to revenue is forecast to peak at 550% in FY28 and FY29 under indicative lending limits signaled by LGFA as part of the LWDW policy announcement
- the current price path will see a significant build up in debt over the first half of the LTP period, resulting in a deteriorating financial position
- risks arising from a historic pattern of under delivery against planned capital budgets given a significant forward investment programme.

**3.** This conclusion should be further tested in the development of the Water Services Delivery Plan including:

- if significant planned increases in operating revenue are likely to eventuate in order to meet the requirement for revenue sufficiency as the current approach is heavily reliant on surpluses in years 8-10 which poses a risk to projections
- adequacy of internal resources (and operating costs) and governance to deliver the significant capital programme which is impacted by high growth
- anticipated costs associated with renewing expiring consents over the next 30 years that may escalate as a result of new regulatory requirements.

**4.** There is opportunity to better manage risks associated with high levels of debt by smoothing the price path and increasing water charges at a steadier rate earlier in the period.






1

2


**3**

4

5



17



# Three water services

Follow up on issues from last workshop

ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)



# Three waters borrowing

Financing  
sufficiency

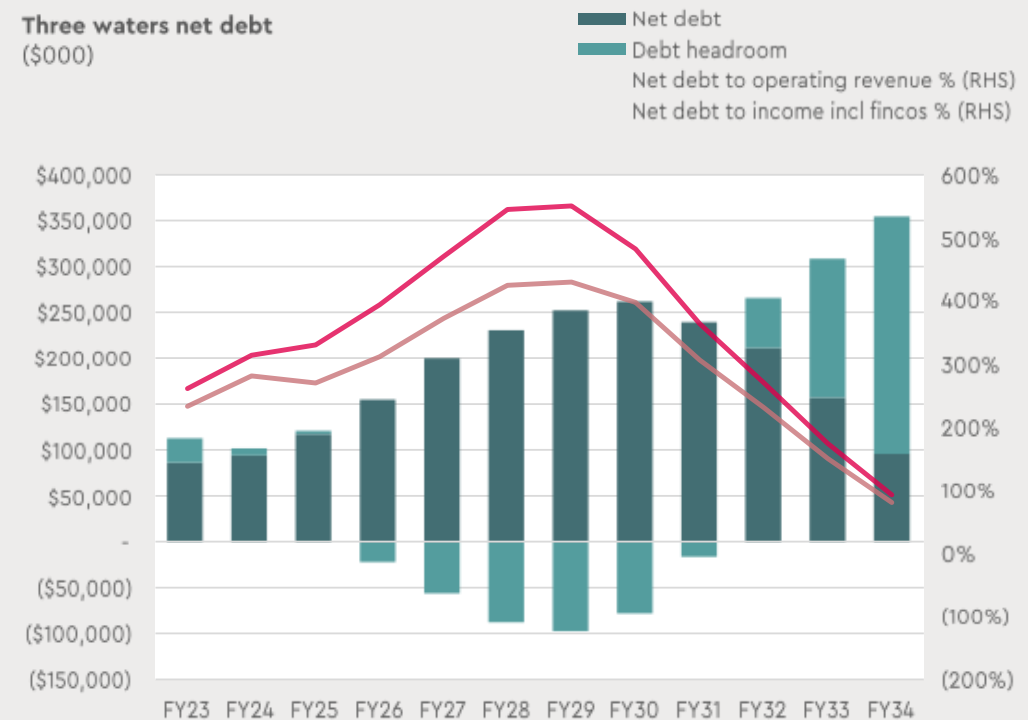
## Borrowing

- Net borrowing for three waters was estimated at \$87.1 million at FY 2023. Total borrowing is expected to increase by \$247.7 million, to \$334.8 million by FY 2034. At the same time, projections show a drawdown on reserves over the period to FY29, so that net debt is expected to worsen in the short term.
- The borrowing projections used in the model were provided separately and differ from those in the FIS statements particularly towards the end of the ten-year period. This is a departure from typical treatment. We have not been able to reconcile these debt tracks and have highlighted this risk to Council officers.

## Net debt to revenue

- Over the next ten years, net debt to operating revenue is projected to increase to 550% by FY29, before declining to below 100% by FY34.
- Water activities are typically operated with higher leverage than non-water council activities, due to their capitalintensive nature. However, this represents a very high level of debt and will likely exceed internal council limits and significantly constrain borrowing for non-water purposes. The projected debt path also would exceed indicative LGFA covenants for a standalone water CCO. An alternative price path, where water charges increased by more in early years and less in later years would improve this projected debt track.

Three waters net debt  
(\$000)



The graph above shows two ratios. Net debt to operating revenue is the standard ratio for assessing financing sufficiency, and is discussed in the text. The graph also shows net debt compared with a different income measure, operating revenue plus financial contributions expected to be received over the period. See further discussion of this on page 55.



## Three waters financing sufficiency —financial contributions

The Local Government Funding Agency currently excludes development and financial contributions from revenue streams when assessing credit risk on the basis that this is a non-government capital contribution.

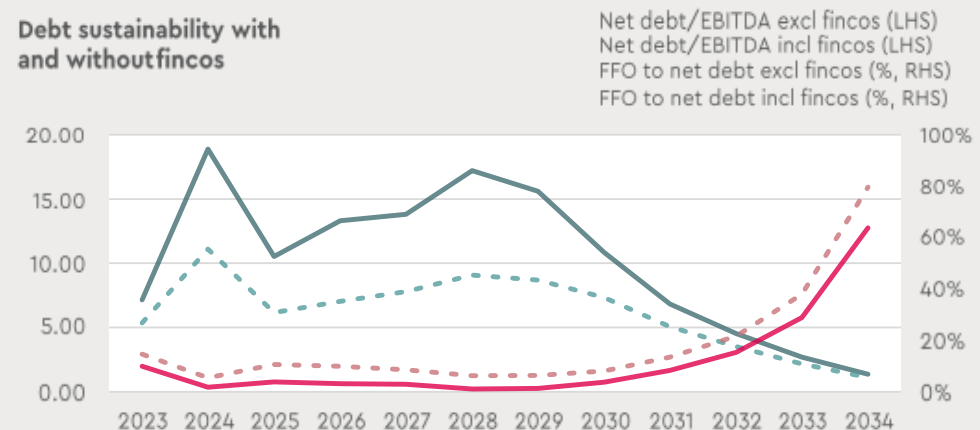
Development and financial contributions are typically viewed as less reliable and more riskier forms of income than rates, user charges or grants.

It is unclear if the LGFA would re-consider this approach in relation to new delivery models enabled under Local Water Done Well. This decision would be informed by a range of factors including any proposed charging mechanisms / arrangements that a water organisation might be able to use to recover costs from developers.

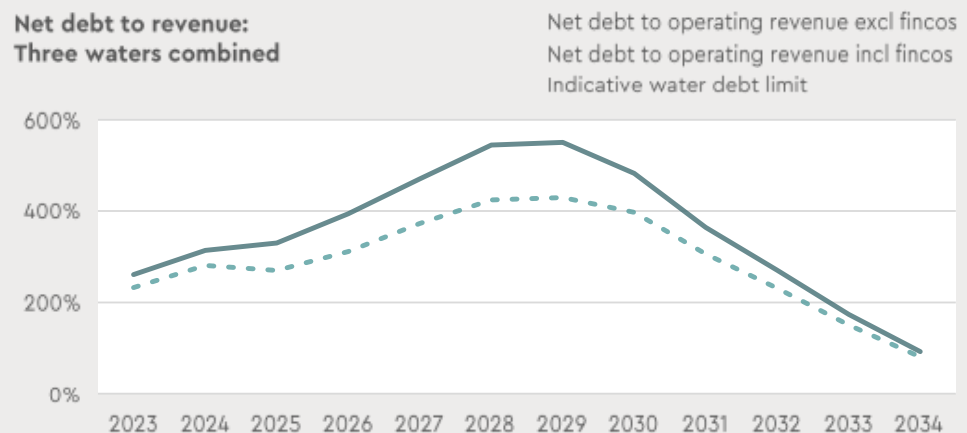
We have run a highlevel scenario in which financial contributions are allowed to be included in operating revenue. This illustrates that, even if the LGFA were to include recurring financial contributions as revenue when assessing financial ratios, Western Bay of Plenty District would be unlikely to meet the indicative requirements for financial sustainability if water services continue to be delivered in-house. It would be operating with net water debt to revenue above 400% over FY27 to FY30 with FFO to net debt demonstrating a highly leveraged position out to 2031. High gearing on water activities would also place significant constraints on borrowing capacity for non-water council services.

This situation could be improved if the Council were to adopt an alternative revenue path for water supply and wastewater, as previously advised.

Debt sustainability with  
and without fincos



Net debt to revenue:  
Three waters combined







# Affordability of water charges

Affordability

## Average water rates per connection

- Water charges per connection are projected to decrease in FY25 before increasing by \$2,759, from \$1,543 in FY25 to \$4,302 by FY34.
- This represents a real increase of \$2,057 per connection, or 133% over ten years (10% per annum above the rate of inflation).

## Water rates as a % of median household income

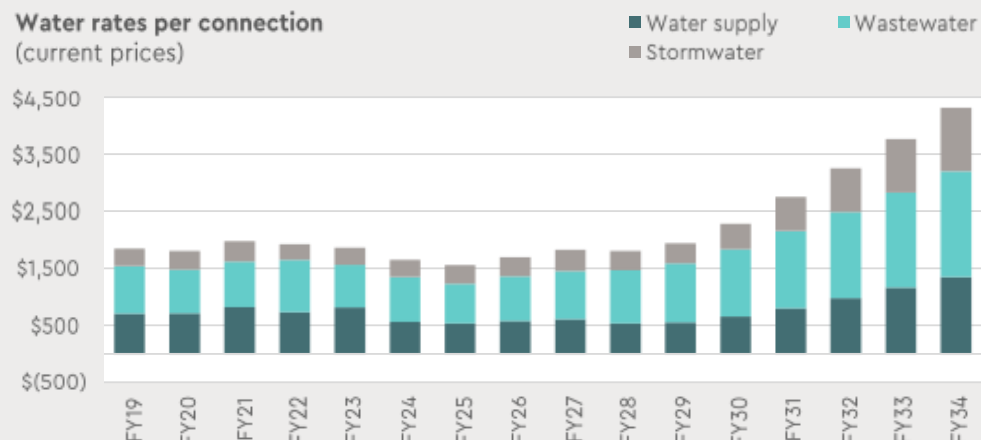
- The increase in water charges is estimated to increase average spending on water services per connection from a low of 1.4% of the median household income\* in FY25 to 3.2% by FY34.

## Affordability of water charges

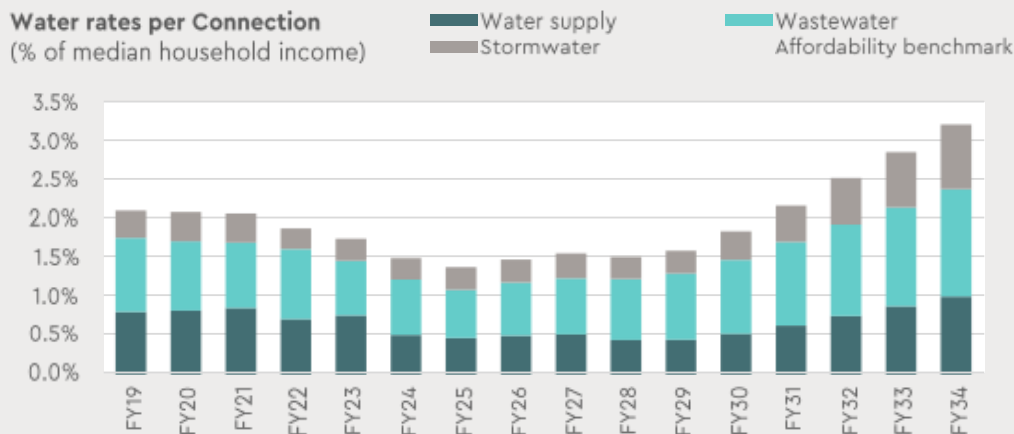
- A common international benchmark for water affordability is 2.5% of median household income.
- Based on the long-term plan, this threshold would be reached by year eight of the LTP period.
- This analysis highlights the opportunity to smooth the price path faced by the community to better manage revenue and prevent unnecessary price shocks.

\* The median household income for the Bay of Plenty region (\$105,000) has been used as a base for this calculation. WBOPDC figures for FY24 are draft and TBC.

Water rates per connection  
(current prices)



Water rates per Connection  
(% of median household income)



The slide features a dark teal background with a sidebar on the left containing navigation icons: a red cross, a home icon, and numbered buttons 1 through 5 (button 4 is highlighted). The main content area displays '4.0' in large light blue font, followed by 'Long-term perspective' in white. On the right, there are faint, overlapping geometric shapes. The footer contains the text 'ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)'.

# 4.0

## Long-term perspective

ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY | MARTINJENKINS (commercial in confidence)



22



## Long-term considerations

### Anticipated capital infrastructure requirements

The capital profile over the 30-year planning horizon is likely to be lumpy, particularly as some resource consents are due to expire over that timeframe. We note that the infrastructure strategy includes nominal amounts for renewals tagged to expiring resource consents where there is a high likelihood that new regulatory requirements could necessitate greater spending or investment could be required earlier than anticipated as has been seen with the Katikati WWTP.

Other risks associated with a longer-term horizon include:

- projected outcomes are worse than anticipated
- asset revaluations and capital price inflation above the rate of general inflation.
- sea level rise and more frequent extreme weather events driving higher costs.
- wastewater discharge requirements driving higher than planned capital costs.
- increasing expectations on council to address problems with small and rural community supplies.

- higher civil construction costs driving up the costs of new capital investment and upgrades

### Debt sustainability

Given the lumpy nature of the capital profile, having sufficient debt headroom will be important to managing the investment requirements.

Council's gearing on water activities improves towards the end of the LTP period, however this assumes significant increases in revenue can be realised at the end of the LTP period. Should these not eventuate, the debt position for WBOPDC would remain highly leveraged and could limit its ability to respond to future investment requirements.

### Revenue sufficiency

We conclude that the long-term plan is consistent with the requirement for revenue sufficiency.

Provided operating revenue continues to keep pace with operating expenditure, Council would be expected to meet this requirement over the longer-term. However, as noted below, this could have implications for affordability for local communities.

### Affordability

Current LTP forecasts suggest that affordability thresholds will be met by FY32. Given the likely increase in future expenditure requirements as noted above, it is likely that revenue will need to continue to increase which will lead to a gradual worsening of affordability over time.





## Strategic objectives

### STRATEGIC OBJECTIVES

### ASSESSMENT APPROACH / MEASURE

**Efficient and financially sustainable delivery of water services** for the Western Bay of Plenty community

- Revenue sufficiency—water charges generate sufficient revenue to meet the full costs of service delivery including opex, interest and depreciation.
- Financing sufficiency—councils are able to raise the borrowing required to finance investment, and generate the cash surpluses required to repay debt as it falls due.
- Resource sufficiency—the future model will have sufficient resource to operate water services sustainability, and that the management of those resources is effectively and efficiently undertaken.

**Invests at a level that protects and promotes public health and the environment**—meeting regulatory requirements

- Investment sufficiency—councils undertake the investment they need to maintain existing assets, meet regulatory requirements, and provide for future growth.

Enables and supports high quality **urban development outcomes** and positively contributes to housing outcomes—to provide for future growth

- Investment sufficiency.
- Ability of the future delivery model to support integrated planning and decision-making around spatial/urban development planning and water network planning.

Delivers a **high-quality service to consumers and communities**

- Affordability—the projected increase in water charges is affordable for the community.
- Strength of mechanisms for local voice and influence provided for in the model.
- Nature and extent of opportunities for iwi and hapū to influence water services planning and delivery.

Ensures that water services are **sustainable, resilient to natural hazards and the effects of climate change**

- Investment sufficiency.
- Ability of the future model to support alignment and co-ordination with BOP Regional Council flood protection functions.

Ensures that **responsibilities to hapū and iwi** are met

- Satisfaction and ease of resource consenting requirement.
- Strength of processes and mechanisms to receive input from iwi/hapū.



## Implications for developing water services delivery plans

Ultimately, financial sustainability will be a determining factor in selecting the preferred model under the proposed new regulatory arrangements. Councillors will need to satisfy themselves that the preferred delivery model will enable outcomes equal to or exceeding Council's ability to deliver water services sustainably on a stand-alone basis.

Based on our assessment, issues to consider as part of development of those plans include:

- **Revenue sufficiency**—on a stand-alone basis, Council is forecast to generate sufficient revenue from water charges to meet its operating expenditure and debt repayments, but this is reliant on surpluses in years 8-10 which poses a risk to projections. The new model will need to match or better this result using the revenue and financing tools it has available.
- **Financing sufficiency**—Council is currently forecast to raise enough borrowing to finance investment however it is anticipated to be very highly geared under likely new LGFA lending limits over the next 10 years. A new model could enable greater borrowing through the LGFA or private markets.
- **Resource sufficiency**—Council is likely to face workforce challenges internally and in the local supplier market to deliver on the significant (and lumpy) forward capital works programme, particularly given historic challenges with delivery. The future model should provide for more proactive and strategic local workforce development and will require close oversight.
- **Investment sufficiency**—current investment forecasts are expected to meet requirements for asset maintenance and provide for growth. Regulatory requirements remain uncertain and there is a risk further investment will be required. The future model will need to have flexibility to scale investment to meet any new regulatory requirements
- **Affordability**—water charges are projected to exceed 2.5% of median income by year 8 of the LTP period but this relies on high debt leverage in the intervening years. The future delivery model should enable a smoother price path through better use of a range of revenue raising tools, including spreading debt.



## Recommendations for Council

### The Council's current long-term plans for water services appear to be inconsistent with anticipated financial sustainability requirements

We suggest the Council undertakes further work as part of preparing its Water Services Delivery Plan to:

- consider the way that WBOPDC treats debt, depreciation and revenue (particularly development and financial contributions) at a water activity level to conform with ring-fencing requirements
- assess whether significant planned increases in operating revenue in years 8 to 10 are likely to eventuate in order to meet the requirement for revenue sufficiency
- sensitivity test anticipated costs associated with renewing expiring consents over the next 30 years to assess the extent to which any escalation in associated costs might challenge affordability
- consider the current price path and whether this could be smoothed by increasing water charges at a steadier rate earlier in the period and reduce the level of debt
- assess the adequacy of internal resources required to deliver the 10-year capital programme, which is impacted by high growth

As a result of this further work, adjustments to the Council's planned revenue and debt projections may be required, and our preliminary conclusion may need to be reassessed.



1

2

3

4

5



31



## Further considerations for Council

The Council should continue to explore a range of options, including considering potential joint arrangements with other councils

- The Council should **continue to explore a range of options for future services delivery including those that involve joint delivery models**, whether in collaboration with Tauranga City Council or with a larger grouping of councils in the region, provide several added advantages over delivering on a stand-alone basis. This includes the ability to meet financial sustainability requirements, leverage scale efficiencies, and strengthen debt capacity to meet future investment requirements while maintaining relative affordability of services.
- This report represents **a first step towards narrowing down options to a viable short-list**. Council may wish to share this work with Tauranga City Council given the invitation to work together on a joint Water Service Delivery Plan. The analysis and recommendations of this report should position Council well for the next phase of work it will need to undertake to meet the requirements of a Water Service Delivery Plan.
- A full assessment of alternative service delivery models should consider not only the viability and sustainability of water services, but also the **implications for the Council's other (non-water) activities**. We note Council has commissioned a similar exercise for this purpose.



40



# Three waters operating expenditure

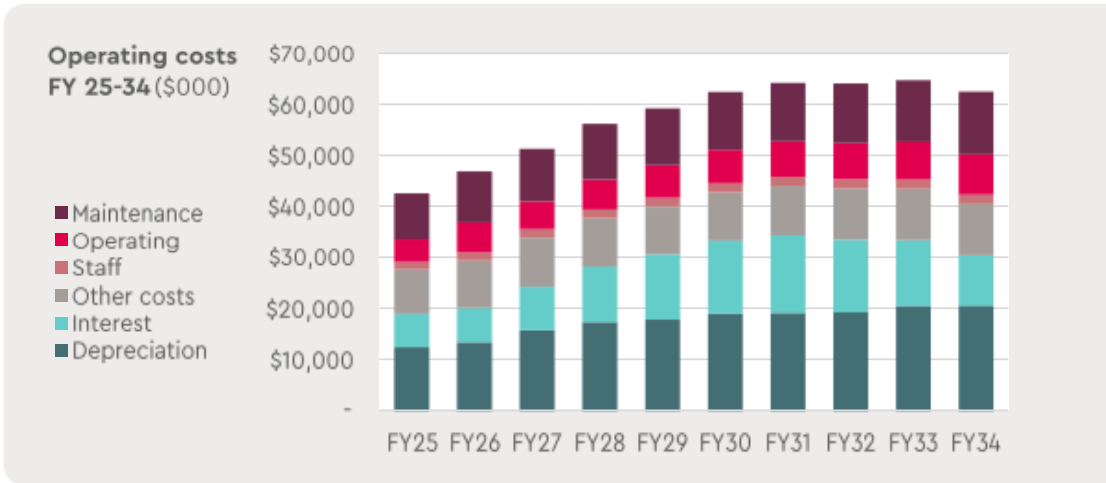
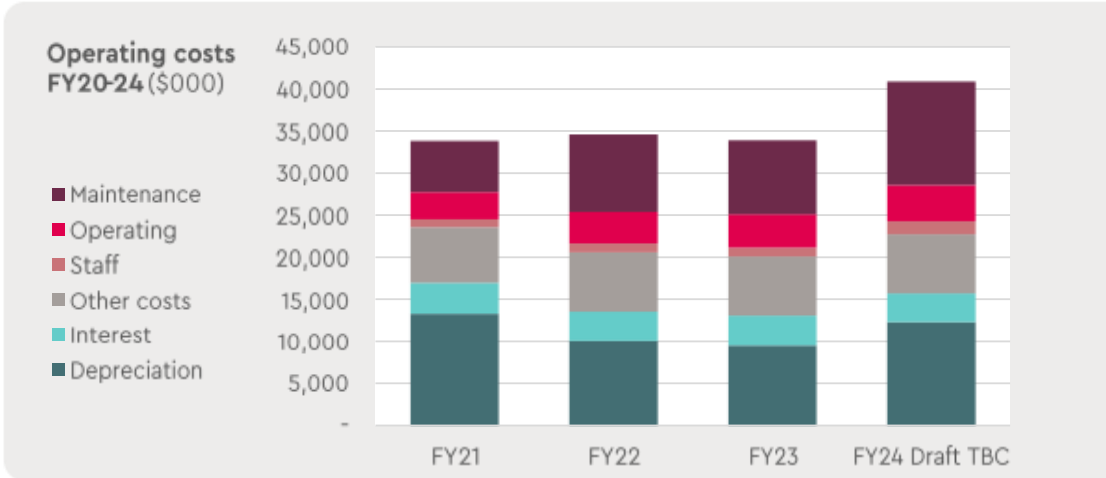
## Last 3 years

- Operating costs were stable over FY21 to FY23 before increasing significantly in FY24 – an increase of 21% over the past three years – from **\$33.9 million in FY21 to \$40.9 million in FY24**.
- Significant drivers include maintenance (+101%), operating costs (+35%) and staff costs (+60%).
- Both depreciation and interest costs declined slightly between 2021 and 2024.

## Outlook

- Operating costs are projected to continue to increase by 4.4% per annum over the next ten years – **from \$40.9 million to \$63.1 million**.
- Operating costs (+6.2% p.a.) remain a significant driver. In addition, there are substantial increases in depreciation (+5.4% p.a.), reflecting new investment and asset revaluations, and finance costs (+11.4% p.a.) driven by the significant increase in gross debt.
- Adjusting for inflation, operating costs are projected to increase by 32% over the ten-year period, or 2.8% p.a. in real terms.

All figures in these graphs are nominal, i.e. include the impact of inflation.







## Three waters revenues – current approach to charges

WBOPDC makes use of a variety of targeted rating mechanisms to charge for three waters services (excluding financial contributions).

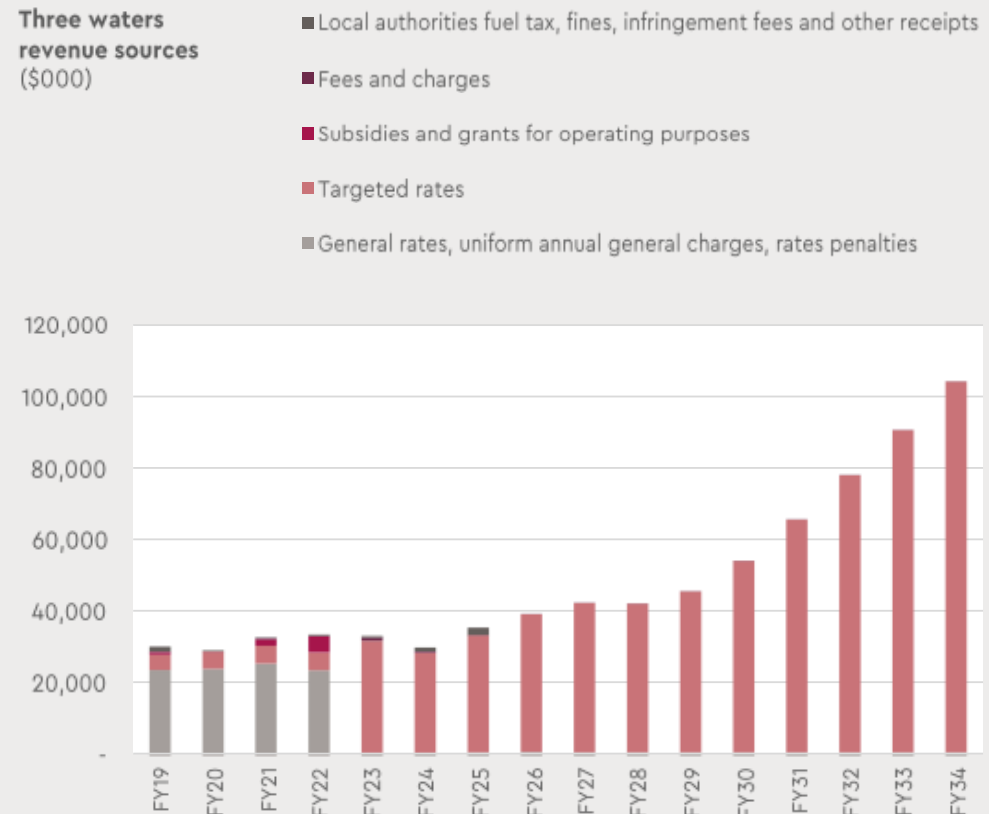
The charging approach under local water done well is still under development however it is feasible that a price-quality economic regulatory regime will prescribe certain principles for how water services are priced or charged for (the principles from the 2023 legislation are set out below).

It is likely that WBOPDC would need to revisit its charging approach under the new regulatory framework.

### General charging principles

- Charges should reflect the costs of service provision
- Charges should promote the efficient use of resources (demand management)
- Differential charging should be applied only in circumstances where there are differences in the levels or types of services received and/or there are differences in the cost of providing services
- Charges should be simple, transparent, and easy for consumers to understand; and
- Charges should be consistent with any input methodologies or determinations issued by the economic regulator

**Three waters revenue sources (\$'000)**





44



# Three waters borrowing



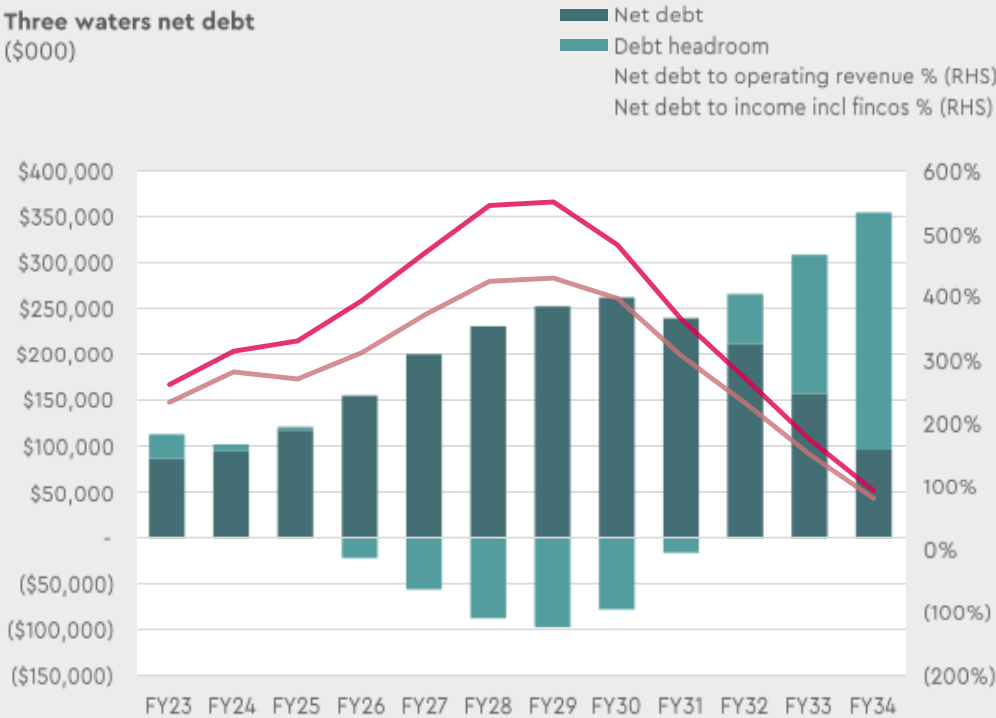
## Borrowing

- Net borrowing for three waters was estimated at \$87.1 million at FY 2023. Total borrowing is expected to increase by \$247.7 million, to \$334.8 million by FY 2034. At the same time, projections show a drawdown on reserves over the period to FY29, so that net debt is expected to worsen in the short term.
- The borrowing projections used in the model were provided separately and differ from those in the FIS statements particularly towards the end of the ten-year period. This is a departure from typical treatment. We have not been able to reconcile these debt tracks and have highlighted this risk to Council officers.

## Net debt to revenue

- Over the next ten years, net debt to operating revenue is projected to increase to 550% by FY29, before declining to below 100% by FY34.
- Water activities are typically operated with higher leverage than non-water council activities, due to their capitalintensive nature. However, this represents a very high level of debt and will likely exceed internal council limits and significantly constrain borrowing for non-water purposes. The projected debt path also would exceed indicative LGFA covenants for a standalone water CCO. An alternative price path, where water charges increased by more in early years and less in later years would improve this projected debt track.

Three waters net debt (\$000)



The graph above shows two ratios. Net debt to operating revenue is the standard ratio for assessing financing sufficiency, and is discussed in the text. The graph also shows net debt compared with a different income measure, operating revenue plus financial contributions expected to be received over the period. See further discussion of this on page 55.



# Three waters financing sufficiency

Financing  
sufficiency

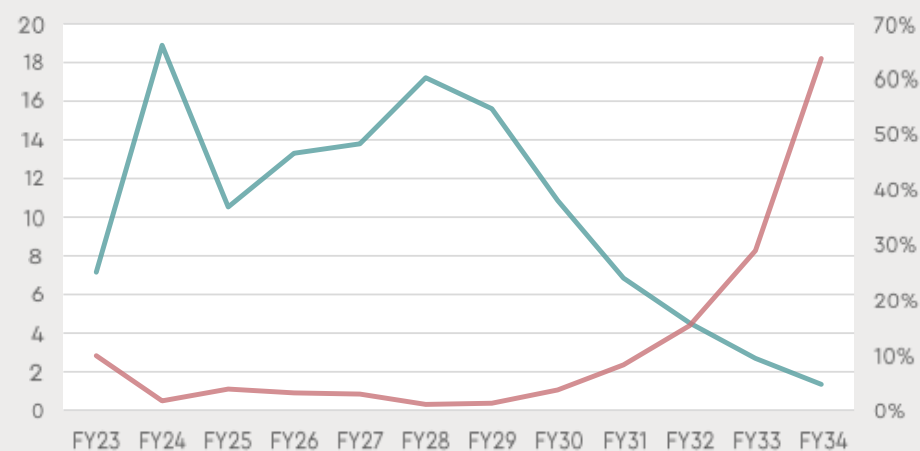
## Debt sustainability

- Funds from operations (FFO) is projected to track between 6% and 10% over the period to FY31, when it is expected to rise rapidly to over 70% by FY34.
- This represents a 'highly leveraged' position and would not be considered prudent or sustainable by local government or water industry standards. The debt trajectory appears unsustainable for three waters on a standalone basis, especially considering the projections also assume a significant drawdown on reserves in the first part of the period.

### Three waters —Debt sustainability

Net Debt to EBITDA

FFO to net debt (RHS)







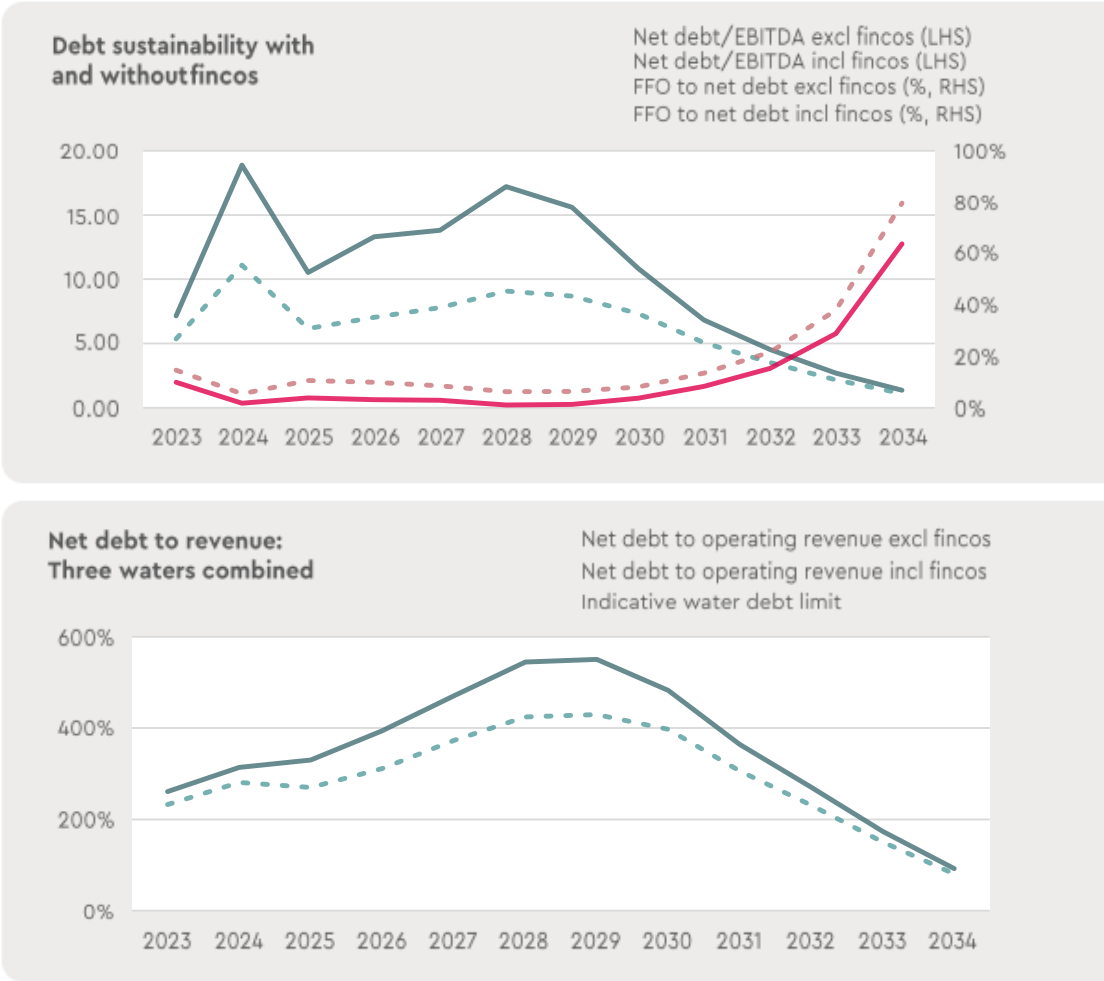
# Three waters financing sufficiency —financial contributions

The Local Government Funding Agency currently excludes development and financial contributions from revenue streams when assessing credit risk on the basis that this is a non-government capital contribution. Development and financial contributions are typically viewed as less reliable and more riskier forms of income than rates, user charges or grants.

It is unclear if the LGFA would re-consider this approach in relation to new delivery models enabled under Local Water Done Well. This decision would be informed by a range of factors including any proposed charging mechanisms / arrangements that a water organisation might be able to use to recover costs from developers.

We have run a highlevel scenario in which financial contributions are allowed to be included in operating revenue. This illustrates that, even if the LGFA were to include recurring financial contributions as revenue when assessing financial ratios, Western Bay of Plenty District would be unlikely to meet the indicative requirements for financial sustainability if water services continue to be delivered in-house. It would be operating with net water debt to revenue above 400% over FY27 to FY30 with FFO to net debt demonstrating a highly leveraged position out to 2031. High gearing on water activities would also place significant constraints on borrowing capacity for non-water council services.

This situation could be improved if the Council were to adopt an alternative revenue path for water supply and wastewater, as discussed earlier in this report.





# Affordability of water charges

Affordability



1

2

3

4

5

## Average water rates per connection

- Water charges per connection are projected to decrease in FY25 before increasing by \$2,759, from \$1,543 in FY25 to \$4,302 by FY34.
- This represents a real increase of \$2,057 per connection, or 133% over ten years (10% per annum above the rate of inflation).

## Water rates as a % of median household income

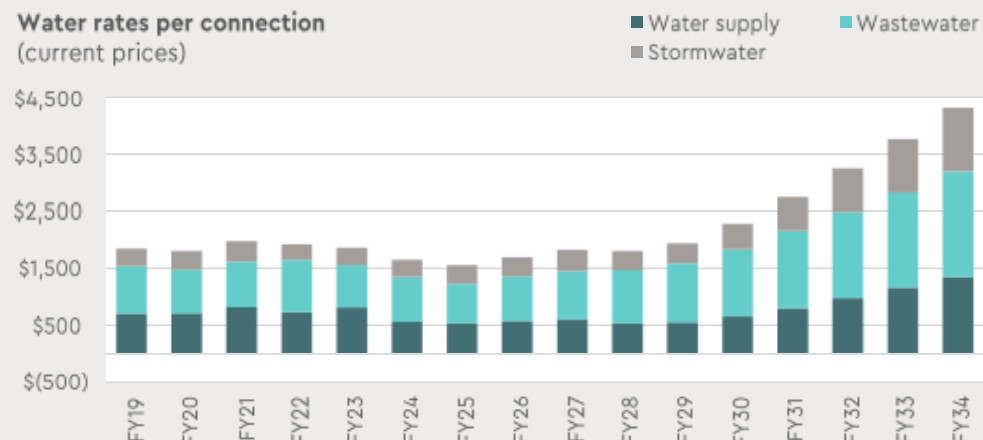
- The increase in water charges is estimated to increase average spending on water services per connection from a low of 1.4% of the median household income\* in FY25 to 3.2% by FY34.

## Affordability of water charges

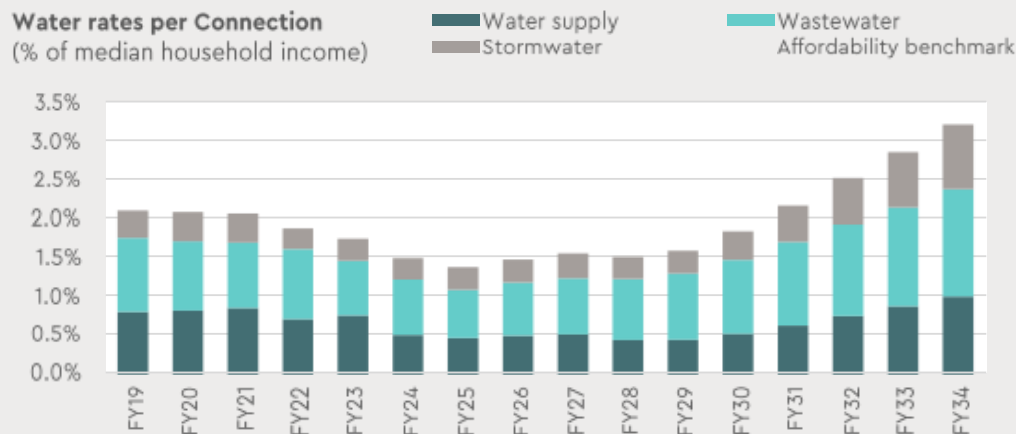
- A common international benchmark for water affordability is 2.5% of median household income.
- Based on the long-term plan, this threshold would be reached by year eight of the LTP period.
- This analysis highlights the opportunity to smooth the price path faced by the community to better manage revenue and prevent unnecessary price shocks.

\* The median household income for the Bay of Plenty region (\$105,000) has been used as a base for this calculation. WBOPDC figures for FY24 are draft and TBC.

Water rates per connection  
(current prices)



Water rates per Connection  
(% of median household income)





# **Summary of ALL options against Councils strategic objective (September 2024)**



1

2

3

4

5



68



## Assessing delivery models against objectives (1/2)

### Legend:

Does not  
meet  
objectivePartially  
meets  
objectiveMeets  
objective

### Options:

1

**Internal business unit or division (enhanced status quo)**

2

**Single council-owned water organisation**

3

**Asset-owning CCO with Tauranga City Council**

4

**Mixed council/consumer trust owned water org. for BoP**

5

**Asset owning CCO for Bay of Plenty**

### Description:

Creation of dedicated ring-fenced unit within existing Council with potential for debt relief through LGFA.

Council establishes water organisation to deliver water services.

Council partners with Tauranga to establish a water service organisation.

Council partners with Tauranga and other councils in the region to establish a jointly owned water organisation with a consumer trust holding a majority stake

Council partners with Tauranga and other councils in the region to establish a regional water service organisation.

### Efficient and financially sustainable delivery of water services

☐☐ Council has managed its water networks efficiently.  
☐☐ Unlikely to meet new financial requirements.

☐☐ Opportunity for efficiencies could be limited under single council model.  
☐☐ Unlikely to meet new financial requirements.

☐☐ Scale efficiencies likely, albeit more limited under two council model.  
☐☐ Model likely to be better positioned to meet new financial requirements.

☐☐ Scale efficiencies more likely under multi-council model.  
☐☐ Model likely to be better positioned to meet new financial requirements.

☐☐ Scale efficiencies more likely under multi-council model.  
☐☐ Model likely to be better positioned to meet new financial requirements.

### Invests at a level that protects and promotes public health and the environment

☐☐ Current Council plans for investment largely align with needs.  
☐☐ Climate resilience related investments and reactive infrastructure upgrades would present affordability challenges.  
☐☐ Ambitious capital programme against historic delivery rate.

☐☐ Climate resilience related investments and reactive infrastructure upgrades would present affordability challenges.  
☐☐ Ambitious capital programme against historic delivery rate.

☐☐ Greater debt capacity available to the organisation to invest.  
☐☐ Potential for funding to be prioritised towards needs of TCC (risk to be addressed through design of prioritisation mechanism).

☐☐ Greater debt capacity available to the organisation to invest.  
☐☐ Debt position subject to financial position of participating councils (requires further work).

☐☐ Greater debt capacity available to the organisation to invest.  
☐☐ Prioritisation of funding distant from WBOP Council.  
☐☐ Debt position subject to financial position of participating councils (requires further work).

### Enables and supports high quality urban development outcomes

☐☐ Retains interface between spatial and water infrastructure planning.  
☐☐ Ability to meet future growth requirements could be challenged.

☐☐ Creates need for collaboration between WBOP and water organisation to plan for and fund growth but interface may be manageable as a single council-owned organisation.

☐☐ Integration with TCC likely to support better alignment on growth planning.  
☐☐ Creates need for collaboration between WBOP and CCO to plan for and fund growth.

☐☐ Greater investment capacity to support growth.  
☐☐ Creates need for collaboration between WBOP and water organisation to plan for and fund growth.  
☐☐ Council has least direct levers to ensure alignment in planning (unlikely this can be addressed through design).

☐☐ Greater investment capacity to support growth.  
☐☐ Creates need for collaboration between WBOP and CCO to plan for and fund growth.  
☐☐ Risk arising from regional organisation needing to respond to and prioritise needs of multiple councils (could be addressed through design of prioritisation mechanism).

ASSESSMENT OF VIABILITY AND SUSTAINABILITY OF WATER SERVICES DELIVERY

MARTINJENKINS (commercial in confidence)



1

2

3

4

5



69



## Assessing delivery models against objectives (2/2)

### Legend:

Does not  
meet  
objectivePartially  
meets  
objectiveMeets  
objective

### Options:

1

Internal business unit or  
division (enhanced  
status quo)

2

Single council-owned  
water organisation

3

Asset-owning CCO with  
Tauranga City Council

4

Mixed council/  
consumer trust owned  
water org. for BoP

5

Asset owning CCO for  
Bay of Plenty

### Description:

Creation of dedicated ring-fenced unit within existing Council with potential for debt relief through LGFA.

Council establishes water organisation to deliver water services.

Council partners with Tauranga to establish a water service organisation.

Council partners with Tauranga and other councils in the region to establish a jointly owned water organisation with a consumer trust holding a majority stake

Council partners with Tauranga and other councils in the region to establish a regional water service organisation.

### Delivers a high-quality service to consumers and communities

Resident satisfaction for wastewater management is relatively high and response times across three waters are within or near target

Resident satisfaction for water supply and stormwater is below target and water supply is not compliant with newly introduced protozoal requirements

Opportunity for service improvement within a single council owned organisation likely to be limited given it would largely be a transfer of existing staff and contracts

Opportunity to build on and leverage existing partnership with TCC

Opportunity for service improvements from consolidating operations and maintenance

Organisation would need to be able to respond to diverse needs of a broader consumer base (would need to be addressed through design of consumer engagement mechanisms)

Opportunity for service improvements from consolidating operations and maintenance

Organisation would need to be able to respond to diverse needs of a broader consumer base (would need to be addressed through design of consumer engagement mechanisms)

### Ensures that water services are sustainable, resilient to natural hazards and the effects of climate change

Unclear to what extent Council LTP would position Council from a climate resilience perspective

Greater debt capacity may make it possible to enhance investment in climate resilience

Greater debt capacity may make it possible to enhance investment in climate resilience

Greater debt capacity may make it possible to enhance investment in climate resilience

Creates opportunity to consider regional-based climate investment, including potential to strengthen interface with regional council flood management

Greater debt capacity may make it possible to enhance investment in climate resilience

Creates opportunity to consider regional-based climate investment, including potential to strengthen interface with regional council flood management

### Ensures that responsibilities to hapū and iwi are met

Ability to make use of existing mechanisms and channels for engagement and partnership

Ability to make use of existing mechanisms and channels for engagement and partnership

New mechanisms would need to be worked through with hapū and iwi.

Out of the hands of Council and would need to be tested with hapū and iwi and ensure current arrangements are novated

New mechanisms would need to be worked through with hapū and iwi.





## Question from Council...

In the calculation of revenue for the in-house, was the question I asked Adele in the meeting last week. We are advised the maximum limit for borrowing in-house is 280% of TOTAL REVENUE. We have heard through TCC Councillors and their staff that this means total Council revenue, not just Waters income. I am seeking to clarify this point please.



## Question from Council...

With the in-house option would our debt to revenue limit increase to 350%?

## Answer...

There would need to be a special exemption provided to Council. LGFA can only provide borrowing up to 20% of their total borrowings for growth Councils. Our request would be assessed on a case by case basis.



## Question from Council...

In theory, if the above is correct, could all Council budget be allocated to Waters, in a theoretical scenario?

## Answer...

See analysis – we would need to leverage wates significantly @400% and @500% scenario provided.





**If Council was to standalone – it would need to propose an alternative revenue path, and use debt as a lever.**

**Indicative findings and modelling by MartinJenkins May 2025 follow...**

*\* Note this is based on LGFA borrowing options released April 2025*



## Things to consider with a standalone option:

- cannot include FinCo revenue in LGFA metrics
- consider strategic objectives
- consider risk/compliance
- consider future challenges
- consider economic regulator requirements
- consider ringfencing requirements
- consider efficiencies lost by scale
- consider staff and opportunities

# Alternative scenario: In-house delivery

Indicative findings

# Context and recap

*Prior analysis is generally consistent with LGFA's proposed WSO covenants*

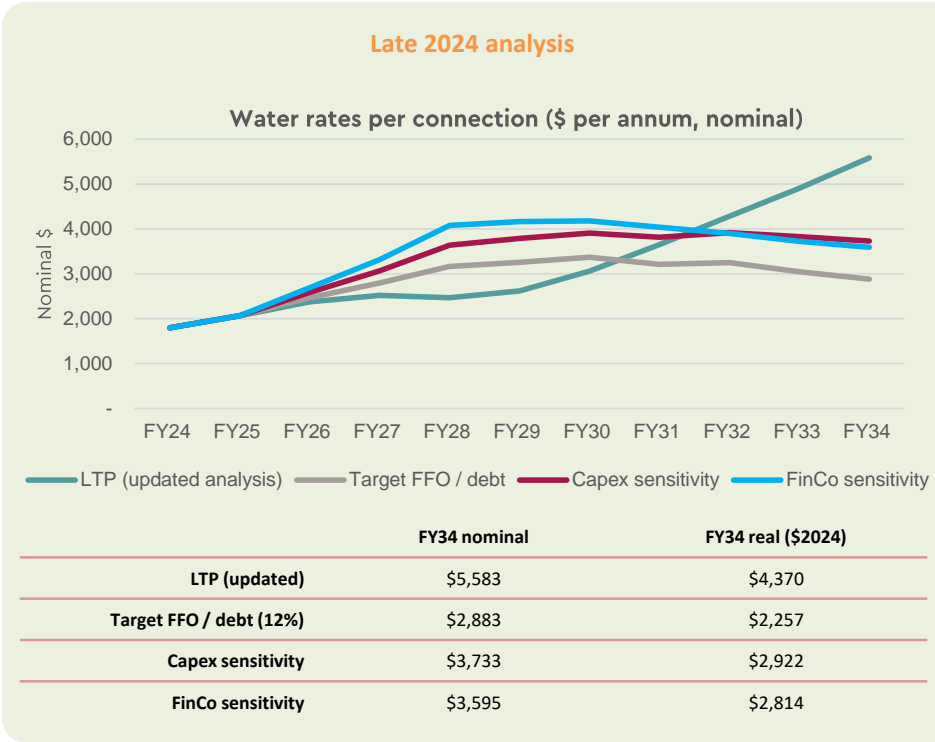
In late 2024 we presented four alternative revenue scenarios to understand the potential impact of a standalone WBOPDC WSO (these scenarios were based on anticipated financial settings for WSOs at the time):

- 1. **LTP** (updated analysis): Council revenue projections as per the 2024-34 Long Term Plan – this served as a comparator
- 2. **Target FFO / debt**: Operating revenue adjusted to target an FFO / debt ratio of 12% by FY28 (using LTP capex and FinCo)
- 3. **Capex sensitivity**: Operating revenue adjusted to target an FFO / debt ratio of 12%, with higher capex
- 4. **FinCo sensitivity**: Operating revenue adjusted to target an FFO / debt ratio of 12%, with forecast financial contributions in FY26-FY34 reduced to the average received in FY19-FY24 (\$4.6m per annum)

The analysis found that a standalone WSO was theoretically feasible but would require increases in revenue earlier in the LTP period and would carrier higher risks than alternative options. We note that the forecast revenue path for scenario 1 (LTP) results in a significant reduction in net water related debt by FY34.

Subsequent to this the LGFA has released guidance on its proposed covenants for WSOs and clarified how water services related debt and revenue would be treated where Council retains water services in house.


[You have requested an updated analysis that takes an indicative view of the financial impact of retaining water services in-house.](#)




## Comparative assessment of key financial metrics

	1a. In-house delivery (LTP)	1b. In-house delivery (400% Debt : revenue)	2. WBOPDC only WSO	3. Four Council Water Services Organisation
	Creation of dedicated ring-fenced water services unit within WBOPDC, with revenues reflecting the LTP forecast.	Creation of dedicated ring-fenced water services unit within WBOPDC, with revenues set targeting a debt to revenue ratio of 400%	WBOPDC establishes its own WSO.	Partner with Tauranga City Council and Thames Coromandel and Whakatane District Councils
Average cost per connection FY34 (\$real)	~\$4,900 p.a.** FY25 cost is around ~\$2,330 per connection	~\$2,450** <i>Note, in short term requires significant price increased (see slide 43)</i>	~\$2,680	~\$3,050 (price harmonised) ~\$2,440 (non-harmonised)
Efficiencies	No efficiencies have been assumed.	No efficiencies have been assumed.	\$1.5 million cumulative opex efficiencies between FY29 and FY34. Cumulative opex efficiencies reach 3.8% p.a. in FY44. \$1.4 million cumulative capex efficiencies between FY27 and FY34 Cumulative capex efficiencies reach 4.8% p.a. in FY44.	\$8.5 million cumulative opex efficiencies between FY29 and FY34. Cumulative opex efficiencies reach 8.4% p.a. in FY44. \$6.4 million cumulative capex efficiencies between FY27 and FY34 Cumulative capex efficiencies reach 20.8% p.a. in FY44.
Council financial position (FY34)	Including water services, Council debt-to-revenue ratio (including three waters) is expected to be 91% in FY34 and sees a peak debt-to-revenue ratio of 183% in FY29.	Including water services, Council debt-to-revenue ratio (including three waters) is expected to be 151% in FY34 and sees a peak debt-to-revenue ratio of 164% in FY28.	When water services revenues and debt are removed from the Council, the Council's net external debt position would peak at 57% in FY34.  In FY34, the Council would have around \$350 million of additional debt headroom when compared to retaining water services in-house (against the LGFA limit of 280%).  This compares to debt headroom of around \$260 million if water services are retained in-house, and revenues are set at a level of 400% debt to revenue.	
		This high-level testing shows that while it is feasible to increase borrowing for water services it would: <ul style="list-style-type: none"><li>• Absorb much of WBOPDC's debt headroom (cf. internal limit of 200%) leaving less balance sheet capacity for other priorities</li><li>• Create a one-off pricing benefit to current ratepayers, by temporarily suppressing price increases</li><li>• Result in higher water charges in the long-run, as there are limited opportunities for efficiencies / changes in cost structure</li><li>• Result in higher risks for WBOPDC's financing strategy from being a highly geared Council.</li></ul>		

\*\* Incorporates additional costs to meet LWDW.

 MARTINIE

 COUNCIL

LOCAL WATER DONE WELL - OPTIONS ASSESSMENT

\*\* Incorporates additional costs to meet LWDW.



MARTINJE

DRAFT

LOCAL WATER DONE WELL - OPTIONS ASSESSMENT | 37

The image shows a presentation slide with a dark teal background. On the left, there is a vertical sidebar containing several icons: a red cross, a house, a series of numbered buttons (1, 2, 3, 4, 5, 8), and navigation arrows. The main content area features the large text '2.0' in a light blue-grey font, followed by the title 'Analysis of a joint CCO options' in white. On the right side of the slide, there are faint, overlapping geometric shapes. The footer at the bottom contains three items: 'COMMERCIAL IN CONFIDENCE', 'WATER SERVICES DELIVERY UPDATED ANALYSIS', and 'MARTINJENKINS'.

2.0

Analysis of a joint CCO options

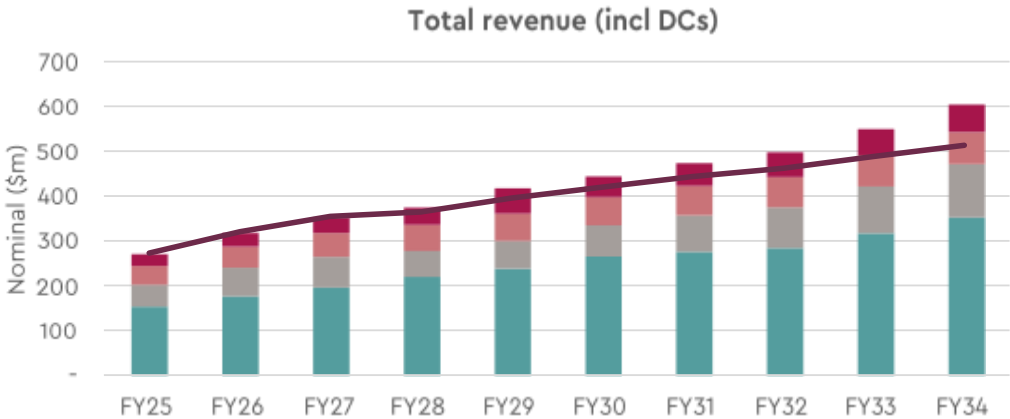
COMMERCIAL IN CONFIDENCE | WATER SERVICES DELIVERY UPDATED ANALYSIS | MARTINJENKINS



# Key findings of combined analysis

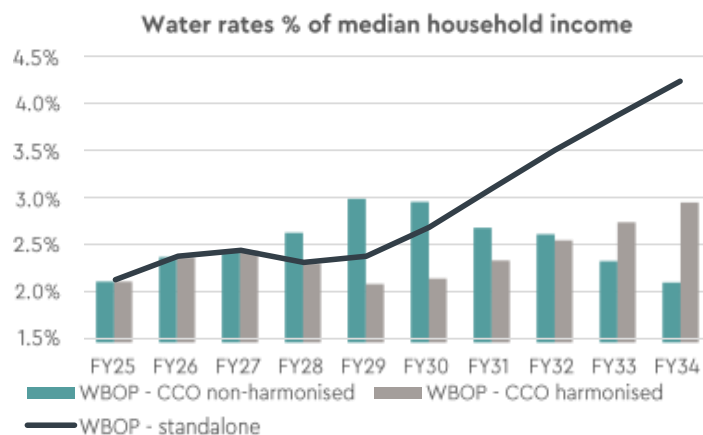
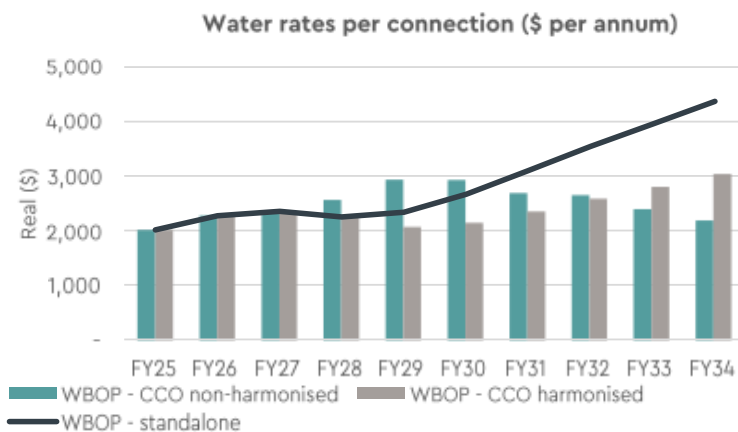
- We have undertaken **joint financial analysis of four councils** who have agreed to work together on the potential multi-Council CCO.
- We have not included individual Council results to support each Council to receive advice in on their own Council implications before others. **Officers from all Councils have been briefed on the full results.** Quality assurance is now being undertaken
- By FY34, a price-optimised WSCCO could **support financially sustainable water services** while enabling **up to \$498 million** in additional investment (+14%) in water infrastructure and/or **reducing price increases to consumers by up to \$636** (or by 17%).
- On average, a joint **WSCCO** could deliver water services **at a lower cost to consumers** than individual councils under their current capital and operating models.
- **Potential savings of up to \$636 per year (on average) by FY34** under a price optimised scenario.
- This arises from using a more **efficient capital structure** to provide:
  - **Immediate uplift in debt funding access.**
  - **Better cost distribution** by financing assets over their useful lives.
  - **Increased investment capacity** and financial flexibility.

Scenario	Cost per connection (FY25) (Real FY24 \$)	Cost per connection (FY34) (Real FY24 \$)	Total capex (FY25-FY34) (Real FY24 \$m)	FY34 FFO : debt (incl. DCs)
Balanced budget	\$2,004	\$2,855	\$2,605	9%
Accelerated investment	\$2,004	\$3,643	\$3,202	10%
Optimised prices	\$2,004	\$3,007	\$2,605	10%
Comparator (status quo)	\$2,004	\$3,643	\$2,704	14%





## Western Bay Council findings



### Water charges per connection

Under current council arrangements, average water charges are projected to exceed **\$4,370 per connection annually** (in today's terms). A **WSSCO could reduce this to as low as \$3,010 per connection**, reducing the required increases by up to 31%.

The cheaper non-harmonised price in later years is due to the forecast reduction in debt balances. This is unlikely to be a viable option, though, as net debt to revenue exceeds 500%, reaching almost 600% for three waters.

### Affordability of water charges

Affordability of water charges would improve for the WBOP community by FY31, compared to the status-quo. Efficiencies would build over time, likely generating further savings for your community.

Council	Savings (\$FY24) Δ (cumulative) to current price path - Harmonised	Savings (\$FY24) Δ (cumulative) to current price path - Non-harmonised
WBOP	\$5,017	\$3,992
B	+ ve	+ ve
C	+ ve	- ve
D	- ve	+ ve





## Question from Council...

Financial modelling of a Multi CCO without TCC May 2025 new modelling (to come)



CHECKING IF THIS CAN BE DONE BY MJ

-



## Question from Council...

What does the rest of Council look like after Waters is moved to a CCO?

## Answer...

Indicative financial modelling below (note LTP base data). Anticipated that this would be a next phase of work to address structure requirements/costs/affordability.

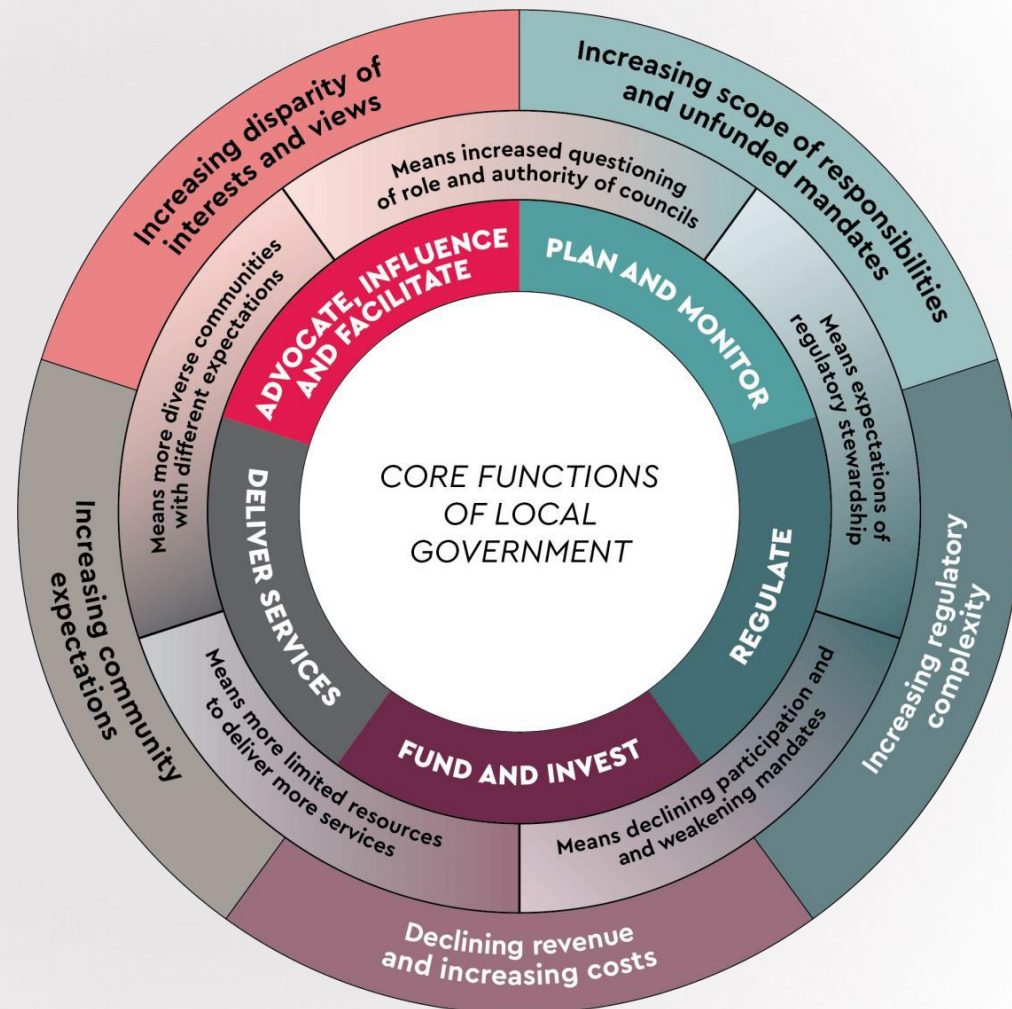
DRAFT

## Strategic Context

WBOPDC is operating within a rapidly evolving strategic landscape.

Local council has broad range of functions it must deliver and balance this delivery around increasing fiscal pressures.

The Government's Local Water Done Well policy will significantly change the operating environment for water services in New Zealand, with significant implications for council service delivery.



MARTINJENKINS COMMERCIAL IN CONFIDENCE

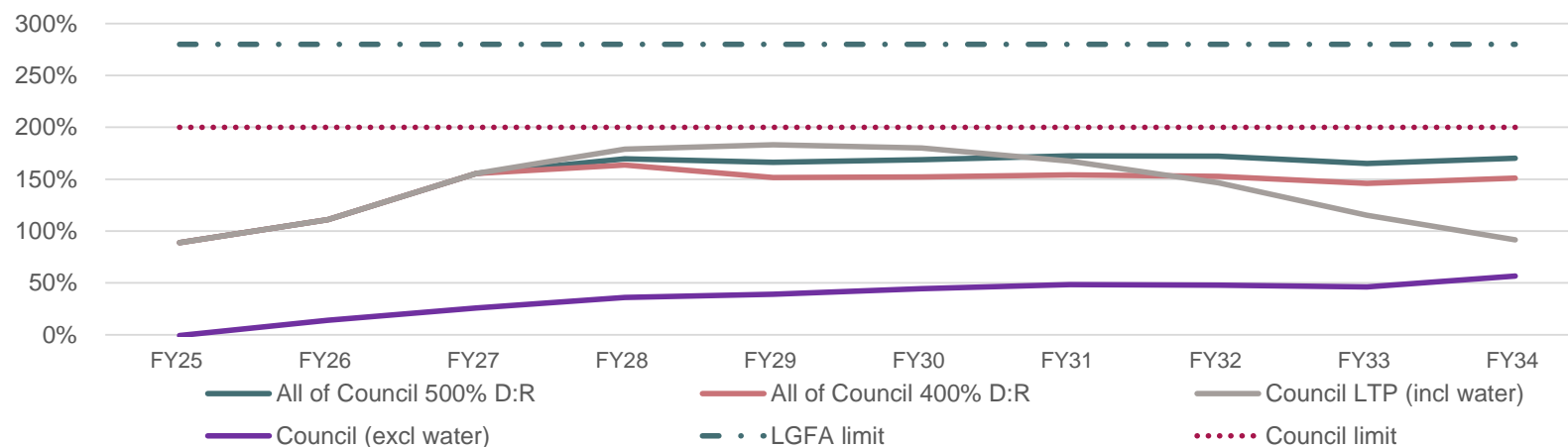
WESTERN BAY OF PLENTY DISTRICT COUNCIL | 5

# Rest of Council financial assessment

## SECTION 1

# All of Council debt

## Net debt to operating revenue



Council has an internal debt to revenue limit of 200%, while the LGFA limit is 280% for the Council.

### All of Council debt with inhouse water services delivery

As at June 2025, Council is forecasting to have a closing external net debt balance of \$160 million. Water debt totals \$161 million, including internal debt, meaning any transfer of water services and associated debt today (as a hypothetical) would result in the Council having no net debt.

Compared to the LGFA limit of 280%, and WBOPDC's internal limit of 200% debt to revenue under each scenario reaches a maximum of:

- 183% in FY29 using the LTP forecasts
- 172% in FY31 using the 500% debt to revenue scenario
- 164% in FY28 using the 400% debt to revenue scenario
- 57% in FY34 if water services are transferred to a WSO

#### Implications for rest of council opex

We have undertaken high level analysis of operating costs. Opex – excluding water services has increased 69% over the last three years to \$103 million in FY24 driven primarily through opex expenses (as opposed to finance costs). These costs are forecast to continue grow to \$147m in FY34. Our analysis highlights room for efficiency improvement but further work is required to understand overheads and cost allocation informed by decisions on the water services model and option and the treatment of transition costs



MARTINJENKINS COMMERCIAL IN CONFIDENCE

DRAFT

LOCAL WATER DONE WELL | 46



## Question from Council...

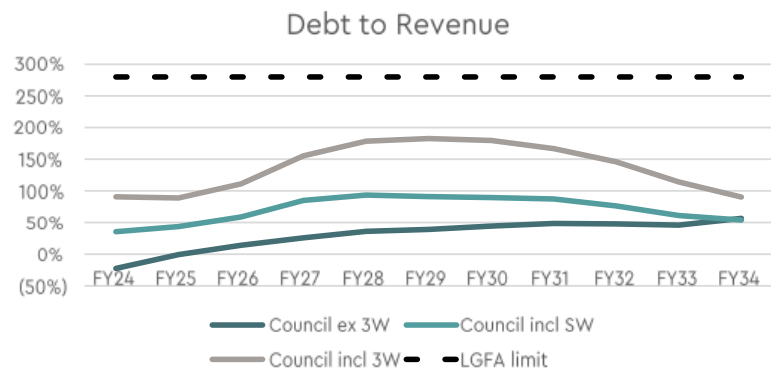
Financial Modelling 2 Waters Only

## Key Points...

Retaining stormwater assets and debt increases our D:R ratio in the short term but has no impact in the long run due to the steep revenue path. If Council retain this revenue path, the cost per connection would be ~\$725 more in FY34 than via a non-harmonised joint WSO (4 entity modelling). This is being driven by the revenue profile. If Council flattened stormwater charges, Councils net position would increase marginally, but also reduce per connection costs to close the \$725 gap.

*Note further work being undertaken by Beca on Stormwater from an asset perspective. This is due to be completed 4 June and available to Councillors as soon as possible after that.*

Debt sustainability



Council borrowing excluding water

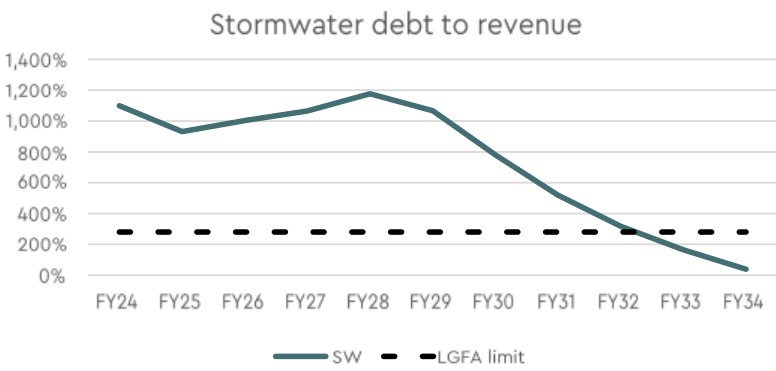
Council is currently in a net cash position, with cash balances exceeding debt, excluding water. Debt is forecast to increase over the LTP period, reaching \$89 million in FY34.

This translates to a debt to revenue ratio that increases to a peak of 57% by FY34, which compares favourably to the LGFA limit of 280%.

Stormwater borrowing

Council had \$61 million of debt allocated to stormwater at the end of FY24 with forecasts to increase borrowing by an additional \$32 million to fund stormwater assets before FY28. Following this peak, debt would be repaid, with the debt balance decreasing to \$10 million in FY34.

This translates to a current debt to revenue ratio in excess of 1,000%, which is then forecast to reduce to about 40% by FY34.



Council including Stormwater (excluding Two Waters)

Owing to stormwater's forecast high debt to revenue ratio until later in the LTP period, Council's debt to revenue ratio would increase if stormwater assets were retained by Council. Debt to revenue would nearly reach 100% in FY28, compared to 36% excluding water assets, but decrease from that peak.

Owing to stormwater's low debt to revenue ratio in FY34, Council would have a more favourable debt to revenue position by including stormwater. However, this comes at the expense of decreased affordability to ratepayers.



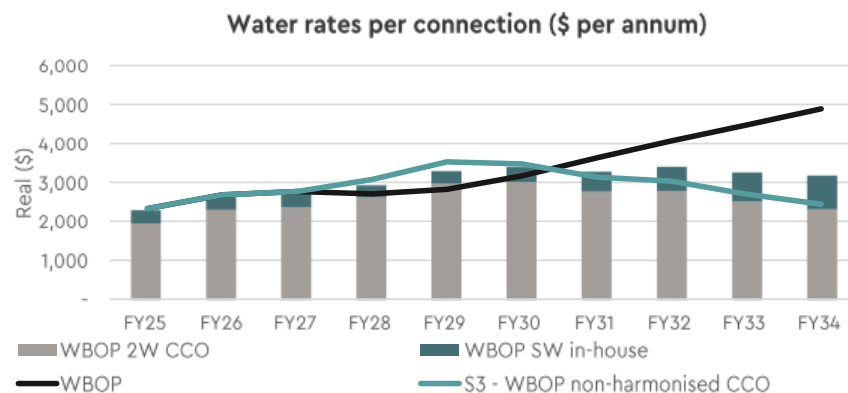
MARTINJENKINS

COMMERCIAL IN CONFIDENCE

WBOPDC STORMWATER ANALYSIS | 1



## Price path for WBOP communities



Scenario	FY34 – indicative average cost per connection (\$ real)
2W Water Services Org	\$2,350
plus SW inhouse	\$875
<b>Total 3W</b>	<b>\$3,225</b>
<b>Comparator (3W WSO)</b>	<b>\$2,500</b>
<b>Difference</b>	<b>(\$725)</b>

### Stormwater services provided in-house

Current financial projections see a greater amount of revenue charged than is required, which is used to pay down debt. This sees the average stormwater cost being about \$875 per connection.

A nonharmonised water services organisation is forecast to be able to deliver two water services at an average cost of \$2,350 per connection, making total cost to the average connection for three waters \$3,225.

### Three waters provided by a water services organisation

Under a nonharmonised water services organisation that provides three water services, the average cost per connection is forecast to peak at about \$3,500 in FY29 before decreasing to about \$2,500 in FY34.

This lower cost forecast to be achieved by the water services organisation is attributable to an efficient balance sheet that targets a FFO to debt ratio of 10%.



MARTINJENKINS

COMMERCIAL IN CONFIDENCE

WBOPDC STORMWATER ANALYSIS | 2



## Question from Council...

Requirement of Directors

## Key Points...

All material and things to be agreed as part of a future process are available on the DIA website – Local Waters Done Well

<https://www.dia.govt.nz/Water-Services-Templates-and-guidance-for-new-water-organisations>

B2 Shareholders' Agreement  
(multi-council)

[Template](#) (DOCX, 172KB)

[Guidance](#) (PDF, 62KB)

The Shareholders' Agreement sets out the rights and obligations of each shareholding council of the water organisation in relation to governance and decision making, and other rights and obligations that shareholders will owe to each other.

This template also provides for the formation of a shareholder council that will be responsible for jointly setting shareholder expectations, appointing the board and overseeing its performance, with terms of reference set out in a shareholder charter.



# Question from Council – Requirements of Directors

## Key points:

All material and things to be agreed as part of a future process are available on the DIA Website – Local Waters Done well  
<https://www.dia.govt.nz/Water-Services-Templates-and-guidance-for-new-water-organisations>

B2 Shareholders' Agreement  
(multi-council)

[Template](#) (DOCX, 172KB)

[Guidance](#) (PDF, 62KB)

The Shareholders' Agreement sets out the rights and obligations of each shareholding council of the water organisation in relation to governance and decision making, and other rights and obligations that shareholders will owe to each other.

This template also provides for the formation of a shareholder council that will be responsible for jointly setting shareholder expectations, appointing the board and overseeing its performance, with terms of reference set out in a shareholder charter.



## GUIDANCE MATERIAL

**SHAREHOLDERS' AGREEMENT TEMPLATE**  
 (MULTI-COUNCIL WATER SERVICES COUNCIL CONTROLLED ORGANISATION)

<b>BACKGROUND</b>	<p>The Local Water Done Well legislation enables councils to jointly deliver water services, including through a jointly incorporated water services council-controlled water organisation ("Water Organisation"). To avoid future misunderstandings or disputes, shareholding councils in a joint Water Organisation are advised to agree a Shareholders' Agreement ("SHA") in advance to govern the relationship between shareholders and the Water Organisation, and between the shareholders themselves. The shareholders may choose to keep the SHA private and confidential as there is no legal requirement to register a SHA with the New Zealand Companies Office.</p>
<b>WHO IS THIS TEMPLATE FOR?</b>	<p>The SHA is a contract between multiple shareholders of a Water Organisation setting out each shareholding council's rights and obligations in respect of that Water Organisation. The parties may include a consumer trust.</p> <p>If the shareholders agree, the Shareholders Council Terms of Reference template <b>attached</b> to the SHA will establish a Shareholder Council as a mechanism for shareholders to agree how they exercise their shareholder rights and powers in respect of the Water Organisation and to provide delegated governance oversight of the Water Organisation.</p>
<b>PURPOSE OF THIS DOCUMENT / TEMPLATE</b>	<p>The purpose of this document is to set out the rights and obligations of each shareholding council (and/or any shareholding consumer trust), and the rights and obligations of the Water Organisation itself, in relation to how the Water Organisation will be governed and decision-making will be managed.</p> <p>In particular, this SHA sets out how shares will be allocated between shareholders and how shareholders will:</p> <ul style="list-style-type: none"> <li>• make decisions on Reserved Matters as shareholders of the Water Organisation;</li> <li>• provide loans and guarantees (if agreed);</li> <li>• deliver their statutory commitments, including preparing the Statement of Expectations to the Water Organisation and ensuring that the business of the Water Organisation is conducted in accordance with it;</li> <li>• provide for any future share issue;</li> <li>• deal with any disagreements between shareholders, or defaults by a shareholder; and</li> <li>• deal with general miscellaneous matters.</li> </ul> <p>To provide a further level of clarity, and streamline future decision-making, shareholders can choose to delegate oversight and decision-making in respect of the Water Organisation to a Shareholder Council.</p>

#B2

	<p>The SHA anticipates each Council appointing an agreed number of members to the Shareholder Council which will itself then appoint a Chair and Deputy Chair under the Terms of Reference.</p> <p>Without a Shareholder Council, the shareholders will each undertake their own governance oversight and decision-making in respect of the Water Organisation.</p>
<b>KEY CONSIDERATIONS FOR COUNCILS</b>	<p><i>Before completing this SHA, councils should have:</i></p> <ul style="list-style-type: none"> <li>• undertaken consultation in respect of the decision whether to become a shareholder in the Water Organisation; and</li> <li>• drafted, adopted, and submitted for approval a joint Water Services Delivery Plan.</li> </ul> <p><i>After completing this SHA, councils should:</i></p> <ul style="list-style-type: none"> <li>• establish the Water Organisation, including completing and adopting the Water Organisation Constitution; and</li> <li>• complete a Transfer Agreement to the Water Organisation, if required by the Water Services Delivery Plan.</li> </ul>

**How to use this document / template**

Complete the SHA with the required information eg names of signatory councils. Councils will have to make decisions on the following key issues to complete this template:

DECISIONS	
The number of shares each shareholder will receive, and the amount to be paid for those shares.	<input type="checkbox"/>
The name, registered office and address for service of the Water Organisation.	<input type="checkbox"/>
The identity of the initial directors.	<input type="checkbox"/>
The initial business set up, operational steps and transactions to be procured by the shareholders eg entry into the Interface Agreement between Water Organisation and councils.	<input type="checkbox"/>
Whether to establish a Shareholder Council and Shareholding council membership.	<input type="checkbox"/>
What Reserved Matters will apply, the threshold needed to approve a Reserved Matter, and the monetary thresholds in the Reserved Matters.	<input type="checkbox"/>
The initial business plan and budget for the Water Organisation.	<input type="checkbox"/>
Any principles to govern future share issues	<input type="checkbox"/>
Any specific matters to be included in a Statement of Expectations (in addition to the requirements in the Local Government (Water Services) Bill	<input type="checkbox"/>
Various miscellaneous matters set out in Schedule 1	<input type="checkbox"/>

Note that the provided template is a generic SHA relating to water organisations. Councils may wish to adapt or add to the SHA (in accordance with legislative requirements) based on their particular



## Local Water Done Well - Taking a principles based approach

Western Bay of Plenty District Council  
Draft Report

29 April 2025

Commercial in Confidence



DRAFT

## What this paper covers

---

Recap on advice to date

3

---

Taking a principles-based approach for WBOPDC

5

---

TCC proposed principles and comparative analysis

6

---

Specific comments on TCC principles

9

---

Appendix: Pros and Cons of different establishment models

14

---





# Recap: WBOPDC has previously considered “priority terms” for a joint WSO

DRAFT

STRATEGIC OBJECTIVES	TERMS	COMMENT
<b>Efficient and financially sustainable delivery of water services</b>	<ul style="list-style-type: none"> <li>Percentage real charges per water connection less than standalone options</li> <li>Water charges as a percentage of median income less the stand alone option</li> <li>Confirmation and confidence that efficiencies are delivered and shared across the shareholding regions on a fair basis.</li> <li>Agree a set of pricing principles including whether a level of price harmonisation should occur or not.</li> </ul>	Joint modelling has confirmed that on average, a multi-Council water service CCO could deliver water services at a lower cost to consumers than individual councils under their current capital and operating models.
<b>Invests at a level that protects and promotes public health and the environment</b>	<ul style="list-style-type: none"> <li>CCO required to meet regulatory conditions set by environmental, water and economic regulators.</li> </ul>	CCO will be subject to new regulatory arrangements
<b>Enables and supports high quality urban development outcomes</b>	<ul style="list-style-type: none"> <li>Greater investment capacity and capability than standalone options</li> <li>Requirements to deliver consistently with individual council spatial planning (on growth pays for growth basis).</li> </ul>	Greater investment and financing sufficiency as measured compared to standalone options.
<b>Delivers a high-quality service to consumers and communities</b>	<ul style="list-style-type: none"> <li>Shareholding that makes provision for negative control i.e. the ability for a single shareholder group to block or prevent corporate actions</li> <li>Agreement to form a company constitution during the establishment process (as is good practice)</li> <li>Confirmation of the process to confirm appointment of high quality board and management in the best interests sustainable water service delivery.</li> <li>Does not unreasonably burden the rest of Council financial position (debt and operating costs)</li> </ul>	<p>Typical negative control mechanisms include super-majority voting requirements (e.g., 75% approval needed), reserved matters requiring specific shareholder approval, contractual veto rights in shareholders' agreements however the detail of these will be constrained by legislation.</p> <p>Measured by rest of Council financial analysis and by financing structure implications for Council (i.e. credit rating, contingent liability). This will only be able to be fully considered follow decisions around the preferred water services organisation.</p>
<b>Ensures that water services are sustainable, resilient to natural hazards and the effects of climate change</b>	<ul style="list-style-type: none"> <li>Greater investment capacity and capability than standalone options</li> </ul>	Greater investment and financing sufficiency as measured compared to standalone options
<b>Ensures that responsibilities to hapū and iwi are met</b>	<ul style="list-style-type: none"> <li>Meets all obligations set out in relevant Treaty settlement legislation and in any relationship agreements</li> <li>Greater investment capacity and capability than standalone options</li> <li>Meets specific consultation requirements as set out in the shareholders statement of intent</li> </ul>	Informed by consultation with iwi/hapū



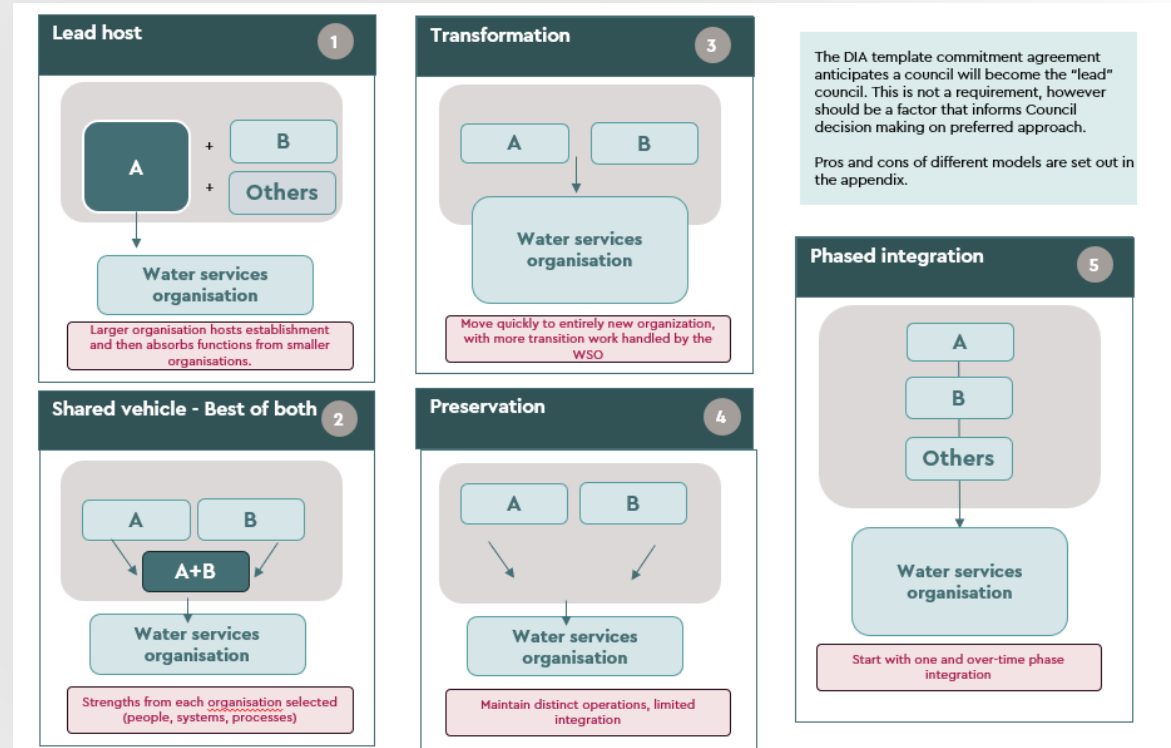
MARTINJENKINS COMMERCIAL IN CONFIDENCE

LOCAL WATER DONE WELL - TAKING A PRINCIPLES BASED APPROACH | 3

DRAFT

## Recap: Model preference

*You have also indicated a preference for a process of creating a joint Water Services Organisation (WSO) that balances and respects the needs of the combination of Councils rather than taking a "lead Council" approach.*



MARTINJENKINS COMMERCIAL IN CONFIDENCE

LOCAL WATER DONE WELL - TAKING A PRINCIPLES BASED APPROACH | 4



DRAFT

## Lifting it up – a principles based approach for WBOPDC

*It will be important that the approach to establishment be based on simplicity, mutual trust and mutual benefit. Establishing and jointly owning a WSO is a long-term commitment.*

### What's important?

- **What is "non-negotiable":** These are the guardrails for all detailed arrangements and future decisions and were established as your priority terms on page 3.
- **Be enduring and high-level:** Don't get bogged down in operational specifics, give enough direction to avoid ambiguity.
- **Balance flexibility and discipline:** Principles must allow the WSO to evolve, but protect councils and their communities from foreseeable risks and imbalances.
- **Build trust with the community and future partners:** Principles should be simple enough for the public and future councils to understand and buy into.

*Informed by the strategic objectives and prior work, we have identified possible principles to guide the transition and establishment of a joint WSO.*

Principled based approach	
<b>Equitable services for communities</b>	Improved safety, quality, resilience and environmental performance of water services.
<b>Equitable and affordable</b>	Consumers have fair access to affordable water services, which are also financially sustainable, and represent value for money.
<b>Optimised delivery</b>	Cross council boundary coordination of resources, planning (including urban planning), and unlocking opportunities at a larger scale, while supporting local procurement where appropriate.
<b>Transparency and accountability</b>	Transparency about, and accountability for, the delivery of services to communities including through establishment.
<b>Council support</b>	All major Council decisions are made by Council consistent with legislation and delegations.
<b>Responsibilities to hapū and iwi are met</b>	Treaty obligations and commitments are upheld and met, including open engagement with iwi and hapū.
<b>Fair process and equal opportunity</b>	The transition must be underpinned by procedural fairness that gives staff from all organisations equal opportunity to apply for roles in the new entity (excluding executive and board appointments).



MARTINJENKINS COMMERCIAL IN CONFIDENCE

LOCAL WATER DONE WELL - TAKING A PRINCIPLES BASED APPROACH | 5

DRAFT

## Partnership principles supplied by TCC

*Tauranga City Council has supplied a draft set of partnership principles (summarised right to make them equivalent to the proposed WBOP principles).*

*They are intended to span both establishment and ongoing operation.*

*TCC has also supplied a set of much more detailed principles and criteria that sit across two tiers:*

- 1. Criteria to be approved by elected members.*
- 2. Criteria to be approved by Chief Executives.*

<b>Mutually beneficial</b>	We prioritise practices that benefit all stakeholders, ensuring transparency of risk and accountability.
<b>Ring fencing</b>	This includes both financial measures and owning the accountability for associated risks.
<b>Value for money for our communities</b>	We establish productivity and efficiency targets to capture medium and long-term benefits for our customers.
<b>Shared services options</b>	We consider shared service opportunities alongside optimal digital investment, across both the multi-CCO and remaining Council operations
<b>Responsibility and transparency</b>	We maintain openness and transparency in all assets and financial matters.
<b>Council resolution</b>	All principles are upheld by resolution of the council.



MARTINJENKINS COMMERCIAL IN CONFIDENCE

LOCAL WATER DONE WELL - TAKING A PRINCIPLES BASED APPROACH | 6

## Comparative analysis

*A comparative analysis is set out. Direct engagement with TCC officers is recommended to better understand their approach and reasoning for taking such a detailed approach.*

*While the proposed TCC principles are summarised (right) the supporting documentation provided by TCC raises a number of issues including:*

- *An approach to ring-fencing that is inconsistent with WBOPDC's preferred option*
- *A level of prescription that may not be required at this stage of the process (too early)*
- *A undue focus on financial measures, and a missed opportunity to include detail regarding service level performance (this is likely unintentional)*
- *A level of prescription that may be best addressed by an establishment board or executive of a new water service organisation or the economic regulator (not for Councils to determine).*

***The material also implies a model of establishment based on a lead council approach which may be inconsistent with WBOPDC's preferred approach. This needs to be tested further directly with TCC.***

Draft WBOP Principles		TCC proposed principles (summarised)	
<b>Equitable services for communities</b>	Improved safety, quality, resilience and environmental performance of water services.	<b>Mutually beneficial</b>	We prioritise practices that benefit all stakeholders, ensuring transparency of risk and accountability.
<b>Equitable and affordable</b>	Consumers have fair access to affordable water services, which are also financially sustainable, and represent value for money.	<b>Ring fencing</b>	This includes both financial measures and owning the accountability for associated risks.
		<b>Value for money for our communities</b>	We establish productivity and efficiency targets to capture medium and long-term benefits for our customers.
<b>Optimised delivery</b>	Cross council boundary coordination of resources, planning (including urban planning), and unlocking opportunities at a larger scale, while supporting local procurement where appropriate.	<b>Shared services options</b>	We consider shared service opportunities alongside optimal digital investment, across both the multi-CCO and remaining Council operations
<b>Transparency and accountability</b>	Transparency about, and accountability for the delivery services to communities including through establishment.	<b>Responsibility and transparency</b>	We maintain openness and transparency in all assets and financial matters.
<b>Council support</b>	All major Council decisions are made by Council consistent with legislation and delegations.	<b>Council resolution</b>	All principles are upheld by resolution of the council.
WBOP proposed additional principles (not referenced by TCC proposal)			
<b>Responsibilities to hapū and iwi are met</b>		Treaty obligations and commitments are upheld and met, including open engagement with iwi and hapū	
<b>Fair process and equal opportunity</b>		The transition must be underpinned by procedural fairness that gives staff from all organisations equal opportunity to apply for roles in the new entity (excluding executive and board appointments).	



MARTINJENKINS COMMERCIAL IN CONFIDENCE

JOINT WATER SERVICES ORGANISATION | 7

# DIA guidance

*Notably, the principles set out by TCC reflect a process departure from the approach set out by DIA particularly the phase of entering a high level commitment agreement and putting a structured process around considering a joint approach.*

*While DIA templates and proposed process steps for forming a multi-council WSO are not a requirement, they are generally sound and reflective of good commercially established terms and conditions.*

*Our previous advice to WBOPDC is that there is efficiency and value in following the process set out by DIA to save time, cost and to ensure all parties take a similar approach set out by a third party.*

*Advice should be sought as to why TCC is not following the approach set out by DIA. There should be a compelling reason for the departure, and joint commitment to any alternative pathway.*

**DIA Commitment Agreement Principles**

**The parties will:**

- work together collaboratively and in good faith;
- ensure communication between them is open, proactive, transparent and inclusive, to avoid any surprises;
- make every effort to understand the other Council's needs and objectives for the joint operating model, and make all reasonable endeavours to ensure the joint operating model meets such needs and objectives;
- raise any issues that arise in connection with this agreement at the earliest opportunity, for joint resolution;
- resolve disagreements between them promptly and amicably; and
- as a courtesy and in the interest of clear and consistent communication, consult with the other Councils before commenting publicly on the joint operating model or this agreement.

**Transfer Agreement**

The template Transfer Agreement proposed by DIA sets out all matters related to the transfer of assets, systems, people, contracts and services into an Water Service Organisation.

The template follows generally accepted financial and accounting treatment, standard legal contractual practice, and is consistent with the relevant water services legislation.

Much of the content of the transfer agreement is duplicated (in part rather than in full) by the draft principles and criteria proposed by TCC (though the TCC principles focus more on financial matters as opposed to asset, consent, and contractual service delivery matters).



# Specific comments on TCC principles

## Comparison and commentary (1/2)

TCC original		Proposed alternatives to better align with WBOP objectives	Commentary
<b>Mutually beneficial</b>	We prioritise practices that benefit all stakeholders, ensuring transparency of risk and accountability.	<b>Improved services for communities</b> Enhanced safety, quality, resilience and environmental performance of water services	<ul style="list-style-type: none"> <li>Common starting point, and is a clear commitment to arrangements that benefits all which was established in consultation on preferred option.</li> <li>Option to note that benefits are shared but in the pursuit of improved services.</li> <li>Transparency, risk and accountability are covered in a specific principle – suggest removing duplication.</li> <li>Important to provide clarity about to whom benefit is applied. The TCC proposed text could be read very widely ratepayers, stakeholders, suppliers, and even iwi. All are served by improved services. However, the priority for the WSO should be improvement in delivery of water services to the community.</li> </ul>
<b>Ring fencing</b>	This includes both financial measures and owning the accountability for associated risks.	<b>Equitable and affordable</b> Consumers have fair access to affordable water services, which are also financially sustainable, and represent value for money.	<p>Suggest bringing these two together, and avoiding conflation of ring-fencing and harmonisation of prices.</p> <p><b>Ring fencing</b></p> <ul style="list-style-type: none"> <li>Principle appears to be seeking clarity around the ring-fencing of multiple aspects of water service delivery, potentially including: assets; revenues; liabilities; ownership; efficiencies; expenses; and potentially others.</li> <li>There is a risk that the principle as drafted drives toward a number of ring-fenced 'accounting buckets' which may be a distraction.</li> <li>Possible tension between ring-fencing costs/debt and driving maximum efficiency and outcomes across communities. Overly strict ring-fencing could undermine the objective of joining up and limit possibilities for efficiencies. Consider what is important for transition, and what is important for the long-term.</li> </ul>
<b>Value for money for our communities</b>	We establish productivity and efficiency targets to capture medium and long-term benefits for our customers.		<p><b>Value for money for our communities</b></p> <ul style="list-style-type: none"> <li>Suggest the focus should be on simple and equitable allocation of costs and liabilities. The current principle duplicates the regulatory regime.</li> <li>Emphasis on efficiency and productivity targets is positive—keeps focus on customer/community value however should be focused on service levels.</li> <li>Benchmarking is possible but should be focused on shareholder benchmarking rather than replicating regulatory regimes – what can be drawn from Watercare and the Australian experience?</li> <li>Generally, a need to better differentiate between what should be driven by shareholders versus what can be expected from the economic regulatory regime.</li> </ul>



## Comparison and commentary (2/2)

TCC original		Proposed alternatives to better align with WBOP objectives		Commentary
<b>Shared services options</b>	We consider shared service opportunities alongside optimal digital investment, across both the multi-CCO and remaining Council operations	<b>Optimised delivery</b>	Cross council boundary coordination of resources, planning (including urban planning), and unlocking opportunities at a larger scale, while supporting local procurement where appropriate.	<ul style="list-style-type: none"> <li>Proposal seems overly prescriptive. Some matters should be a decision of the board / WSO (e.g. digital investment)</li> <li>Decision making process could be cumbersome particularly when involving multiple parties.</li> </ul>
<b>Responsibility and transparency</b>	We maintain openness and transparency in all assets and financial matters.	<b>Transparency and accountability</b>	Transparency about, and accountability for the delivery services to communities including through establishment.	<ul style="list-style-type: none"> <li>Focus on financial matters is disproportionate could distract from issues related to transition management, continuity of services, communication and engagement with communities and elected members.</li> </ul>
<b>Council resolution</b>	All principles are upheld by resolution of the council.	<b>Council support</b>	All major Council decisions are made by Council consistent with legislation and delegations	<ul style="list-style-type: none"> <li>Proposal seems duplicative and overly prescriptive.</li> <li>Decision making process could be cumbersome particularly when involving multiple parties.</li> </ul>



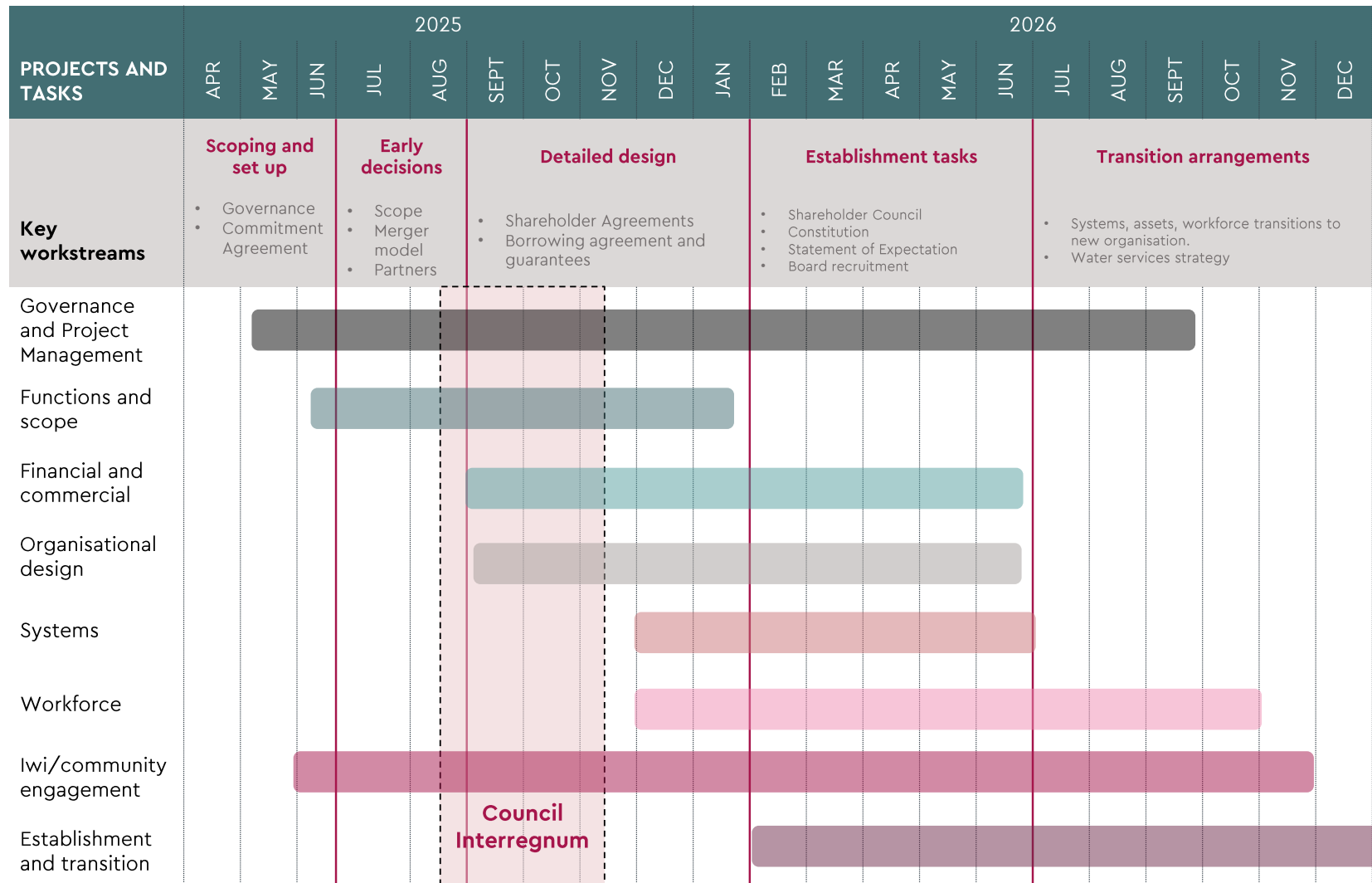
## Additional WBOPDC principles not proposed by TCC

	Proposed additional principles	Commentary
<b>Responsibilities to hapū and iwi are met</b>	Treaty obligations and commitments are upheld and met, including open engagement with iwi and hapū	<ul style="list-style-type: none"> <li>• Consistent with legislative requirements and communication and engagement on WBOPDC proposals to date.</li> <li>• Anything less than this would likely be considered a step backward</li> </ul>
<b>Fair process and equal opportunity</b>	The transition must be underpinned by procedural fairness that gives staff from all organisations equal opportunity to apply for roles in the new entity (excluding executive and board appointments).	<ul style="list-style-type: none"> <li>• Carves out treatment of employees as distinct from other business systems and processes.</li> <li>• Will likely be valued by staff as a principles based approach.</li> <li>• Enables union engagement to be focused on issues that most directly impact workforce, unlike alternative treatment which would require engagement across a broader set of variables and transition considerations</li> </ul>





## Reminder of high level timing



MARTINJENKINS COMMERCIAL IN CONFIDENCE

JOINT WATER SERVICES ORGANISATION | 13

# Appendix

# Pros and cons of different approaches to creating a joint entity

	Option 1 Lead host	Option 2 Best of both	Option 3 Transformation	Option 4 Preservation	Option 5 Phased integration
<b>Summary approach</b>	Larger organisation hosts and then absorbs functions from smaller organisations	Strengths from each organisation selected (people, systems, processes)	Move quickly to entirely new organisation	Maintain distinct operations, limited integration	One Council begins, with a phased integration from others
<b>Pros</b>	<ul style="list-style-type: none"> <li>Streamlined accountability structure with clear decision-making processes</li> <li>Faster integration of water infrastructure and asset management systems</li> <li>Lower disruption costs for smaller councils joining larger</li> <li>Faster path to standardised approach to service delivery across regions and scale benefits</li> <li>Consistent with DIA templated approach</li> </ul>	<ul style="list-style-type: none"> <li>Combines technical expertise from larger organisations with local knowledge of smaller ones</li> <li>Optimises systems and processes</li> <li>Balanced approach to both infrastructure efficiency and local responsiveness</li> <li>Ability to retain staff expertise from both organisations in their areas of strength</li> <li>Can operate similar to 1, with key personnel seconded.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunity to design water services delivery model with clean sheet of paper</li> <li>Potential for innovative approaches to systems and processes</li> <li>Greatest potential to create new culture and ways of working</li> <li>Fresh approach to community partnership and engagement from early in the process</li> <li>Ability to address legacy infrastructure issues with new integrated solutions</li> </ul>	<ul style="list-style-type: none"> <li>Maintains strong local connection and understanding of existing operations</li> <li>Preserves existing relationships with community groups and stakeholders</li> <li>Potentially least disruptive to staff</li> <li>Minimises disruption to frontline water service delivery and operations</li> <li>Retains institutional knowledge about local infrastructure condition and issues</li> </ul>	<ul style="list-style-type: none"> <li>Allows staged implementation aligned with wider water reform timelines</li> <li>Enables careful planning for critical infrastructure transitions with minimal service disruption</li> <li>Progressive alignment with regulatory requirements</li> <li>Provides a clear path for staff to new culture</li> </ul>
<b>Cons</b>	<ul style="list-style-type: none"> <li>Potential loss of local knowledge about specific catchment areas and infrastructure challenges</li> <li>Resistance from staff in smaller organisation that they will be disadvantaged in change process</li> <li>Assumes host systems are superior</li> <li>Disproportionate cost implication for smaller organisation (overhead pressure)</li> </ul>	<ul style="list-style-type: none"> <li>More complex accountability and decision-making about which systems to adopt</li> <li>Time-consuming process to harmonise different approaches to infrastructure investment</li> </ul>	<ul style="list-style-type: none"> <li>Significant costs during transition period potentially impacting rates or service delivery</li> <li>Risk of disruption to essential water services during transformation</li> <li>Potentially more costly as existing operations continue while new operations are established</li> <li>May require retraining of staff in new systems and approaches</li> </ul>	<ul style="list-style-type: none"> <li>More costly as slower transition misses opportunities for economies of scale</li> <li>Limited ability to create new culture and ways of working</li> <li>Perpetuates fragmentation in approach</li> <li>Maintains separate and potentially inconsistent systems and processes</li> </ul>	<ul style="list-style-type: none"> <li>Risk of losing momentum</li> <li>Stakeholder fatigue from prolonged consultation and change processes</li> <li>May result in staff churn as staff take roles in organisations establishing sooner</li> <li>Challenges in maintaining consistent communications across multiple stakeholders</li> <li>Interim inefficiencies with some duplicated systems during transition phases</li> </ul>



# What factors influence model choice

FACTOR	CONSIDERATION	WBOP/TCC SPECIFIC CONSIDERATIONS
<b>Strategic intent and outcomes</b>	<ul style="list-style-type: none"> <li>Financial drivers: Speed of establishing the WSO to accelerate achieving cost efficiencies vs. service improvement vs. infrastructure development and balance sheet capacity</li> <li>Timeframe requirements: Short-term consolidation vs. long-term decision making (contract de-setting, large investment decisions or procurement drivers, electoral processes)</li> <li>Integration depth needed: Depends on the degree of integration and operating model for e.g. full integrated water management vs. shared services with local oversight in the near term phased overtime</li> <li>Innovation objectives: Maintaining current practices vs. implementing new technology and management approaches (including procurement)</li> </ul>	Relevant factors include progress of the ERP system replacement
<b>Organisational characteristics</b>	<ul style="list-style-type: none"> <li>Relative size disparity: Large regional authority absorbing smaller council water operations vs. equal partners forming new water entity</li> <li>Power dynamics: Balance between territorial authorities and relationship</li> <li>Cultural compatibility: Similar service delivery approaches vs. differing priorities (urban/rural)</li> <li>Operational overlap: Shared catchments or networks vs. distinct water systems</li> <li>Geographical distribution: Neighbouring councils vs. catchment-based groupings vs. regional boundaries (this depends on number of Councils - the fewer the easier to do in the near term).</li> </ul>	Organisational and political momentum
<b>Capability assessment</b>	<ul style="list-style-type: none"> <li>Relative strengths and weaknesses: Technical expertise, asset condition, financial capacity</li> <li>Critical capabilities to preserve: Local knowledge, specialised expertise, successful maintenance programmes (including retention arrangements)</li> <li>Systems compatibility: Asset management systems, billing platforms, monitoring infrastructure</li> <li>Service equity: Existing service levels and pricing structures across communities</li> </ul>	Billing system and integrated contractor management relevant consideration
<b>Implementation considerations</b>	<ul style="list-style-type: none"> <li>Available resources: Debt capacity, capital structure, technical expertise, and transition support</li> <li>Leadership capacity: Experience with water sector reform and large-scale integration</li> <li>Workforce readiness: Technical staff adaptability and retention during transition</li> <li>Stakeholder expectations: Community voice, iwi partnerships, and customer service commitments</li> <li>Risk tolerance: Balancing service continuity with system transformation</li> </ul>	Capacity and capability to drive change key consideration
<b>External environment</b>	<ul style="list-style-type: none"> <li>Regulatory framework: Water Services Act requirements, economic regulation, and environmental standards</li> <li>Infrastructure challenges: Ageing assets, climate resilience needs, and growth pressures</li> <li>Funding constraints: Rate caps, debt limits, and infrastructure investment requirements</li> </ul>	Large capital programme and potential for scale procurement. Debt cap relatively important though transition can be managed.





**Wellington** T +64 4 499 6130

Level 1, City Chambers, Cnr Johnston and Featherston Streets, Wellington 6011, PO Box 5256, Wellington 6140, New Zealand

**Auckland** T +64 9 915 1360

Level 16, 41 Shortland Street, Auckland 1010, New Zealand

[info@martinjenkins.co.nz](mailto:info@martinjenkins.co.nz) [martinjenkins.co.nz](http://martinjenkins.co.nz)

## 11.2 DELIBERATIONS AND ADOPTION OF THE 2025-26 DOG CONTROL AND HEALTH REGISTRATION FEES

**File Number:** A6749597

**Author:** Dougal Elvin, Compliance and Monitoring Manager

**Authoriser:** Alison Curtis, General Manager Regulatory Services

### EXECUTIVE SUMMARY

1. This report seeks to recommend the adoption of 2025-2026 Dog Control and Health Act Registration Fees as included in the 2025-2026 Draft Schedule of Fees and Charges
2. The 2025-2026 Dog Control and Health Act Registration Fees were adopted for public consultation on 12 March 2025.
3. Public consultation took place between 20 March to 20 April 2025.
4. Consultation resulted in three submissions from the public regarding dog fees, and zero submissions regarding health fees.

### RECOMMENDATION

1. That the Compliance and Monitoring Manager's report dated 27 May 2025 titled 'Deliberations and adoption of the 2025-2026 Dog Control and Health Registration Fees' be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council receives all feedback received through the consultation period, which ran from 20 March to 20 April 2025, as shown in **Attachment 2** of this report.
4. That Council adopts the 2025-26 Dog Control and Health Registrations fees and that they be approved for public notification in accordance with the Dog Control Act 1996, as shown in **Attachment 1** of this report.
5. That the Chief Executive Officer be delegated authority to make minor editorial changes to the documents if required.

### BACKGROUND

5. The review of the Dog Control and Health registration Fees and charges are carried out annually.
6. In accordance with the Dog Control Act 1996, Council is required to adopt dog control fees for the coming registration year. The adopted fees and charges for dog

control must be publicly notified at least once during the month preceding the start of the registration year, being 1 July 2025.

7. Dog registration invoices are required to be sent to the owners responsible, prior to their expiry date.
8. Legislation requires registration to be undertaken by dog owners in accordance with statutory timeframes. These timeframes require Council to provide registration information prior to the end of the financial year, being 30 June annually with the opportunity for owners to undertake registration in a timely manner prior to 30 June registration expiry. Due to these timeframes Council is required to adopt these fees in advance of adopting the Annual Plan.
9. In accordance with Health (Registration of Premises) Regulations 1966, Council is required to ensure that premises are registered prior to licence expiry annually.
10. Council required premises to be registered by 30 June annually, for businesses to meet this requirement Council must provide annual fees and invoices to businesses owners at least a month prior to their licence expiry.
11. Those business that are impacted by this requirement include hairdressers, camping grounds and mortuaries.
12. The proposed dog control and health registration fees were released for public consultation from 20 March 2025 to 20 April 2025. These are included as **Attachment 1**.

### SIGNIFICANCE AND ENGAGEMENT

13. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
14. The Policy requires Council and its communities to identify the degree of significance attached to issues, proposals, assets, decisions, and activities.
15. In terms of the Significance and Engagement Policy this decision is of low significance because it is not expected to have any major financial or social implications for the community.

**ENGAGEMENT, CONSULTATION AND COMMUNICATION**

<b>Interested/Affected Parties</b>	<b>Completed Consultation</b>	
Ratepayers, Dog owners and other stakeholders.	Public consultation completed between 20 March 2025 to 20 April 2025, using Council website, an electronic newsletter, social media, the Doggy Day Out event in Omokoroa, Libraries and service centres and the "Have Your Say" engagement website.	
Health premises users: campgrounds, hairdressers, and mortuaries.	All health premises users were directly emailed to inform them of the proposed fees for 2024-2025 period.	Planned Completed

16. The channels used to engage with the public for their consultation included the Council website, an electronic newsletter, social media, the Doggy Day Out event in Omokoroa, Libraries, and service centres and the "Have Your Say" engagement website.
17. The channel used to gain feedback from the public regarding Health fees was to email all the health premises users, which included all campgrounds, hairdressers and both mortuaries.

**SUMMARY OF SUBMISSIONS**

18. Council received three submissions from the public on the proposed dog fees consisting of the following:
  - (a) The cost of living is very expensive.
  - (b) That fees and charges should reflect the actual and reasonable costs of the service and not functions such as the doggy day out event.
  - (c) That there is little benefit derived from the Council for registering dogs.
19. There were no submissions made with respect to the Health Act fees.
20. A copy of all the dog submissions received is available in **Attachment 2** attached to this report.
21. Officers acknowledge the submissions, and the financial pressures that our community are facing. The costs for delivery of services for animal control and Council services are under the same pressure, which has resulted in an increase to fees.



22. The animal services activity is required to meet legislative and LTP service requirements. It is recognised that the dog owner population will have varying demand and use for the service at an individual level.

### ISSUES AND OPTIONS ASSESSMENT

<b>Option A</b> <b>That Council adopt the 2025–2026 Dog Control and Health Registration Fees as initially proposed on 12 March 2025.</b>	
<b>Assessment of advantages and disadvantages including impact on each of the four well-beings</b> <ul style="list-style-type: none"> <li>• <b>Economic</b></li> <li>• <b>Social</b></li> <li>• <b>Cultural</b></li> <li>• <b>Environmental</b></li> </ul>	<p>Council is required to set Dog Control Fees and Charges in advance of the registration expiry period. Dog fees and charges must be publicly notified at least once in the month immediately preceding the registration period on an annual basis.</p> <p>Council is required to set Health registration fees in advance of the registration expiry period.</p> <p>By Council adopting the fees, this ensures Council meets these obligations.</p>
<b>Costs (including present and future costs, direct, indirect and contingent costs).</b>	<p>This would enable Council to collect the increased fees as proposed through consultation.</p>
<b>Option B</b> <b>That Council does not adopt the 2025–2026 Dog Control and Health Registration Fees as initially proposed on 12 March 2025.</b>	
<b>Assessment of advantages and disadvantages including impact on each of the four well-beings</b> <ul style="list-style-type: none"> <li>• <b>Economic</b></li> <li>• <b>Social</b></li> <li>• <b>Cultural</b></li> <li>• <b>Environmental</b></li> </ul>	<p><b>Disadvantages</b></p> <p>Should significant changes or rework be required, this may put at risk Council's ability to meet its legislative requirements.</p> <p>Legislative requirements mean the draft Schedule of Fees and Charges should be subject to consultation prior to decisions being made to change on some fee categories.</p> <p>Submissions received stated concerns with rising registration fees. Any consideration to further raise these fees would not be in line with feedback receive. Any further significant increases in fees could result in less compliance and further operational</p>

	costs in chasing unpaid fees and unregistered dogs.
<b>Costs (including present and future costs, direct, indirect and contingent costs).</b>	Should changes or rework be required, then additional staff time will be involved, and the document will need to be represented to an extraordinary Committee meeting.

### STATUTORY COMPLIANCE

23. The resolutions contained within this report meet all relevant statutory requirements.

### FUNDING/BUDGET IMPLICATIONS

24. Funding information for Dog Control and Health registration Fees has been considered as part of the overall Annual Plan 2025–2026 process.

### ATTACHMENTS

1. **Dog Control and Health Registration Fees 2025**  
2. **Fees and Charges – Dog Fees 2025–26 Full Submission Pack**  

## Animal Control - Dog Registration Fees

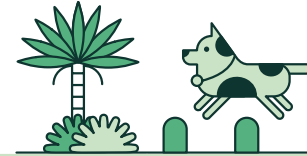


Dog registrations for Non-dangerous dogs	Why increase/decrease	2024/25 (\$)	2025/26 (\$)
<b>Paid on time</b>			
All dogs unless otherwise categorised	\$20 increase to assist in covering costs.	<del>120.00</del>	140.00
Stock working dog	\$20 increase to assist in covering costs.	<del>72.00</del>	92.00
Spayed or neutered dog	\$20 increase to assist in covering costs.	<del>90.00</del>	110.00
Dogs domiciled on Matakana Island	No change	50.00	50.00
Re-registration fee for each additional dog exceeding after five (see note 1)	10% increase as indicated by Council	<del>30.00</del>	33.00
Any dog(s) kept by: New Zealand Police, Customs Department, Ministry of Defence, Ministry of Agriculture, Ministry of Fisheries, Department of Conservation (for carrying out the function of the Policy or Department of State)	No change	0.00	0.00
<b>Pest hunting dogs used/owned by private contract business</b>	New fee to cover pest hunting dogs used by private contract businesses. To be charged the same as a working dog fee.		92.00
Security dog (kept by a security guard as defined in the Private Investigators and Security Guards Act 1974 as a bona fide security dog)	No change	0.00	0.00
Search and Rescue dog	No change	0.00	0.00
Disability assist dog (see note 2)	No change	0.00	0.00
<b>Paid late</b>			
All dogs unless otherwise categorised	Increased to equate to a 50% late payment fee	<del>180.00</del>	210.00
Stock working dog	Increased to equate to a 50% late payment fee	<del>108.00</del>	138.00
Spayed or neutered dog	Increased to equate to a 50% late payment fee	<del>135.00</del>	165.00
Dogs domiciled on Matakana Island	No change	75.00	75.00
Re-registration fee for each additional dog exceeding after five (see note 1)	Increased to equate to a 50% late payment fee	<del>45.00</del>	49.50
Any dog(s) kept by: New Zealand Police, Customs Department, Ministry of Defence, Ministry of Agriculture, Ministry of Fisheries, Department of Conservation (for carrying out the function of the Policy or Department of State)	No change	0.00	0.00
<b>Pest hunting dogs used/owned by private contract business</b>	New fee to cover pest hunting dogs used by private contract businesses. To be charged the same as a working dog fee.		138.00
Security dog (kept by a security guard as defined in the Private Investigators and Security Guards Act 1974 as a bona fide security dog)	No change	0.00	0.00
Search and Rescue dog	No change	0.00	0.00
Disability assist dog (see note 2)	No change	0.00	0.00

Dog registrations for Dangerous dogs	Why increase/decrease	2024/25 (\$)	2025/26 (\$)
<b>Paid on time</b>			
All dogs unless otherwise categorised	Legislation requires a 50% increase compared to non-dangerous dog fees increase. (section.32 (e) of the Dog Control Act 1996)	<del>180.00</del>	210.00
Stock working dog	Legislation requires a 50% increase compared to non-dangerous dog fees increase. (section.32 (e) of the Dog Control Act 1996)	<del>108.00</del>	138.00
Spayed or neutered dog	Legislation requires a 50% increase compared to non-dangerous dog fees increase. (section.32 (e) of the Dog Control Act 1996)	<del>135.00</del>	165.00
Dogs domiciled on Matakana Island	No change	75.00	75.00
Re-registration fee for each additional dog exceeding after five (see note 1)	Legislation requires a 50% increase compared to non-dangerous dog fees increase. (section.32 (e) of the Dog Control Act 1996)	<del>45.00</del>	49.50
Any dog(s) kept by: New Zealand Police, Customs Department, Ministry of Defence, Ministry of Agriculture, Ministry of Fisheries, Department of Conservation (for carrying out the function of the Policy or Department of State)	No change	0.00	0.00
<b>Pest hunting dogs used/owned by private contract business</b>	New fee to cover pest hunting dogs used by private contract businesses. To be charged the same as a working dog fee.		138.00
Security dog (kept by a security guard as defined in the Private Investigators and Security Guards Act 1974 as a bona fide security dog)	No change	0.00	0.00
Search and Rescue dog	No change	0.00	0.00
Disability assist dog (see note 2)	No change	0.00	0.00
<b>Paid late</b>			
All dogs unless otherwise categorised	Increased to equate to a 50% late payment fee	<del>270.00</del>	315.00
Stock working dog	Increased to equate to a 50% late payment fee	<del>162.00</del>	192.00
Spayed or neutered dog	Increased to equate to a 50% late payment fee	<del>202.50</del>	247.50
Dogs domiciled on Matakana Island	No change	112.00	112.00
Re-registration fee for each additional dog exceeding after five (see note 1)	50% late payment fee	<del>67.50</del>	74.25
Any dog(s) kept by: New Zealand Police, Customs Department, Ministry of Defence, Ministry of Agriculture, Ministry of Fisheries, Department of Conservation (for carrying out the function of the Policy or Department of State)	No change	0.00	0.00
<b>Pest hunting dogs used/owned by private contract business</b>	New fee to cover pest hunting dogs used by private contract businesses. To be charged the same as a working dog fee.		192.00
Security dog (kept by a security guard as defined in the Private Investigators and Security Guards Act 1974 as a bona fide security dog)	No change	0.00	0.00
Search and Rescue dog	No change	0.00	0.00
Disability assist dog (see note 2)	No change	0.00	0.00

Notes	
	Dog owners who have more than five dogs may be entitled to discounted dog registration fees for the sixth and subsequent registration, on the following basis:
	a. All dogs must be registered by 30 June to qualify.
	b. All dogs must be microchipped.
1.	c. All dogs must permanently reside at the registered owners address. Registration discount does not apply to dogs that may reside at a separate address when being used for breeding purposes. (e.g., under an agreement or contract).
	d. No verified complaints have been received by Council in the previous registrations year for welfare or nuisance complaints (e.g., barking, roaming).
	e. New registrations during the year will be at normal registration fees (prorated) the discount fee only applies at re-registration.
	Please note: No refund for deceased dogs will be paid to owners of more than five dogs where dogs were registered at a discounted rate.
2.	Disability assist dog has the same meaning as specified in the Dog Control Act 1996. The dog must be certified as a disability dog.

## Animal Control - Services



Dog Pound Fees - Impounding	Notes/explanations	Why increase/decrease	2024/25 (\$)	2025/26 (\$)
<b>Unregistered dogs</b>				
Unregistered: First impounding		10% increase as per LTP direction	<del>130.00</del>	143.00
Unregistered Second impounding		10% increase as per LTP direction	<del>220.00</del>	242.00
Unregistered: Third impounding		10% increase as per LTP direction	<del>220.00</del>	242.00
<b>Registered Dogs</b>				
Registered: First impounding		10% increase as per LTP direction	<del>90.00</del>	99.00
Registered: Second impounding		10% increase as per LTP direction	<del>160.00</del>	176.00
Registered: Third impounding		10% increase as per LTP direction	<del>220.00</del>	242.00

Dog Pound Fees - Seizure Fees	Notes/explanations	Why increase/decrease	2024/25 (\$)	2025/26 (\$)
First seizure fee		10% increase as per LTP direction	<del>120.00</del>	132.00
Second seizure fee		10% increase as per LTP direction	<del>220.00</del>	242.00
Third seizure fee		10% increase as per LTP direction	<del>220.00</del>	242.00
Surrender fee		No change	100.00	100.00

Dog Pound Fees - Other costs	Notes/explanations	Why increase/decrease	2024/25 (\$)	2025/26 (\$)
Microchip fee		10% increase as per LTP direction	<del>35.00</del>	38.50
Daily sustenance		10% increase as per LTP direction	<del>17.50</del>	19.75
Afterhours impound		10% increase as per LTP direction	<del>60.00</del>	66.00
Dog adoption - male		No change. Do not want to discourage adoption by increasing fees.	350.00	350.00
Dog adoption - female		No change. Do not want to discourage adoption by increasing fees.	400.00	400.00
Multiple dogs - per application Greater than 2 dogs urban Greater than 5 dogs rural	Applies to new dog owners to District and dog owners who increase their number of dogs to greater than: 2 dogs urban 5 dogs rural	Increase to reflect administration costs of processing application.	<del>60.00</del>	66.00
Replacement tag		Reflect inflation impact on costs	<del>10.00</del>	11.00
Trading items (collars, leads, muzzles) are available and will be priced based on their cost plus a mark-up	Price on application			

Non-Food Premises (Health) Registration	Notes/explanations	Why increase/decrease	2024/25 (\$)	2025/26 (\$)
Hairdressers		To align with inflation costs	<del>363.00</del>	383.00
Mortuaries		To align with inflation costs	<del>363.00</del>	383.00
Camping grounds		To align with inflation costs	<del>451.00</del>	476.00
Change of ownership		To align with inflation costs	<del>121.00</del>	128.00
Issue of Notice to Rectify/Non Compliance		To align with inflation costs	<del>429.00</del>	453.00
Property Inspections and reporting (Health Act 1956)		To align with inflation costs	<del>214.50</del>	227.00
Additional inspections and processing (per hour)		To align with inflation costs	<del>214.50</del>	227.00



**Western  
Bay of Plenty**  
District Council

# **Draft Fees and Charges 2024/2025 Consultation**

Dog Control Fees

Full Submission Pack



Contents		
Submitter	Submitter ID	Page
Bernadette Limbrick	1	3
Betty Robson	2	4
Sue Hodges	3	5



**Western Bay of Plenty District Council**  
Private Bag 12803 Tauranga Mail Centre  
1484 Cameron Road, Greerton, Tauranga, 3112  
**P** 0800 926 732  
**E** [info@westernbay.govt.nz](mailto:info@westernbay.govt.nz)  
[westernbay.govt.nz](http://westernbay.govt.nz)

## Fess and Charges 2025/26

Submitter ID: 1

Name: Bernadette Limbrick

Organisation:

Q1: Have you got any comments you would like to make on the proposed fees and charges?

Sorry I don't think it is justified, as a responsible dog owner we pay our way for our dog. We abide by the rules, do not take our dog to out of bound places, have a fully fenced property, are mindful that he does not disturb our neighbours with barking or anti social behavior. We are aware of and ensure we pick up after our dog. We do not get any benefit from the council for our dog registration. We only hear from the council at registration time. I strongly object to the increase in the registration fee, and do not see that we get any value.

Q2: Would you like to register to speak to your submission at a hearing in April/May 2025?

No I wouldn't

Te Kaunihera a rohe mai i ngā Kuri-a-Whārei ki Ōtamarākau ki te Uru



**Western Bay of Plenty District Council**  
Private Bag 12803 Tauranga Mail Centre  
1484 Cameron Road, Greerton, Tauranga, 3112  
**P** 0800 926 732  
**E** [info@westernbay.govt.nz](mailto:info@westernbay.govt.nz)  
[westernbay.govt.nz](http://westernbay.govt.nz)

## Fess and Charges 2025/26

Submitter ID: 2

Name: Betty Robson

Organisation:

Q1: Have you got any comments you would like to make on the proposed fees and charges?

I disagree with the proposed fee's due to I am a RATE PAYER & the cost of living is VERY EXPENSIVE with pet food, vet bills & my dog does not go to dog parks or dog events! STOP with the added FEES!

Q2: Would you like to register to speak to your submission at a hearing in April/May 2025?

No I wouldn't

Te Kaunihera a rohe mai i ngā Kuri-a-Whārei ki Ōtamarākau ki te Uru



**Western Bay of Plenty District Council**  
Private Bag 12803 Tauranga Mail Centre  
1484 Cameron Road, Greerton, Tauranga, 3112  
**P** 0800 926 732  
**E** [info@westernbay.govt.nz](mailto:info@westernbay.govt.nz)  
[westernbay.govt.nz](http://westernbay.govt.nz)

## Fess and Charges 2025/26

Submitter ID: 3

Name: Sue Hodges

Organisation:

Q1: Have you got any comments you would like to make on the proposed fees and charges?

So I don't think organising a doggy day out qualifies as an activity, not sure what specific services' but I'm pretty sure I don't access them, probably 90% of the dog community doesn't. Why the hell am I paying for functions!!

You provided a useless dog park.

Why are reviewing the price increase? Fees charges should reflect the actual and reasonable costs for goods services, amenities, permits, approvals and regulatory process. I cannot see how you can warrant a price increase. More and more people will stop registering their dogs. There will be not point in fining these people. If they can't afford the registration fees, they certainly can't afford a fine. There are so many good dog owners out there paying for bad owners.

There are four dogs in my street that continually bark. All registered but my dog is afraid to walk past them.

Q2: Would you like to register to speak to your submission at a hearing in April/May 2025?

Yes, I would like to register to speak to my submission

Te Kaunihera a rohe mai i ngā Kuri-a-Whārei ki Ōtamarākau ki te Uru

**11.3 FINANCIAL PERFORMANCE UPDATE QUARTERLY REPORT – 31 MARCH 2025****File Number:** A6753671**Author:** Jonathan Fearn, Chief Financial Officer**Authoriser:** Adele Henderson, General Manager Corporate Services**EXECUTIVE SUMMARY**

The purpose of this report is to provide an update on the financial results and Treasury dashboard to Elected Members for the 9 months ended 31 March 2025.

This report also provides the Council with any current Treasury Policy breaches in relation to interest rate hedging, as identified in previous financial reports.

**RECOMMENDATION**

That the Chief Financial Officer's report dated 27 May 2025 titled 'Financial Performance Update Quarterly Report – 31 March 2025' be received.

**SUMMARY – FINANCIALS**

The following is a summary of the financial performance for the period ended 31 March 2025 along with associated financial statements and analysis in **Attachment 1**.

1. The current budgets per the adopted annual plan have been phased to best reflect forecasted timings by budget managers.
2. Full details and analysis are provided in **Attachment 1**.
3. The below table is a summary of financial performance for the 9 months ended 31 March 2025.

<b>Statement of comprehensive revenue and expense</b>	<b>Actual YTD \$000's</b>	<b>Budget YTD \$000's</b>	<b>Variance YTD \$000's</b>
Revenue	143,544	137,898	5,646
Expense	105,773	108,947	3,174
Surplus/(deficit)	37,772	28,952	8,820
Total Revenue – Actual YTD vs Full Year Budget	75%		
Total Expenses – Actual YTD vs Full Year Budget	73%		
<b>Statement of financial position</b>	<b>Actual YTD \$000's</b>	<b>Budget Full Year \$000's</b>	
Assets	2,057,742	2,139,995	
Liabilities	226,847	209,795	
Equity	1,830,895	1,930,200	

4. Financial Performance – The overall financial results show a surplus to date of \$37.7m, this is \$8.8m better than year-to-date budget. Spend is ahead of forecast on NZTA Works Programme for both operational and capital expenditure.
5. Balance Sheet – As at December council's assets are 96% of the budget year to date mostly due to lower PP&E due to timing of capitalisations but higher cash on hand and investment in associates. Liabilities are higher than budget mainly due to payables and recognition of deferred revenue.
6. Capital Expenditure – Total capital expenditure spend of \$85.1m is reported for Q3 against a full year budget of \$161.8m. This represents 53% capital expenditure spent of the full year budget. The infrastructure team continue to forecast a 90% completion rate by the end of the financial year.
7. Treasury – Council has undertaken \$45 million in net new borrowings year-to-date and remains within its policy limits for counterparty, debt, interest, and liquidity ratios. Total borrowings are now \$160m. However, a breach of the interest rate hedging policy remains for the 2–5 year timeframe, with non-compliance projected at the end

of 2026 and 2028. To address this, and under the guidance of Bancorp, \$15 million of fixed rate borrowing was entered into after the 31 March reporting date. While this has improved alignment with policy, a breach still exists within the 2–5 year hedge horizon.

With swap rates currently at around 3-year lows, Council is proposing to enter into forward starting swaps—specifically, 2-year swaps commencing in 4 years—as a targeted response to cover the breach. If forecast debt levels reduce, Council will not be over-hedged. Furthermore, in the event of water reform, both debt and fixed rate hedging are expected to be apportioned to the new entity, preserving Council’s policy compliance.

## ATTACHMENTS

1. **Quarterly Financial Report – Q3 March 2025** 





Q3 Quarterly Financial Report : March 2025 – Period 9

Contents

Financial Summary – Financial Snapshot .....3

Financial Statements .....4

    Financial performance variances commentary – Revenue by Activity .....7

    Financial performance variances commentary – Expenses by Activity .....9

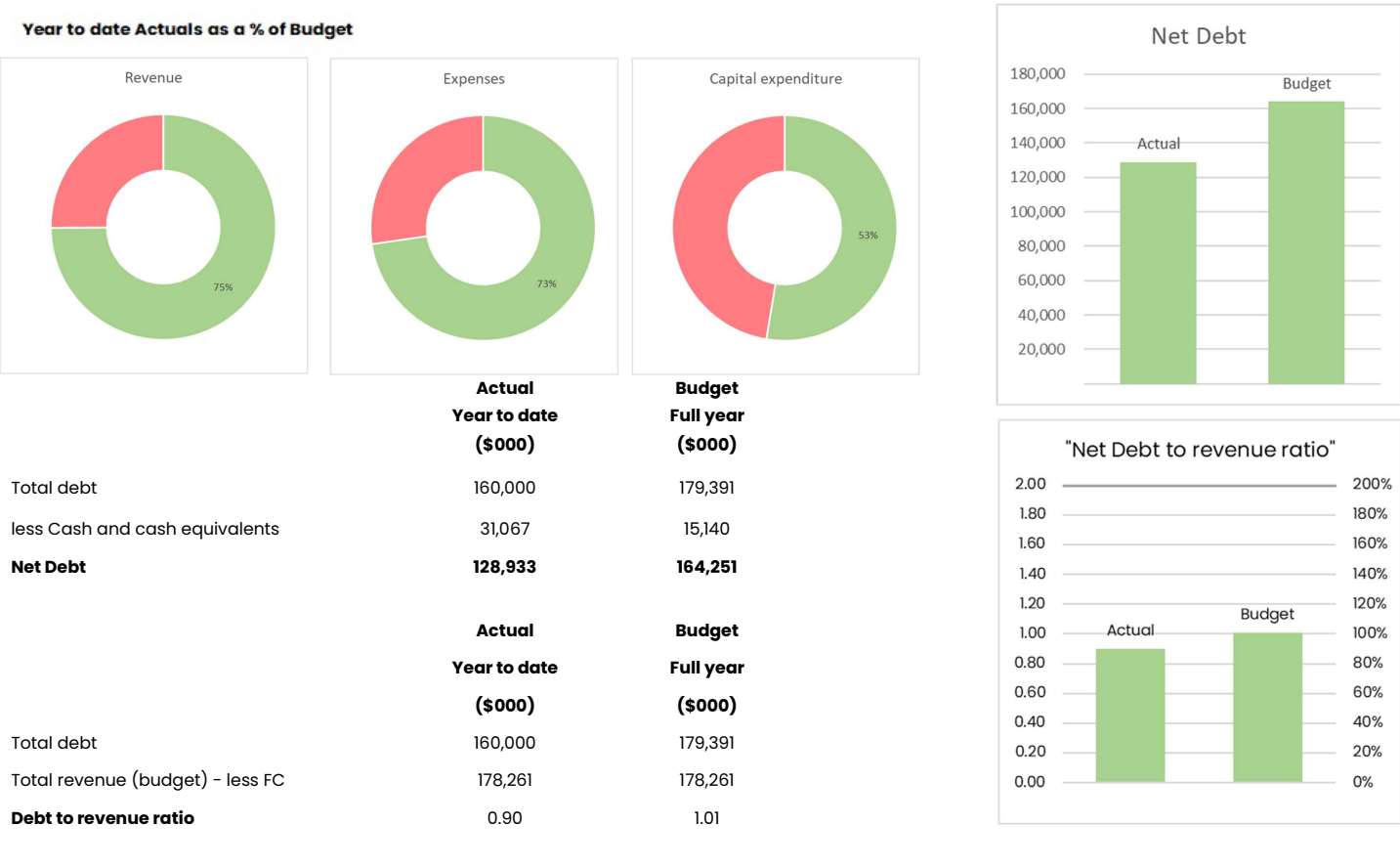
    Statement of Financial Position.....10

    Capital Expenditure .....11

    Treasury .....12

Q3 Quarterly Financial Report : March 2025 - Period 9

Financial Summary – Financial Snapshot



Q3 Quarterly Financial Report : March 2025 – Period 9

**Financial Statements****Statement of Comprehensive Revenue and Expense – Council Wide**

FOR THE PERIOD ENDED 31 MARCH 2025	2025	2025	2025	2024	2025	2025
	Actual	Revised Budget	Variance	Actual	Actual YTD	Revised Budget
	Year to date	Year to date	Year to date	Year to date	as % of Full Budget	Full year
	(\$000)	(\$000)	(\$000)	(\$000)		(\$000)
<b>Revenue</b>						
Rates	77,510	78,382	( 872)	66,862	74%	104,894
Subsidies and grants	37,722	36,696	1,026	7,396	67%	56,633
Development and financial contributions	9,039	10,059	( 1,020)	8,765	67%	13,412
Fees and charges	9,174	7,366	1,807	10,043	96%	9,539
Interest revenue	800	203	597	699	296%	270
Other revenue	9,301	5,193	4,108	3,142	134%	6,924
<b>Total revenue</b>	<b>143,544</b>	<b>137,898</b>	<b>5,646</b>	<b>96,907</b>	<b>75%</b>	<b>191,673</b>
<b>Expenses</b>						
Personnel costs	25,906	26,864	959	23,625	72%	35,764
Depreciation and amortisation expense	22,260	21,825	( 435)	20,916	76%	29,101
Finance costs	5,371	5,718	346	3,850	71%	7,605
Other expenses	52,235	54,539	2,304	44,604	72%	72,999
<b>Total expenses</b>	<b>105,773</b>	<b>108,947</b>	<b>3,174</b>	<b>92,995</b>	<b>73%</b>	<b>145,469</b>
<b>Surplus/(deficit) before tax</b>	<b>37,772</b>	<b>28,952</b>	<b>8,820</b>	<b>3,912</b>	<b>82%</b>	<b>46,204</b>
<b>Surplus/(deficit) after tax</b>	<b>37,772</b>	<b>28,952</b>	<b>8,820</b>	<b>3,912</b>	<b>82%</b>	<b>46,204</b>

Q3 Quarterly Financial Report : March 2025 – Period 9

### Financial performance variances commentary

#### Revenue

- Rates of \$77.51m are \$0.87m below year-to-date budget. This is mainly due to metered water charges unfavourable to budget, \$0.6m, due to actual volumes being less than budget.
- Subsidies and Grants are \$1.03m favourable to year-to-date budget due to expenditure ahead of forecast on NZTA Works Programme for both operational and capital expenditure. Total subsidies are expected to be favourable to budget due to a catch up of subsidy in the current financial year for Ōmokoroa Structure Plan projects, and receipt of \$4m subsidies for Heron Crescent.
- Development and financial contributions are \$1.02m unfavourable to budget due to lower than expected lot creation – year-to-date new lots are 62% of annual projection.
- Fees and Charges of \$9.17m are \$1.81m favourable to budget. Regulatory fees and charges are \$0.36m favourable, due to resource consent applications tracking ahead of budget (1) producing \$0.84m favourable variance to budget. Building services are \$0.29m below budget due to consent application volumes being down compared to budget. Compliance services are also \$0.13m below budget mainly due to a lower than budgeted parking fees.
- Interest revenue of \$0.8m, is favourable by \$0.6m due to daily cash management of surpluses being actively invested in interest-bearing call accounts and term deposits to take advantage of better interest rates, and due to more cash on hand than budgeted.
- Other Revenue is \$4.1m favourable year-to-date on budget, mainly due to unbudgeted Vested Assets, primarily in Ōmokoroa.

#### Expenses

- Personnel costs are \$0.96m favourable. This is, in part, due to vacant positions held and a longer than expected recruitment process when bringing Transportation management back in-house. Other favourable activities are Regulatory and Communities, where vacant held positions are mainly driving cost savings.
- Other Expenses of \$52.2m are \$2.3m favourable. Key drivers are:
  - Operational projects are lower than budget of \$2.2m, mainly for the Solid Waste community re-use facility project, \$0.6m, and Corporate Services, \$0.8m, which is primarily due to the timing of the Enterprise Resource Planning (ERP) and HR-system project implementation.
  - Miscellaneous expenses are favourable \$0.81m, mainly in Transportation, largely due to reclassification of professional services to pavement maintenance, \$0.48m.
  - Impairment of Account Receivables is \$0.58m favourable due to the timing of assessments which occur at year end.

Further financial performance details by Activity are shown later in this report.

<sup>1</sup> Land use consents up 25%, Subdivision consents up 22%, 223 certificates up 36%

Q3 Quarterly Financial Report : March 2025 – Period 9

**Statement of Comprehensive Revenue and Expense by Activity**

	2025	2025	2025	2024	2025	2025
FOR THE PERIOD ENDED 31 MARCH 2025	Actual	Revised Budget	Variance	Actual	Actual YTD as % of	Revised Budget
	Year to date	Year to date	Year to date	Year to date	Full Budget	Full year
	(\$000)	(\$000)	(\$000)	(\$000)		(\$000)
<b>Revenue</b>						
Corporate Services	( 4,272)	( 1,980)	( 2,291)	3,990	839%	( 509)
Communities	13,894	9,357	4,537	9,561	112%	12,430
Economic	743	369	373	715	151%	493
Natural Environment	1,092	949	144	948	86%	1,265
Planning for the Future	3,652	3,480	172	3,593	79%	4,640
Recreation and Open Spaces	12,834	11,649	1,185	10,406	85%	15,088
Regulatory	12,065	11,704	361	9,029	79%	15,322
Representation	3,209	3,200	9	3,081	75%	4,266
Solid Waste	4,559	4,179	380	4,290	81%	5,595
Stormwater	11,390	8,979	2,411	4,618	98%	11,605
Transportation	54,652	55,121	( 469)	27,038	69%	79,653
Wastewater	17,214	18,168	( 954)	11,067	69%	24,985
Water Supply	12,512	12,725	( 213)	8,569	74%	16,842
<b>Total revenue</b>	<b>143,544</b>	<b>137,898</b>	<b>5,646</b>	<b>96,907</b>	<b>75%</b>	<b>191,673</b>

Q3 Quarterly Financial Report : March 2025 – Period 9

### **Financial performance variances commentary – Revenue by Activity**

#### **Communities**

- Subsidy Income is \$4m above year-to-date budget, due to unbudgeted capital subsidies received from Ministry Housing and Urban Development and Crown Infrastructure Partners, following claims for the Heron Crescent project within the Elder Housing activity.

#### **Corporate Services**

- Although total Rates Revenue (including metered water charges) is \$0.87m unfavourable, Rates Revenue in Corporate Services is \$3.5m unfavourable to budget. Corporate Services unfavourable rate variance is due to Rate Penalties unfavourable \$0.6m due to late rate setting process and an unfavourable \$2.7m impact of the classification of rates revenues to water supply and other targeted rates revenue. Offsetting rates is favourable internal finance revenue of \$0.78m.

#### **Recreation and Open Space**

- Favourable year-to-date budgets are financial contributions \$0.7m, rental income of \$0.3m, interest revenue of \$0.5m and unbudgeted harvest proceeds of \$1m. These are offset by Subsidies and Grant revenue that is unfavourable \$1.4m on budget, regarding Panepane Wharf project.

#### **Stormwater**

- Vested Assets revenue is \$3.5m favourable to year-to-date budget, which is offset by Development Impact Fees unfavourable \$1.5m due to timing of Financial Contribution income.

#### **Wastewater**

- Subsidy Income is \$1.8m below year-to-date budget as a result of timing of the Te Puke Wastewater Treatment Plant upgrade and links with the Rangiora Business Park. Other unfavourable variances are Insurance Recoveries \$1.5m related to timing of notification and receipt of claims regarding Waihi Beach Wastewater treatment plant, and Financial Contributions \$0.4m below budget.
- Favourable variances year-to-date against budget are Vested Assets \$1.2m, Rates \$1.1m and higher internal Interest Revenue \$0.5m.

## Q3 Quarterly Financial Report : March 2025 – Period 9

FOR THE PERIOD ENDED 31 MARCH 2025	2025	2025	2025	2024	2025	2025
	Actual	Revised Budget	Variance	Actual	Actual YTD	Revised Budget
	Year to date	Year to date	Year to date	Year to date	as % of Full Budget	Full year
	(\$000)	(\$000)	(\$000)	(\$000)		(\$000)
<b>Expenses</b>						
Corporate Services	( 4,854)	( 1,968)	2,886	3,973	-1116%	435
Communities	9,809	10,028	220	9,939	74%	13,291
Economic	904	788	( 116)	671	88%	1,023
Natural Environment	1,107	1,501	395	880	56%	1,979
Planning for the Future	3,070	3,419	349	3,397	67%	4,558
Recreation and Open Spaces	9,469	9,908	439	7,977	73%	13,053
Regulatory	11,919	11,542	( 376)	11,824	77%	15,389
Representation	2,991	3,219	229	2,703	70%	4,292
Solid Waste	4,040	5,033	993	3,338	61%	6,631
Stormwater	6,837	6,592	( 245)	4,034	83%	8,193
Transportation	29,444	28,746	( 698)	19,024	79%	37,349
Wastewater	16,254	15,585	( 669)	12,651	80%	20,208
Water Supply	14,785	14,553	( 232)	12,584	78%	19,068
<b>Total expenses</b>	<b>105,773</b>	<b>108,947</b>	<b>3,174</b>	<b>92,995</b>	<b>73%</b>	<b>145,469</b>
<b>Surplus/(deficit) after tax</b>	<b>37,772</b>	<b>28,952</b>	<b>8,820</b>	<b>3,912</b>	<b>82%</b>	<b>46,204</b>

Q3 Quarterly Financial Report : March 2025 – Period 9

### **Financial performance variances commentary – Expenses by Activity**

#### **Corporate Services**

- Main favourable variances year-to-date are projects for increased levels of service, bad debts and unbudgeted staff cost capitalisation (related to the ERP project) \$0.8m, \$0.6m and \$1.3m respectively.

#### **Solid Waste**

- Main favourable variances year-to-date are due to lower than planned maintenance costs \$0.2m and delayed projects \$0.5m. Also contributing is lower than budgeted interest expense \$0.2m.

#### **Transport**

- Personnel onboarding for the shift of this transport activity to in-house is later than budget resulting in savings, which are offset by less staff cost capitalisation, with a total unfavourable position of \$0.8m. Maintenance and Operations is unfavourable by \$0.6m, as the maintenance works programme is ahead of schedule. The works programme is being managed to a 3-year delivery cycle (FY2025 – FY2027).

#### **Wastewater**

- Higher than budgeted internal finance costs \$0.76m is the largest unfavourable cost variance. This is related to the treatment of current accounts in the budget.



Q3 Quarterly Financial Report : March 2025 – Period 9

**Statement of Financial Position**

	2025	2025	2024
STATEMENT OF FINANCIAL POSITION	Actual	Revised Budget	Actual
AS AT 31 MARCH 2025	Year to date	Full year	Year to date
	(\$000)	(\$000)	(\$000)
<b>Current assets</b>			
Cash and cash equivalents	31,067	15,140	26,424
Receivables	40,746	18,654	25,270
Prepayments	1,873	263	1,896
Derivative financial instruments	54		
<b>Total current assets</b>	<b>73,740</b>	<b>34,057</b>	<b>53,590</b>
<b>Non-current assets</b>			
Derivative financial instruments	1,965	2,580	2,580
Other financial assets	13,731	12,965	12,965
Investment in associates	14,789	6,072	4,298
Property, plant and equipment	1,945,944	2,070,477	1,854,030
Intangible assets	3,414	5,495	3,527
Forestry assets	4,159	8,349	8,266
<b>Total non-current assets</b>	<b>1,984,003</b>	<b>2,105,938</b>	<b>1,885,666</b>
<b>Total assets</b>	<b>2,057,742</b>	<b>2,139,995</b>	<b>1,939,256</b>
<b>Current liabilities</b>			
Payables and deferred revenue	61,999	25,442	35,004
Borrowings and other financial liabilities	25,000	15,000	15,000
Employee entitlements	4,480	4,367	4,128
Provisions	294	313	313
<b>Total current liabilities</b>	<b>91,772</b>	<b>45,122</b>	<b>54,445</b>
<b>Non-current liabilities</b>			
Borrowings and other financial liabilities	135,000	164,391	88,200
Employee entitlements	13	20	19
Provisions	62	262	262
<b>Total non-current liabilities</b>	<b>135,075</b>	<b>164,673</b>	<b>88,481</b>
<b>Total liabilities</b>	<b>226,847</b>	<b>209,795</b>	<b>142,926</b>
<b>Net assets</b>	<b>1,830,895</b>	<b>1,930,200</b>	<b>1,796,330</b>
<b>Equity</b>			
Accumulated Funds	1,023,514	1,129,481	992,954
Reserves	807,381	800,719	803,376
<b>Total equity</b>	<b>1,830,895</b>	<b>1,930,200</b>	<b>1,796,330</b>

10

## Q3 Quarterly Financial Report : March 2025 – Period 9

**Capital Expenditure**

\$000	2025	2025	2025	2025	2025
	Actual	Revised Budget	Variance	Actual YTD	Revised Budget
	Year to date	Year to date	Year to date	as % of FY Budget	Full year
Corporate Services	3,162	1,622	( 1,540)	146%	2,162
Communities	7,538	1,597	( 5,941)	308%	2,451
Economic	39	456	417	6%	608
Natural Environment	0		( 0)	0%	
Recreation and Open Space	2,442	12,397	9,955	14%	17,473
Solid Waste		38	38		50
Stormwater	2,672	2,515	( 157)	78%	3,438
Structure Plan	31,128	48,220	17,092	44%	70,989
Transportation	17,739	12,878	( 4,860)	60%	29,439
Wastewater	8,436	9,560	1,123		15,877
Water Supply	11,926	14,041	2,115	62%	19,298
<b>TOTAL</b>	<b>85,081</b>	<b>103,322</b>	<b>18,241</b>	<b>53%</b>	<b>161,784</b>

**Capital expenditure variance commentary**

- Corporate Services unfavourable variance is an accrual of staff cost capitalisation of \$1.7m (related to the ERP project). A final position of staff costs to capitalise is yet to be determined.
- Communities – Elder housing capital spend for Heron Crescent (\$5.2m) is ahead of schedule and is not included in the budget. This is covered 100% by external funds and that income was also not budgeted. Waihi Beach library is being delivered of schedule (\$1.2m).
- Recreation and Open Space – Delays in significant projects including Ōmokoroa Active Reserve going through legal claims, Dave Hume Pool upgrades has only recently commenced work in May and Panepane wharf upgrades delayed due to weather and barge availability.
- Structure Plan – Ōmokoroa stage one savings through contract negotiations of \$6m. Delays in timing for projects such as Ōmokoroa Urbanisation Stage 1, Prole Role Urbanisation and Prole Road Wetland. Programme will be re-forecasted to align with Contractor's forecasting.
- Transportation –Subsidies for NZTA work programme ahead of budget as both opex and capex budgets are spending ahead of their budgets. This is being managed to a 3-year cycle (25-27).
- Wastewater – Timing delays in design of the upgrade of Te Puke Wastewater Treatment Plant. Savings are expected through contract negotiations.
- Water Supply – Water Supply spending ahead of budget on significant projects for water quality improvement related projects.

11

## Q3 Quarterly Financial Report : March 2025 – Period 9

## Treasury

Summary as at 31 March 2025

- Current external debt is \$160m. Total cost of funds including margin (excluding working capital facilities) is 4.33%. The weighted average term of debt facilities is 2.4 years.
- Council has working capital facilities of \$30m. \$20m with ANZ and \$10m with LGFA. These facilities were unused as at 31 March 2025.
- \$10m of new fixed rate borrowing was transacted in the quarter.
- Council is not compliant with its interest rate risk policy in 2027 and 2029. The breach in 2027 is minor and technically not a breach in accordance with Council's Treasury Policy given it corrects itself within 90 days. The breach in 2029 ranges from \$10 million to \$30 million and occurs in the years when forecast debt significantly increases to peak at \$325 million. The tepid domestic recovery and global growth concerns due to the trade tariffs has seen OCR expectations fall further to 2.75% (previously 3.00%). ANZ is forecasting the OCR to fall even further to 2.50%, which is at the bottom of the RBNZ neutral OCR range of 2.50%–3.50%. As a result, the NZ interest rate swap curve has moved lower. On this basis, a portion of the breach could be addressed with a \$10 million forward starting 4 year swap starting in 2 years, currently priced in the high 3%'s, although the preference would be to execute in the mid to low 3%'s. This provides a balance between partially addressing the breach, while avoiding being over hedged in case there are revisions to the forecast debt profile, considering its steep trajectory, as well as any changes to debt under a Waters solution.

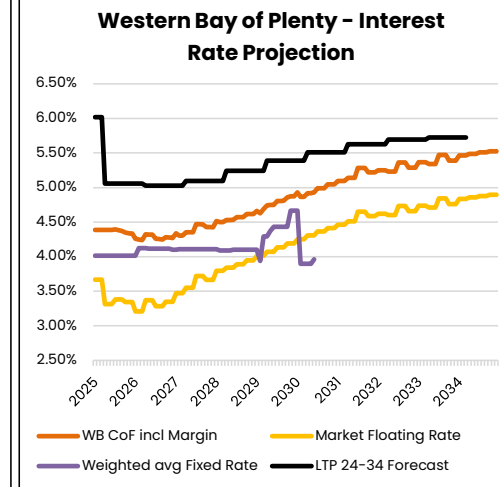
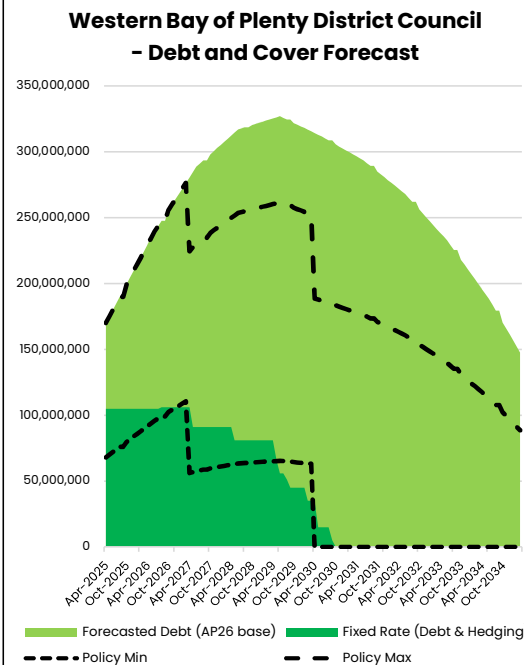
Limits on borrowing			
Benchmark Ratio	Policy Limit	Actual	Compliant?
Net debt as % of Total YTD Revenue	<200%	103%	✓
Net Interest <sup>1</sup> as a % of Total YTD Revenue	<15%	4%	✓
Net Interest as a % of YTD Rates Income	<20%	6%	✓
Liquidity Ratio <sup>2</sup>	>110%	136%	✓
<sup>1</sup> Net Interest = Finance Income less Finance Costs			
<sup>2</sup> Liquidity Ratio = external term debt + standby facilities + available short-term liquidity / existing external debt			

Counterparty limits			
Counterparty	Actual	Total Limit	Compliant?
ANZ	26,275,826	35,000,000	✓
BNZ	9,332,329	35,000,000	✓
ASB	1,015,890	35,000,000	✓
Westpac	-	35,000,000	✓

\*Relates to Cash, Term Deposits and Swaps. All drawn debt is with the LGFA

Interest Rate Risk Limits			
	Year 0 – 2	Year 2 – 5	Year 5 – 10
Minimum Policy Limit	40%	20%	0%
Maximum Policy Limit	100%	80%	60%
Minimum Hedge	38%	11%	0%
Maximum Hedge	62%	38%	11%
Compliant?	X	X	✓

\*breach in 0 – 2 bucket is less than 90 days so technically not in breach of policy



Funding Risk				
Years	Minimum	Maximum	Actual	Compliant?
0 – 3	15%	60%	50%	✓
3 – 7	20%	85%	50%	✓
7 – 15	0%	60%	0%	✓

## **11.4 WAIKATO LOCAL AUTHORITY SHARED SERVICES (CO-LAB) CONSTITUTION AMENDMENT**

**File Number:** A6734975

**Author:** Jackson Jury, Financial Analyst

**Authoriser:** Adele Henderson, General Manager Corporate Services

### **EXECUTIVE SUMMARY**

The purpose of this report is to seek council approval for a proposed amendment to Waikato Local Authority Shared Services (Co-Lab) constitution. The amendment would allow the reappointment of Peter Stubb as Board Chair beyond the current maximum of two consecutive three-year terms, by adjusting the tenure provisions to permit greater flexibility while maintaining a six-year consecutive service limit.

### **RECOMMENDATION**

1. That the Financial Analysts report dated 27 May 2025 titled 'Waikato Local Authority Shared Services (Co-Lab) Constitution Amendment' be received.
  2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
  3. That Council approves the proposed amendment to the Waikato Local Authority Shared Services (Co-Lab) constitution.
- Or
4. That Council does not approve the proposed amendment to the Waikato Local Authority Shared Services (Co-Lab) constitution.

### **BACKGROUND**

1. Co-Lab (formerly known as Waikato Local Authority Shared Services Limited) is a council-controlled organisation owned by a group of shareholding councils, primarily based in the Waikato region, with Western Bay of Plenty District Council also being a minor shareholder. Its primary purpose is to support councils by providing shared services, collaborative initiatives, and joint procurement opportunities that improve efficiency, reduce costs, and enhance service delivery to local communities. Co-Lab operates as a trusted facilitator, bringing councils together to develop and implement solutions that benefit the wider region.
2. The proposed constitutional amendment relates to the tenure of Co-Lab's Board members, specifically the Board Chair. Under the current constitution, directors may serve a maximum of two consecutive three-year terms (six years in total), after which they must step down. Peter Stubb, the current Board Chair, is approaching the end of his allowable tenure on 30 June 2025. However, there is strong collective

support from the shareholder councils to retain his leadership for a further term. To enable this, Co-Lab is requesting an amendment to clause 13.6 of its constitution to provide flexibility for reappointment beyond two terms, while retaining an overall six-year maximum consecutive service period for directors. This change is intended to maintain continuity of leadership at a critical time for Co-Lab's ongoing work and strategic initiatives.

3. Further detail on the request is provided in **Attachment 1**, which contains the letter from Co-Lab's Chief Executive, which shows the proposed amendment to the constitution with tracked changes.

### SIGNIFICANCE AND ENGAGEMENT

4. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
5. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
6. In terms of the Significance and Engagement Policy this decision is considered to be of low significance to Western Bay of Plenty District Council, as it relates solely to Co-Lab's internal governance and has no impact on Council services, assets, finances, or the wider community.

### ATTACHMENTS

1. **Co-Lab CEO Letter to Shareholders - Constitution Amendment** 



17 April 2025

To: Co-Lab Shareholding Council Chief Executives  
Via email

Dear Sir/Madam

**Approval to change Co-Lab's Constitution**

I am writing in relation to a proposed change to Co-Lab's constitution and ask that you obtain your council's approval of the change.

From correspondence with Gavin Ion last year, you will be aware that Peter Stubb's term as Chair of Co-Lab is due to end on 30 June 2025. Currently, the company's constitution precludes the ability for Peter to be reappointed for a further term (the maximum tenure is stated as two consecutive terms of three years).

I understand that you collectively agree that Peter should stay on as Board Chair for a further term. While the appointment of the Board Chair is made by unanimous resolution of the Council Representative Directors, they obviously can't act contrary to the company's constitution.

We are therefore seeking the following change to the company constitution highlighted below".

**"... 13.6 Tenure of office**

- 13.6.1: Other than as set out under 13.6.2, all Board terms are three years. Any Board member may be reappointed. ~~for a further term but can serve only a maximum of six years consecutively.~~
- 13.6.2: To ensure continuity of knowledge, Board terms will initially be staggered such that:
  - a. on 30 June 2020, two of those persons appointed under 13.1 b. – f. shall resign (to occur in alphabetical order with reference to surname); and
  - b. on 30 June 2021, a further two of those persons appointed under 13.1 b. – f. (not being those who resigned on 30 June 2020) shall resign (to occur in alphabetical order with reference to surname); and
  - c. on 30 June 2022, the person appointed under 13.1 a. and the remaining person appointed under 13.1 b. – f., who has not previously resigned under a. or b. of this clause, shall resign.



- 13.6.3: Notwithstanding anything else in this clause, each director of the company can only hold office until:
- a. Removal: removal in accordance with the constitution; or
  - b. Vacation of office: vacation of office pursuant to section 157 of the Act; or
  - c. Insolvency: an arrangement or composition with creditors made by him or her; or
  - d. Absence from meetings: vacation of office resulting ipso facto from being absent without permission of the board from 3 consecutive meetings of the board; or
  - e. Resignation: written notice of resignation to the address for service of the company....”

It would be helpful to have the necessary approvals in place by 31 May.

I look forward to hearing from you in due course. Of course, don't hesitate to reach out if you have any questions.

Yours faithfully

A handwritten signature in black ink, appearing to be 'KF', with a long horizontal flourish extending to the right.

**Kelvin French**  
**Chief Executive**

## 11.5 MEMBERSHIP OF THE LEADING FOR DELIVERY SUB-COMMITTEE OF THE SMARTGROWTH LEADERSHIP GROUP

File Number: A6771056

Author: Emily Watton, Strategic Policy and Planning Programme Director

Authoriser: Rachael Davie, Deputy CEO/General Manager Strategy and Community

### EXECUTIVE SUMMARY

The purpose of the report is for Council to confirm its appointees to the Leading for Delivery Sub-committee of the SmartGrowth Leadership Group.

### RECOMMENDATION

1. That the Strategic Policy and Planning Programme Director's report dated 27 May 2025 titled 'Membership of the Leading for Delivery Sub-committee of the SmartGrowth Leadership Group' be received.
2. That Council adopts the Terms of Reference for the SmartGrowth Leadership Group's Leading for Delivery Sub-committee, as shown in **Attachment 1** of this report.
3. That Council confirms the appointment of Mayor James Denyer as the Western Bay of Plenty District Council representative to the Leading for Delivery Sub-committee, and Deputy Mayor John Scrimgeour as the alternate representative.

### BACKGROUND

1. At the start of the triennium, Council confirmed the SmartGrowth Leadership Group (SLG) as a joint committee with Tauranga City Council, the Bay of Plenty Regional Council and Tangata Whenua, and appointed Mayor James Denyer, Deputy Mayor John Scrimgeour and Councillor Don Thwaites as its representatives on this joint committee.
2. At its meeting on 4 April 2025, SLG considered a report "Establishing a Leading for Delivery Sub-committee" that recommended establishing a sub-committee of SLG. The objective of the sub-committee is to direct delivery of priority projects outlined in the SmartGrowth Implementation and Funding Plan, the Priority Development Areas and Government's reforms and projects as they affect growth and development in the sub-region.
3. The scope of activity of the sub-committee is set out below:
  - Driving delivery of the Implementation and Funding Plan.
  - Driving delivery of the Priority Development Areas.



- Driving the implementation of the sub-region's delivery of Government's programmes and reforms as they affect growth and development e.g. including but not limited to Regional Deal and Fast Track projects. This provides a broader view of the outcomes.
  - Providing direction to the SmartGrowth Implementation Group on the prioritisation and programming of actions relating to the Implementation and Funding Plan, Regional Deal and Fast Track projects.
  - Engaging with and reporting back to the SmartGrowth Leadership Group once or twice each year to maintain relationships, inform priorities, etc.
4. The full terms of reference of the sub-committee are set out in **Attachment 1**.
  5. The sub-committee's first meeting is scheduled for 4 June 2025. Council is required to confirm its appointees to this subcommittee. Clause 30(1)(b) Schedule 7 of the Local Government Act 2002 provides the power to appoint committees, subcommittees, other subordinate decision-making bodies, and joint committees.
  6. The sub-committee will comprise four members (being one representative for each of the three councils, and one representative of the Combined Tangata Whenua Forum), with the ability to nominate alternates or to co-opt members in the future.
  7. The recommendations of this report seek to confirm Mayor James Denyer as Council's appointed member on the subcommittee, with Deputy Mayor Scrimgeour as the alternate.

### SIGNIFICANCE AND ENGAGEMENT

8. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
9. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
10. In terms of the Significance and Engagement Policy this decision is considered to be of low significance because of the administrative governance nature of the decision.

### ATTACHMENTS

1. **Attachment 1 – Leading for Delivery Subcommittee Terms of Reference – 4 April 2025**  



# SmartGrowth Leading for Delivery Subcommittee Terms of Reference

## Background

---

SmartGrowth has a strong reputation and track record for setting the strategic vision and direction for the growth and development of the Western Bay of Plenty sub-region.

In 2024, two foundation documents (the SmartGrowth Strategy and the Implementation and Funding Plan) were completed, focusing and readying the region for delivering the right things.

With the introduction of government reforms (Going for Housing Growth, Regional Deals, Resource Management Reform, etc), there is a need to ensure SmartGrowth is an organisation that embraces these changes and adapts its focus to realise opportunities for strategy delivery.

The Leading for Delivery Subcommittee is a subcommittee of the SmartGrowth Leadership Group and operates within the scope of the SmartGrowth Leadership Group Agreement 2023.

## Objective

---

To direct delivery of priority projects outlined in the Implementation and Funding Plan, the Priority Development Areas and Government's reforms and projects as they affect growth and development in the sub-region.

## Scope of Activity:

---

Driving delivery of the Implementation and Funding Plan.

Driving delivery of the Priority Development Areas.

Driving the implementation of the sub-region's delivery of Government's programmes and reforms as they affect growth and development, including but not limited to the Regional Deal and Fast Track projects. This provides a broader view of the outcomes.

Providing direction to the SmartGrowth Implementation Group on the prioritisation and programming of actions relating to the Implementation and Funding Plan, Regional Deal and Fast Track projects.

Engaging with and reporting back to the SmartGrowth Leadership Group once or twice each year to maintain relationships and inform priorities.



## Membership

---

The subcommittee will comprise four (4) members:

- One representative as selected by each Council (3);
- One representative of the Combined Tangata Whenua Forum;
- Each party has the ability to nominate an alternate;
- The Subcommittee may co-opt one or more people, either permanently or temporarily.

A quorum for the Leading for Delivery Subcommittee shall be three (3) members, excluding co-opted members.

The Subcommittee will initially to be chaired as decided by the other members of the Subcommittee, but with the intention of appointing an Independent Chair in due course as may be required should a Regional Deal progress.

## Review

---

A review of the Leading for Delivery Subcommittee terms of reference and its membership will be undertaken once relevant government reforms are more concrete and as soon as the outcome of the Western Bay Regional Deal is known.

## Meeting Frequency

---

Quarterly, or as necessary and determined by the Independent Chair.

## Version

---

4 April 2025

## 11.6 RECOMMENDATORY REPORT – RECONCILIATION OF KATIKATI COMMUNITY TOWN CENTRE DEVELOPMENT FUND

**File Number:** A6734649

**Author:** Sarah Bedford, Finance Manager

**Authoriser:** Rachael Davie, Deputy CEO/General Manager Strategy and Community

### EXECUTIVE SUMMARY

Council is required to consider the recommendations from the Katikati Community Board and resolve accordingly.

This report seeks a decision from Council to approve the offset of historic overspend of the Katikati Town Centre Promotion Rate with the Katikati Town Centre Development fund to avoid the need for a rates charge back to the community. Further, it requests that Council consult with the Katikati Community Board before funds from the Katikati Town Centre Development Fund are committed by Council.

### RECOMMENDATION

1. That the Finance Manager's report dated 27 May 2025 'Recommendatory Report – Reconciliation of Katikati Community Town Centre Development Fund' be received.
2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
3. That Council approves the historic overspend of the Katikati Town Centre Promotion Rate fund of \$160,381.74 being offset by the Katikati Town Centre Development fund to avoid the need for a rates charge back to the community
4. That Council consult with the Katikati Community Board before funds from the Katikati Town Centre Development Fund are committed by Council.

### BACKGROUND

1. There are two targeted rates collected for the Katikati community that have been reconciled into the same reserve since 2012 (Katikati Town Centre Development reserve). The reserve is reported on in Council's Annual Report. These two rates are:
  - Katikati Town Centre Development Rate – A fixed rate per property intended for the beautification of the Katikati Town Centre, and

- Katikati Town Centre Promotion rate – A rate to cover the service delivery contract for Katch Katikati. Requirements of this service can be found in the agreement which is reviewed every 3 years.
2. As noted above, the Katch Katikati Service Delivery Contract is intended to be funded from the Katikati Town Centre Promotion Rate. As a consequence of the two targeted rates for Katikati being reconciled into the same reserve since 2012 staff investigations have highlighted that the Katikati Town Centre Development Rate reserve has been used to offset a shortfall in the revenue collected via the Katikati Town Centre Promotion Rate over a number of years in the sum of \$160,381.74. Council approval to offset the overspend of the Katikati Town Centre Promotion rate with the Katikati Town Centre Development fund is required to avoid a rates charge back to the community.

### NEXT STEPS

3. The Katikati Town Centre Promotion Rate will be ring-fenced in its own reserve to ensure the rate collected for town centre development and town centre promotion purposes can be separately identified.

A reconciliation of the Town Centre Development Reserve and Town Centre Promotion Rate will be provided to the Community Board and to Council through Annual Reports in future for full transparency of transactions being funded from the reserve.

### RECOMMENDATION FROM THE KATIKATI COMMUNITY BOARD ON THE 2 APRIL 2025

---

#### RESOLUTION KKC25-2.1

Moved: Chairperson J Clements

Seconded: Member A Earl

1. That the Finance Manager's report dated 2 April 2025 'Reconciliation of Katikati Community Board Town Centre Development Fund' be received.
  2. That the report relates to an issue that is considered to be of **low** significance in terms of Council's Significance and Engagement Policy.
  3. That the Katikati Community Board recommend to Council that the historic overspend of the Katikati Town Centre Promotion Rate fund of \$160,381.74 be offset by the Katikati Town Centre Development fund to avoid the need for a rates charge back to the community.
  4. That the opening balance of the Katikati Town Centre Development Reserve for 1 July 2024 is \$619,458 AND that this reserve be allocated for the purpose of Katikati Town Centre Development scheduled as and when opportunities arise by way of recommendation.
-

5. That the Katikati Community Board recommend to Council that it be consulted before funds from the Katikati Town Centre Development Fund are committed by Council.

**CARRIED**

### SIGNIFICANCE AND ENGAGEMENT

4. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
5. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
6. In terms of the Significance and Engagement Policy this decision is considered to be of low significance because the issue only affects a small part of the district (being the Katikati community). Further, the decision sought from the Katikati Community Board, while acknowledging that the shortfall in the Katikati Town Centre Promotion Rate has in fact been funded from the Katikati Town Centre Development reserve, recommends that there be no further financial impost on the Katikati community.

### ISSUES AND OPTIONS ASSESSMENT

<b>Option A</b>	
That Council <b>approves</b> the historic overspend of the Katikati Town Centre Promotion Rate fund of \$160,381.74 being offset by the Katikati Town Centre Development fund to avoid the need for a rates charge back to the community.	
<b>Assessment of advantages and disadvantages including impact on each of the four well-beings</b> <ul style="list-style-type: none"> <li>• <b>Economic</b></li> <li>• <b>Social</b></li> <li>• <b>Cultural</b></li> <li>• <b>Environmental</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Avoids the need for any further financial impost on the Katikati community.</li> </ul>
<b>Costs (including present and future costs, direct, indirect and contingent costs).</b>	Nil.
<b>Option B</b>	

That Council <b>does not approve</b> the historic overspend of the Katikati Town Centre Promotion Rate fund of \$160,381.74 be offset by the Katikati Town Centre Development fund to avoid the need for a rates charge back to the community.	
<b>Assessment of advantages and disadvantages including impact on each of the four well-beings</b> <ul style="list-style-type: none"> <li>• <b>Economic</b></li> <li>• <b>Social</b></li> <li>• <b>Cultural</b></li> <li>• <b>Environmental</b></li> </ul>	<ul style="list-style-type: none"> <li>▪ Would enable the Katikati Town Centre Development reserve to be reimbursed the amount that it has historically subsidised for Katikati Town Centre promotion.</li> <li>▪ Would be damaging to Council's reputation noting this is intended to address retrospective rating anomalies.</li> </ul>
<b>Costs (including present and future costs, direct, indirect and contingent costs).</b>	Nil.

### FUNDING/BUDGET IMPLICATIONS

Budget Funding Information	Relevant Detail
\$160,381.74	<p>Option B would create a financial impost for the Katikati area of benefit over which the Katikati Town Centre Promotion rate is charged.</p> <p>Option A is financially neutral.</p>

### ATTACHMENTS

1. **Reconciliation of Katikati Town Centre Development Fund transactions**  
2. **Variance of contract budget to rates strike**  

Katikati Town Centre Development transactions 2011-2024		Town Centre Promotion only transactions
<b>Opening Balance 1 July 2011 (out of funds) in February 2011 650k was committed to purchase the Duni</b>	<b>-\$513,644.23</b>	
<b>Income</b>		
<b>Katikati Town Centre Development Rate</b>	\$83,136.00	
<i>This is made up of 4157 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$54,937.00	(54,937)
<i>This is made up of 4157 residential properties @ \$5.50 per property PLUS 158 industrial/commercial properties @ \$203 per property</i>		
<b>General Rate Allocation</b>	\$83,280.00	
<b>Katikati Town Centre Development costs</b>		
Professional fees for town centre feasibility	-\$3,528.70	
Resource consent Moore Park	-\$1,250.00	
<b>Katikati Town Centre Promotion</b>		
Katch Katikati Service Delivery Contract	-\$45,470.00	
<b>Katikati Town Centre Development Capex</b>		
Katikati Community Centre resource consent	-\$210.00	
Katikati Community Centre resource consent	-\$2,068.50	
Katikati Community Centre resource consent	-\$12,737.50	
Interest paid on reserve	-\$35,955.00	
<b>Closing Balance 30 June 2012</b>	<b>-\$393,510.93</b>	
<b>Income</b>		
<b>Katikati Town Centre Development Rate</b>	\$46,796.00	
<i>This is made up of 4158 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$54,937.00	(54,937)
<i>This is made up of 4158 residential properties @ \$6.00 per property PLUS 150 industrial/commercial properties @ \$203 per property</i>		
<b>Interest charged on balance of reserve</b>	<b>-\$24,843.00</b>	
<b>General Rate Allocation</b>	\$83,720.00	
Correct funding of Dunning Block land purchase from 2005 to be funded via FINCO reserve - originally funded by Katikati Town Centre		
Development Rate Reserve	\$650,000.00	
<b>Expenditure</b>		
Move original current account balance for Katikati Town Centre Rate to the reserve	-\$32,305.00	
Economic impact assessment for Katikati town centre development	-\$5,000.00	
Katch Katikati SDC	-\$23,417.00	23,417.00
Katch Katikati SDC	-\$23,417.00	23,417.00
<b>Closing Balance 30 June 2013 (in funds)</b>	<b>\$332,960.07</b>	
<b>Opening Balance 1 July 2013</b>	<b>\$332,959.77</b>	
<b>Income</b>		
<b>Katikati Town Centre Development Rate</b>	\$83,830.10	
<i>This is made up of 4192 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$58,336.00	-58,336.00
<i>This is made up of 4192 residential properties @ \$6.30 per property PLUS 150 industrial/commercial properties @ \$212 per property</i>		
<b>Interest accrued on reserve</b>	\$19,978.00	



<b>Expenditure</b>		
Transactions funded from reserve	-\$58,665.10	
Katch Katikati SDC	-\$29,168.00	58,336.00
Katch Katikati SDC	-\$29,168.00	
<b>Closing Balance 30 June 2014 (in funds)</b>	<b>\$378,102.77</b>	
<b>Opening Balance 1 July 2014</b>	<b>\$378,102.77</b>	
<b>Income</b>		
<b>General Rate allocation</b>	<b>\$180,000.00</b>	
<b>Interest received</b>	<b>\$22,686.00</b>	
<b>Katikati Town Centre Development Rate</b>	<b>\$84,259.00</b>	
<i>This is made up of 4214 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	<b>\$57,337.00</b>	<b>(57,337)</b>
<i>This is made up of 4214 residential properties @ \$6.42 per property PLUS 152 industrial/commercial properties @ \$199.25 per property</i>		
<b>Expenditure</b>		
Accrual - Katch Katikati	\$50.00	
Memorial square opening hall booking	-\$43.48	
Accrual - Katch Katikati	-\$14.00	
Parking signs	-\$24.35	
Light sensors	-\$206.50	
Wellbeing Expos	-\$499.50	
Seat costs	-\$1,429.00	
Unexpected Heroess	-\$7,500.00	
	-\$15,000.00	
Accrual - Consultants costs for town centre development	\$28,314.00	
Capital works in relation to new library	-\$213,317.00	
Cherry Court Development - reversed out in following year - not Council owned - see line	-\$32,608.00	
Unexpected Heroes - contributions from Rotary and RSA	\$11,550.00	
Katch Katikati SDC	-\$30,000.00	30,000.00
Katch Katikati SDC	-\$30,000.00	30,000.00
Other Income	\$30,000.00	
<b>Closing balance 30 June 2015 (in funds)</b>	<b>\$461,656.94</b>	
	\$0.00	
<b>Opening Balance 1 July 2015</b>	<b>\$461,656.94</b>	
<b>Income</b>		
Fund capital expenditure for Katikati Firestation refurbishment - expenditure over 2 years - recognition c	-\$752,172.00	
<b>Katikati Town Centre Development Rate</b>	<b>\$84,679.00</b>	
<i>This is made up of 4241 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	<b>\$45,048.00</b>	<b>(45,048)</b>
<i>This is made up of 4241 residential properties @ \$5.32 per property PLUS 141 industrial/commercial properties @ \$163.20 per property</i>		
Interest income on reserve	\$25,391.00	
District Wide rates funded portion of upgrade	\$180,000.00	
<b>Expenditure</b>		
<b>Operational Costs</b>	<b>\$0.00</b>	
Katikati Town Centre Development operational transactions	-\$210,741.00	
<b>Capital Costs</b>	<b>\$0.00</b>	
Fire Station capital costs	-\$444,870.00	
Capitalisation of Fire station as asset	\$752,172.00	
Correct treatment of capital costs to operational	\$14,253.00	
Katch Katikati SDC	-\$60,000.00	60,000.00
<b>Other</b>		
Lottery grant and payments 50% for unexpected heroes funding	-\$71,183.00	
<b>Closing balance 30 June 2016 (in funds)</b>	<b>\$67,234.94</b>	
<b>Opening Balance 1 July 2016</b>	<b>\$67,234.94</b>	
<b>Income</b>		

Interest paid on reserve	\$4,034.00	
<b>Katikati Town Centre Development Rate</b>	\$86,980.00	
<i>This is made up of 4350 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$51,305.00	(51,305)
<i>This is made up of 4350 residential properties @ \$5.23 per property PLUS 141 industrial/commercial properties @ \$202.55 per property</i>		
General Rate	\$170,378.00	
<b>Expenditure</b>		
Town centre development opex	-\$825.00	
Town centre development capex	-\$1,416.00	
Katch Katikati SDC	-\$30,000.00	30,000.00
Katch Katikati SDC	-\$30,000.00	30,000.00
<b>Closing balance 30 June 2017 (in funds)</b>	\$317,690.94	
<b>Opening Balance 1 July 2017</b>	\$317,690.94	
<b>Income</b>		
<b>Interest on reserve</b>	\$19,061.00	
<b>Katikati Town Centre Development Rate</b>	\$87,725.00	
<i>This is made up of 4395 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$70,920.00	(70,920)
<i>This is made up of 4395 residential properties @ \$7.35 per property PLUS 141 industrial/commercial properties @ \$289.74 per property</i>		
<b>Expenditure</b>		
Fund Katikati Library partly from Town Centre Development Reserve	-\$143,359.27	
Correction from 2015 from Waihi Beach Town Centre Development		
Reserve corrections for Edinburgh St Development and Dillon St property		
financing costs relating to 2011-2015 years and including sales		
transactions Dillon St 2017	-\$23,870.00	
Katch Katikati SDC	-\$71,524.00	71,524.00
<b>Closing balance 30 June 2018 (in funds)</b>	\$256,643.67	
<b>Opening Balance 1 July 2018</b>	\$256,643.67	
<b>Income</b>		
Interest on reserve account	\$14,115.00	
<b>Katikati Town Centre Development Rate</b>	\$88,915.00	
<i>This is made up of 4448 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$78,346.00	(78,346)
<i>This is made up of 4448 residential properties @ \$8.00 per property PLUS 138 industrial/commercial properties @ \$310.00 per property</i>		
<b>Expenditure</b>		
Fund Katikati Library partly from Town Centre Development Reserve	-\$45,340.73	
Katch Katikati SDC 6 monthly, Christmas in the park, echo walking festival, business awards	-\$39,490.50	39,490.50
Katch Katikati SDC 6 monthly, Christmas in the park, echo walking festival, business awards	-\$39,490.50	39,490.50
<b>Closing balance 30 June 2019 (in funds)</b>	\$313,697.94	
<b>Opening Balance 1 July 2019</b>	\$313,697.94	
<b>Income</b>		
Interest on reserve	\$17,253.00	
<b>Katikati Town Centre Development Rate</b>	\$91,445.00	
<i>This is made up of 4573 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion</b>	\$81,810.00	(81,810)
<i>This is made up of 4573 residential properties @ \$7.95 per property PLUS 139 industrial/commercial properties @ \$326.91 per property</i>		
<b>Expenditure</b>		
Katch Katikati Information Centre Management 6 monthly	-\$17,500.00	17,500.00
Katch Katikati Information Centre Management 6 monthly	-\$17,500.00	17,500.00
Katch Katikati SDC 6 monthly, Christmas in the park, echo walking festival, business awards	-\$39,490.37	39,490.37
Katch Katikati SDC 6 monthly, Christmas in the park, echo walking festival, business awards	-\$40,280.50	40,280.50
<b>Closing balance 30 June 2020 (in funds)</b>	\$389,444.77	(10)

<b>Opening Balance 1 July 2020</b>	\$389,444.77	
<b>Income</b>		
Interest on reserve account	\$12,852.00	
<b>Katikati Town Centre Development Rate</b>	\$91,584.92	
<i>This is made up of 4580 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$77,013.43	(77,013)
<i>This is made up of 4580 residential properties @ \$7.42 per property PLUS 139 industrial/commercial properties @ \$309.72 per property</i>		
<b>Expenditure</b>		
Katch Katikati Information Centre Management 6 monthly	-\$17,500.00	17,500.00
Katch Katikati Information Centre Management 6 monthly	-\$17,500.00	17,500.00
Katch Katikati SDC 6 monthly, Christmas in the park, echo walking festival, business awards	-\$41,287.50	41,287.50
Katch Katikati SDC 6 monthly, Christmas in the park, echo walking festival, business awards	-\$37,037.50	37,037.50
Katch Katikati Christmas in the Park, ECHO Walking Festival , Community Business Award	-\$4,250.00	4,250.00
Incorrect coding of Omokoroa Special Housing Area to town centre promotion (correction to come)	-\$6,280.85	
<b>Closing balance 30 June 2021 (in funds)</b>	\$447,039.27	
<b>Opening Balance 1 July 2021</b>	\$447,039.27	
<b>Income</b>		
Interest on reserve account	\$14,752.00	
<b>Katikati Town Centre Development Rate</b>	\$92,624.00	
<i>This is made up of 4632 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$78,034.00	(78,034)
<i>This is made up of 4632 residential properties @ \$7.42 per property PLUS 141 industrial/commercial properties @ \$309.72 per property</i>		
<b>Expenditure</b>		
Katch Katikati SDC 6 monthly	-\$57,000.00	57,000.00
Katch Katikati SDC 6 monthly	-\$57,000.00	57,000.00
Incorrect coding of Omokoroa infrastructure projects - correction made in 2024	-\$4,289.04	
<b>Closing balance 30 June 2022 (in funds)</b>	\$514,160.23	
<b>Opening Balance 1 July 2022</b>	\$514,160.23	
<b>Income</b>		
Interest on reserve account	\$14,752.00	
Town Centre Development Rate	\$93,664.00	
<i>This is made up of 4685 residential properties @ \$20 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$78,118.00	(78,118)
<i>This is made up of 4685 residential properties @ \$7.42 per property PLUS 140 industrial/commercial properties @ \$309.72 per property</i>		
<b>Expenditure</b>		
	-\$18,310.00	
Katch Katikati SDC 6 monthly	-\$60,933.00	60,933.00
Katch Katikati SDC 6 monthly	-\$60,933.00	60,933.00
Incorrect coding - Te Puke Events and Promotions - correction made in 2024	-\$21,899.00	
Katch Katikati SDC 6 monthly - this should have been classed as a prepayment for 2024 FY.	-\$65,015.50	65,015.50
<b>Closing balance 30 June 2023 (in funds)</b>	\$473,603.73	
<b>Opening Balance 1 July 2023</b>	\$473,603.73	
<b>Income</b>		
Interest on reserve account	\$28,352.93	
<b>Katikati Town Centre Development Rate</b>	\$106,523.00	
<i>This is made up of 4755 residential properties @ \$22.40 per property</i>		
<b>Katikati Town Centre Promotion Rate</b>	\$87,385.00	(87,385)
<i>This is made up of 4713 residential properties @ \$8.31 per property PLUS 139 industrial/commercial properties @ \$346.89 per property</i>		

<b>Expenditure</b>		
Katikati Market Square Concept Plan as per quote letter 1 June 2022	-\$6,119.82	
Katikati Market Square Concept Plan as per quote letter 1 June 2022	-\$5,271.34	
Katch Katikati SDC 6 monthly	-\$65,015.50	65,015.50
<b>Closing balance 30 June 2024 per 23/24 Annual Report</b>	<b>\$619,458.00</b>	
<b>Deficit of town centre promotion related expenditure</b>		<b>160,381.74</b>

Variance of budget for contract compared to rates collected				
Year	Rate collected	Budget for Service Delivery contract	Over/(Under) collection	
2012	54937	0	54,937.00	
2013	54937	46,834.00	8,103.00	
2014	58,336.00	58,336.00	0.00	
2015	57337	60,000.00	-2,663.00	
2016	45048	60,000.00	-14,952.00	
2017	51305	60,000.00	-8,695.00	
2018	70920	71,524.00	-604.00	
2019	78346	78,981.00	-635.00	
2020	81810	114,761.17	-32,951.17	**
2021	77013.43	117,575.00	-40,561.57	
2022	78034	114,000.00	-35,966.00	
2023	78118	121,866.00	-43,748.00	
2024	87385	130,031.00	-42,646.00	
			<b>-160,381.74</b>	
**Visitor information Centre Management commenced in this year				

**11.7 RECOMMENDATORY REPORT FROM THE KATIKATI COMMUNITY BOARD – KOTAHI LANE STRATEGIC LAND**

**File Number:** A6769256

**Author:** Rosa Leahy, Senior Governance Advisor

**Authoriser:** Robyn Garrett, Governance Manager

**EXECUTIVE SUMMARY**

Council is required to consider the recommendations from the Katikati Community Board and resolve accordingly.

**RECOMMENDATION**

1. That the Senior Governance Advisor's Report dated 27 May 2025 and titled 'Recommendatory Report from the Katikati Community Board – Kotahi Lane Strategic Land' be received.
2. That Council considers the strategic land parallel to Kotahi Lane becoming part of the parks and reserves of Katikati, including a feature planting such as an herbarium.

**RECOMMENDATION FROM THE KATIKATI COMMUNITY BOARD ON THE 13 NOVEMBER 2024****RESOLUTION KKC24-6.1**

**Moved:** Member A Earl

**Seconded:** Member T Sage

1. That the Katikati Community Board recommends that Council consider the strategic land parallel to Kotahi Lane to be part of the parks and reserves of Katikati, including a feature planting such as an herbarium.

**STAFF COMMENT**

Staff recommends that Council progress a strategic discussion regarding the future of the Kotahi Lane land noting the original context for its purchase and existing development constraints. Katikati Community Board suggestions for use of this land can be more appropriately considered within a wider conversation around the options for Kotahi Lane.

## **11.8 RECOMMENDATORY REPORT – ŌMOKOROA COMMUNITY BOARD – REQUEST FOR CCTV AT THE TRALEE STREET AND MARGARET PLACE INTERSECTION ŌMOKOROA**

**File Number:** A6733516

**Author:** Kerrie Little, Operations Manager

**Authoriser:** Cedric Crow, General Manager Infrastructure Services

### **EXECUTIVE SUMMARY**

Council is required to consider the recommendations from the Ōmokoroa Community Board and resolve accordingly. This report seeks a decision from Council to approve the purchase and installation of a CCTV camera in Ōmokoroa.

### **RECOMMENDATION**

1. That the Operations Manager's report dated 27 May 2025 titled 'Recommendatory Report – Ōmokoroa Community Board – Request for CCTV at the Tralee Street and Margaret Place intersection Ōmokoroa', be received.
2. That the report relates to an issue that is considered to be of low significance in terms of Council's Significance and Engagement Policy.
3. That Council approves up to \$25,000 from the Ōmokoroa Town Centre Development Fund for costs relating to the installation of a CCTV camera at the Tralee Street and Margaret Place intersection.

AND

That Council agrees to include monitoring in the current contract and to cover the ongoing maintenance costs for the camera.

OR

4. That Council does not approve the funds required to install a CCTV camera at the Tralee Street and Margaret Place intersection.

### **BACKGROUND**

1. A representative from the Ōmokoroa Community Policing Group Charitable Trust was in attendance at the 11 February 2025 hui to request for the Ōmokoroa Community Board to consider funding an CCTV camera at the Tralee Street and Margaret Place intersection.
2. To ensure alignment with Councils CCTV Management Plan, including consideration of all on-going monitoring and maintenance costs, the Board requested that this item be discussed further at their workshop.

3. Councils Operations Manager, and Property and Services Officer were in attendance at the Ōmokoroa Community Board workshop held on 11 March to speak to the Board on the CCTV Management Plan, including the Community Board's role should they decide to fund the purchase and installation of the CCTV camera.
4. The monitoring costs were not an issue due to the cost of monitoring being a flat rate rather than being based on how many cameras existed on the network.
5. The ongoing maintenance costs could get absorbed by Council; however, they did not have insurance on the cameras so if it was stolen or damaged it would need to be replaced at the cost of the Ōmokoroa Community Board.
6. The Board was advised that they had to seek Council approval for the installation of the camera, including the ongoing maintenance costs through a recommendatory report.
7. The Board passed the below resolution at their hui held 8 April 2025.

#### **RECOMMENDATION FROM THE ŌMOKOROA COMMUNITY BOARD ON 8 APRIL 2025**

##### **9.5 REQUEST FOR CCTV AT THE TRALEE STREET AND MARGARET PLACE INTERSECTION, ŌMOKOROA**

The Board considered a report dated 8 April 2025 from the Operations Manager. The Chairperson provided the rationale for the report, which came from a request from the Ōmokoroa Community Policing Group. A representative from the group was in attendance and provided the below rationale for a CCTV camera at this particular location:

- The Police were finding that Margaret Place was being used as a 'cut-through' where they had previously lost vehicles;
- The camera would allow coverage for this end of the peninsula;
- Feedback from local street coordinators and the community patrol was that a camera would be beneficial for this intersection;
- A CCTV camera at this particular location was recommended and supported by the Police.

The Chairperson noted that the recommendation was that the CCTV camera be funded by the Town Centre Development Fund, which was now reported through the Financial Report within the agenda. It was clarified that in order to use this fund the Board required approval from Council.

---

#### **RESOLUTION OMC25-2.1**

Moved: Chairperson C Dever

---



Seconded: Deputy A Hughes

3. That the Ōmokoroa Community Board recommends that Council approves up to \$25,000 from the Ōmokoroa Town Centre Development Fund for costs relating to the installation of a CCTV camera at the Tralee Street and Margaret Place intersection.

**AND**

That Council agrees to include monitoring in the current contract and to cover the ongoing maintenance costs for the camera.

**CARRIED**

### SIGNIFICANCE AND ENGAGEMENT

8. The Local Government Act 2002 requires a formal assessment of the significance of matters and decision in this report against Council's Significance and Engagement Policy. In making this formal assessment there is no intention to assess the importance of this item to individuals, groups, or agencies within the community and it is acknowledged that all reports have a high degree of importance to those affected by Council decisions.
9. The Policy requires Council and its communities to identify the degree of significance attached to particular issues, proposals, assets, decisions, and activities.
10. In terms of the Significance and Engagement Policy this decision is considered to be of low significance because it affects a small part of the district, and the intent is to create a safer environment for residents.

### ENGAGEMENT, CONSULTATION AND COMMUNICATION

Interested/Affected Parties	Completed/Planned Engagement/Consultation/Communication		
Ōmokoroa Community Board	A workshop took place on 11 March with key staff to understand the Boards role and the process moving forward. The outcome will be fed back to the Board.	Planned	Completed
Ōmokoroa Policing Group	The outcome of this decision will be available through the minutes of the Council meeting at which the final recommendation is considered.		

General Public			
----------------	--	--	--

### ISSUES AND OPTIONS ASSESSMENT

<p style="text-align: center;"><b>Option A</b></p> <p>That the Ōmokoroa Community Board recommends that Council approves up to \$25,000 from the Ōmokoroa Town Centre Development Fund for costs relating to the installation of a CCTV camera at the Tralee Street and Margaret Place intersection.</p> <p><b>AND</b></p> <p>Council agrees to cover the ongoing monitoring and maintenance costs for the camera.</p>	
<p><b>Assessment of advantages and disadvantages including impact on each of the four well-beings</b></p> <ul style="list-style-type: none"> <li>• Economic</li> <li>• Social</li> <li>• Cultural</li> <li>• Environmental</li> </ul>	<ul style="list-style-type: none"> <li>• CCTV camera is installed which will provide for better coverage in Ōmokoroa.</li> <li>• Crime deterrent.</li> <li>• Assists Police.</li> <li>• Public Safety</li> </ul>
<p><b>Costs (including present and future costs, direct, indirect and contingent costs).</b></p>	\$25,000
<p style="text-align: center;"><b>Option B</b></p> <p>That the Ōmokoroa Community Board <b>does not</b> progress with the installation of a CCTV camera at the Tralee Street and Margaret Place intersection.</p>	
<p><b>Assessment of advantages and disadvantages including impact on each of the four well-beings</b></p> <ul style="list-style-type: none"> <li>• Economic</li> <li>• Social</li> <li>• Cultural</li> <li>• Environmental</li> </ul>	<ul style="list-style-type: none"> <li>• Less CCTV camera range in Ōmokoroa.</li> <li>• Public safety may be less.</li> </ul>
<p><b>Costs (including present and future costs, direct, indirect and contingent costs).</b></p>	N/A

### STATUTORY COMPLIANCE

The recommendations are in line with Council's current [CCTV Management Plan](#).

**FUNDING/BUDGET IMPLICATIONS**

<b>Budget Funding Information</b>	<b>Relevant Detail</b>
\$25,000	Funding for this project will be from the Ōmokoroa Community Board Town Centre fund.

**STAFF COMMENTS**

11. Staff support the recommendation in accordance with the report titled 'Request for CCTV at the Tralee Street and Margaret Place intersection Ōmokoroa' as considered by the Ōmokoroa Community Board on 8 April 2025.

**11.9 MAYOR'S REPORT TO COUNCIL****File Number:** A6748042**Author:** Charlene Page, Senior Executive Assistant Mayor/CEO**Authoriser:** James Denyer, Mayor**EXECUTIVE SUMMARY**

The purpose of this report is for the Mayor to provide updates to Council on the below subjects.

**RECOMMENDATION**

That the Senior Executive Assistant - Mayor/CEO's report dated 27 May 2025 title 'Mayor's Report to Council - 27 May 2025', be received.

**BACKGROUND**

**External functions and meetings attended by James Denyer (Mayor) between 25 March and 7 May 2025 include:**

Reserve Bank of New Zealand, board engagement, Tauranga	26 March
Pou blessing, Katikati	28 March
TNL open day with NZTA, Bethlehem	29 March
Gia Nelson, Tuia catch up	31 March
Meet and greet for Miriam Taris	31 March
James Meager MP, National Party dinner, Tauranga	31 March
Chair Doug Leeder, Regional Deals, Teams	01 April
MTFJ mayoral briefing, Teams	01 April
LWDW media event and sculling with Mayor Drysdale, Tauranga	02 April
Bay of Plenty councils, RM phase 3 and next steps, Te Puke	02 April
BOP Agricultural Advisory Group, Te Puke	03 April
Bill Wasley, Chair of Future Proof, discussion re growth partnerships	04 April
LWDW consultation, Waihi Beach	06 April
LWDW presentation to Tauranga Chamber of Commerce, Tauranga	07 April
LWDW consultation, Katikati	09 April
Tauranga city centre walking tour, Tauranga	10 April
Malcolm Mulholland re Buller Declaration, Tauranga	11 April
Rotary Youth Leadership programme, speech, Cambridge	12 April
Friendship Force International, lunch	13 April
Callum Duncanson	14 April
LWDW consultation, Maketu	14 April
Rachel Reese, RM reform, phone	15 April
LWDW consultation, Ōmokoroa	15 April
Tiwaiwaka, environmental hui, Tauranga	16 April
Minister Simon Watts MP, Sam Uffindell MP, Tom Rutherford MP	23 April
BOP Mayors/Chairs/CEs, RM reform and related activities, Tauranga	23 April

Athenree Crossing consultation, Athenree	24 April
Katikati Anzac Day Service, Katikati	25 April
Te Puke Anzac Day Civic Service, Te Puke	25 April
Opening of Summerhill Community Centre, Papamoa Hills	28 April
Battle of Pukehinahina 60 Bells Commemorative Service, Tauranga	29 April
Sir John Kirwan, Mitey mental health education BOP launch, Pyes Pā	01 May
TIDE meeting, Waihi Beach	01 May
NZ/EU FTA one year anniversary cocktail party, Todd McClay MP, Rotorua	03 May
TRENZ, Rotorua	07 May

**External functions and meetings attended by Miriam Taris (CEO) between 31 March and 7 May 2025 include:**

Nigel Tutt, Priority One – Regional Deal (Online)	31 March
SmartGrowth 2025 Update (Online)	01 April
Chair Doug Leeder, Regional Deals, Teams (Teams)	01 April
Chris Dever Chairs Briefing	02 April
Regional Leaders & Beca Board Event	02 April
SmartGrowth Leadership Group Meeting	04 April
Meeting with Audit NZ	10 April
BOPLASS Board Meeting	11 April
BOP CEs Forum	11 April
Meeting with Glenn Snelgrove re Thunder Ridge	16 April
Meeting with Audit & Risk Chair & Independent Treasury & Governance Adviser	16 April
Meeting with Caroline Dumas (DIA)	23 April
Meeting with Scott Campbell	23 April
Minister Simon Watts MP, Sam Uffindell MP, Tom Rutherford MP	23 April
BOP Mayors/Chairs/CEs, RM reform and related activities, Tauranga	23 April
Priority One Board Meeting	28 April
Tauranga Moana Local Leadership Roopu at Regional Council	30 April

**Future of Local Government**

The future of Local Government is becoming a keenly discussed topic. Driving these discussions are the Local Water Done Well reforms, Resource Management reforms, cost pressures and funding challenges.

It is clear that change is coming to the sector, but what it will look like and how it affects territorial local authorities and regional councils is uncertain.

These reforms and challenges are being discussed between nearby councils at a leadership level to help us plot our future and what roles local government should most appropriately focus on and lead for our communities.

**Mayor's Taskforce for Jobs**

The Tuia programme is progressing well this year with Gia Nelson having participated in the second wānanga in Rotorua at the start of May and having attended a Council meeting and observed a citizenship ceremony.

The Ministry of Social Development has recently chosen to change its focus and funding targets for MTFJ with the aim to target those on benefits rather than NEETs. This impacts each MTFJ programme differently in each district across the country depending on how each programme has been set up, and a number of mayors have indicated they will pull out. The proposed changes present challenges for how our Council operates MTFJ via COLAB in Te Puke and we are working through whether our MTFJ programme can be maintained.

**Regional Deals**

A verbal report will be given if an update is available by the meeting date.

## **12 INFORMATION FOR RECEIPT**

### **12.1 PROJECTS AND OPERATIONS UPDATE**

**File Number:** A6723521

**Author:** Charlene Page, Senior Executive Assistant Mayor/CEO

**Authoriser:** Miriam Taris, Interim Chief Executive Officer

#### **EXECUTIVE SUMMARY**

The purpose of this report is to provide a verbal update on projects and operations across Council for informational purposes. Going forward, these updates will be included in the Projects and Monitoring Committee agenda.

## 13 RESOLUTION TO EXCLUDE THE PUBLIC

### RESOLUTION TO EXCLUDE THE PUBLIC

#### RECOMMENDATION

That the public be excluded from the following parts of the proceedings of this meeting.

The general subject matter of each matter to be considered while the public is excluded, the reason for passing this resolution in relation to each matter, and the specific grounds under section 48 of the Local Government Official Information and Meetings Act 1987 for the passing of this resolution are as follows:

General subject of each matter to be considered	Reason for passing this resolution in relation to each matter	Ground(s) under section 48 for the passing of this resolution
<b>13.1 – Confidential Minutes of the Audit, Risk and Finance Committee Meeting held on 13 March 2025</b>	s7(2)(g) – the withholding of the information is necessary to maintain legal professional privilege	s48(1)(a)(i) – the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>13.2 – Civic Financial Services Annual General Meeting – Nomination of Director</b>	s7(2)(a) – the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) – the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7
<b>13.3 – 2025 Statute Barred Rates Report</b>	s7(2)(a) – the withholding of the information is necessary to protect the privacy of natural persons, including that of deceased natural persons	s48(1)(a)(i) – the public conduct of the relevant part of the proceedings of the meeting would be likely to result in the disclosure of information for which good reason for withholding would exist under section 6 or section 7