



Council Briefing

Hui Whakamōhio

Thursday, 18 December 2025
Tāite, 18 Hakihea 2025

Tōtara Room, Whakatāne District Council
14 Commerce Street, Whakatāne
Commencing at 9:00 am



Chief Executive: Steven Perdia | Publication Date: 16 December 2025

Recording the Briefing - *Ka hopuhia te hui**Recording the Briefing - Ka hopuhia te hui***PLEASE NOTE**

The **public section** of this briefing will be recorded.

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A *Membership - Mematanga*

Mayor Nándor Tánczos

Deputy Mayor Julie Jukes

Councillor Toni Boynton

Councillor Gavin Dennis

Councillor Carolyn Hamill

Councillor Andrew Iles

Councillor Lesley Immink

Councillor Wilson James

Councillor Jesse Morgan-Ranui

Councillor Tu O'Brien

Councillor Malcolm Whitaker

B Briefing Purpose - *Te Take o te hui***B** *Briefing Purpose - Te Take o te hui*

Councillors have many complex issues about which to make decisions and rely on the advice they receive from the administration. Complex issues often require more extensive advice processes which culminate in the council report. Briefings are a key feature to help prepare Councillors with the appropriate background and knowledge for robust decision making during future meetings. They are sessions during which Councillors are provided with detailed oral and written material, and which provide Councillors with the opportunity to discuss the issues between themselves and with senior council staff.

Briefings are scheduled monthly; however due to the nature of Council business, additional Briefings may be held.

Briefings cannot be used to make final decisions, as final decisions and resolutions cannot lawfully be made outside the context of a properly constituted meeting.

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1 Karakia

[1 Karakia](#)

[2 Briefing Notices - Ngā Pānui o te hui](#)

1. Recording

Welcome to members of the public who have joined us today.

Council Briefings are recorded. Public gallery attendees' presence implies your consent to being broadcast.

Recordings are available upon request.

2. Health and Safety

In case of an emergency, please follow the building wardens or make your way to the nearest exit. The meeting point is located at Peace Park on Boon Street.

Bathroom facilities are located opposite the Chambers Foyer entrance.

[3 Apologies - Te hunga kāore i tae](#)

An apology was received from Councillor Dennis & Councillor Jesse Morgan-Ranui.

4 Presentations - *Whakaaturanga*

[4](#) [Presentations - *Whakaaturanga*](#)

4.1 *Significant Reforms & Legislative Changes*

Overview for Council and guidance sought for submissions.

- Simplifying Local Govt - presented by: Wouter Vullings
- Rates Capping - presented by: Paul Davidson
- Development Contributions and Infrastructure and Finance Levies - presented by: Paul Davidson
- RMA Planning Bill - presented by: Nicholas Woodley
- RMA Natural Environment Bill - presented by: Nicholas Woodley

4.1 Significant Reforms & Legislative Changes(Cont.)

Significant Reforms and Legislative Changes

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*Overview for Council and guidance sought for submissions
Council Briefing, 18 December 2025*

- *Simplifying Local Govt - Wouter Vullings*
- *Rates Capping - Paul Davidson*
- *Development Contributions and Infrastructure and Finance Levies - Paul Davidson*
- *RMA Planning Bill - Nicholas Woodley*
- *RMA Natural Environment Bill - Nicholas Woodley*

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4.1 Significant Reforms & Legislative Changes(Cont.)

Introduction

A lot coming down the pipeline from central government...

Purpose of workshop:

- Unpack a number of specific proposals.
- Have opportunity to discuss initial views and concerns.
- Consider appetite [and focus] for submissions.
- Look at next steps.



Introduction

Today:

- Simplifying Local Government [submissions close 20 February]
- Rates Capping [submissions close 4 February]
- Development Contributions [submissions close 20 February]
- Infrastructure Funding and Finance [submission timeframe tbc]
- RMA, Planning Bill [submission timeframe tbc]
- RMA, Natural Environment Bill [submission timeframe tbc]

More on the way:

- Climate Adaptation Bill
- Emergency Management Bill
- Treaty Clauses Legislation
- Building Act Reforms
- Public Works Amendment Act

4.1 Significant Reforms & Legislative Changes(Cont.)

Simplifying Local Government

Prepared by Wouter Vullings
Council Briefing - 18 December 2025

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4.1 Significant Reforms & Legislative Changes(Cont.)

Simplifying Local Government

Simplifying Local Government has two parts:

1. “Abolishing Regional Councillors”
2. “Locally Led Reorganisation”

Reasons given by Central Government:

- Status quo isn't fit for purpose anymore.
- 3Waters and RMA reforms will change Council responsibilities.
- System is “tangled in duplication, disagreements, and decisions that don’t make sense”.
- Changes aim to reduce duplication and increase efficiency.

“These reforms would deliver the most significant changes to local government since 1989”

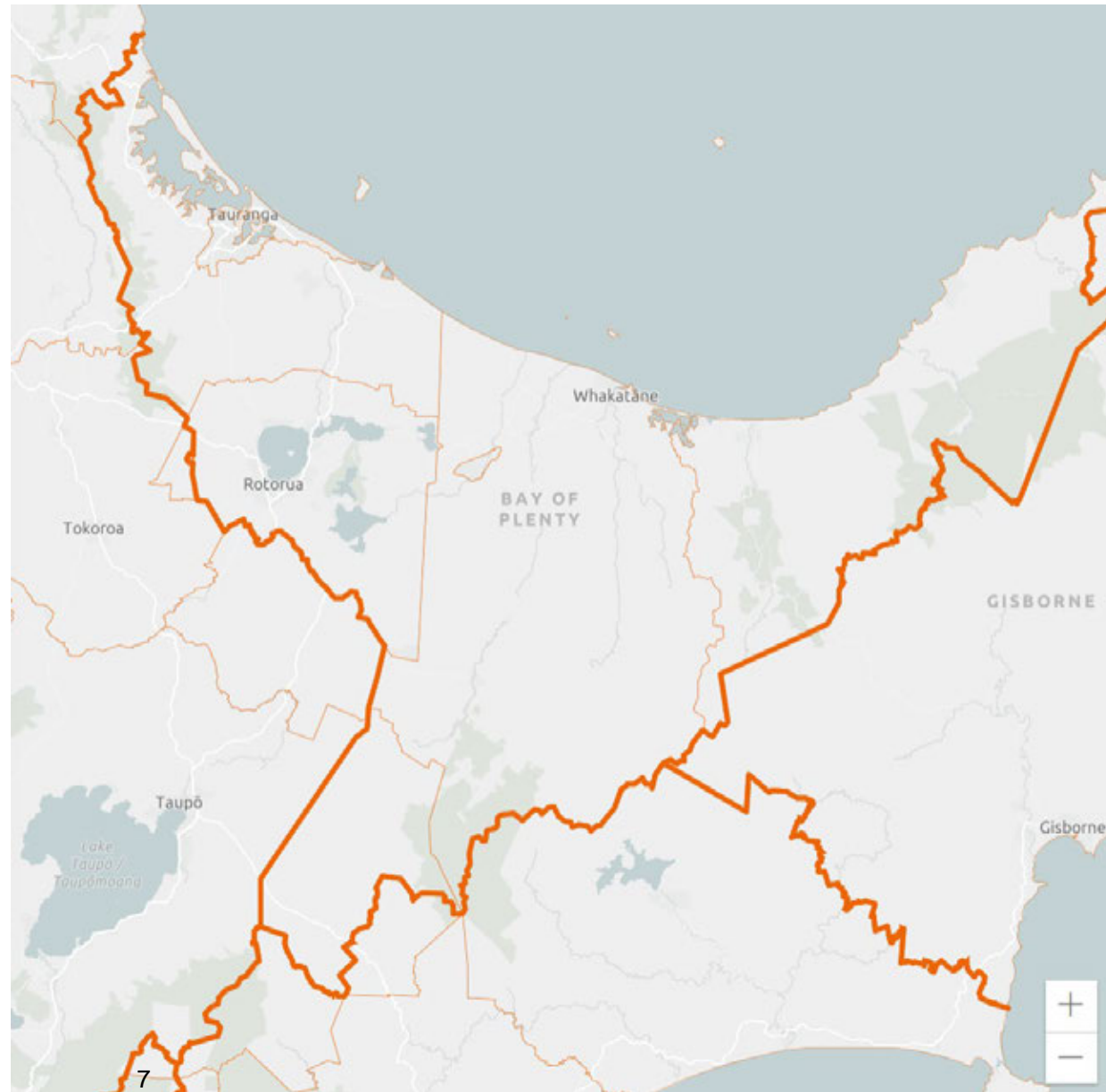
4.1 Significant Reforms & Legislative Changes(Cont.)

Simplifying Local Government



Proposal part 1 - “Abolishing Regional Councillors”

- Remove regional councillors, and associated Māori wards.
- Replace with Combined Territories Board (CTB) made up of mayors from the region’s city and district councils.
- CTBs will take over the governance for the roles and functions of regional councils.
- CTBs to develop a regional reorganisation plan within two years of establishment.
- Most decisions made through population weighted voting system.
- Alternative options of crown appointed commissioners.

4.1 Significant Reforms & Legislative Changes(Cont.)

What it might look like for us:

- 6 Mayors
- Cross boundary
- Balance of population in the West
- Balance of land area in the East

4.1 Significant Reforms & Legislative Changes(Cont.)

Simplifying Local Government



Proposal part 2: “Locally-led Regional Reorganisation”

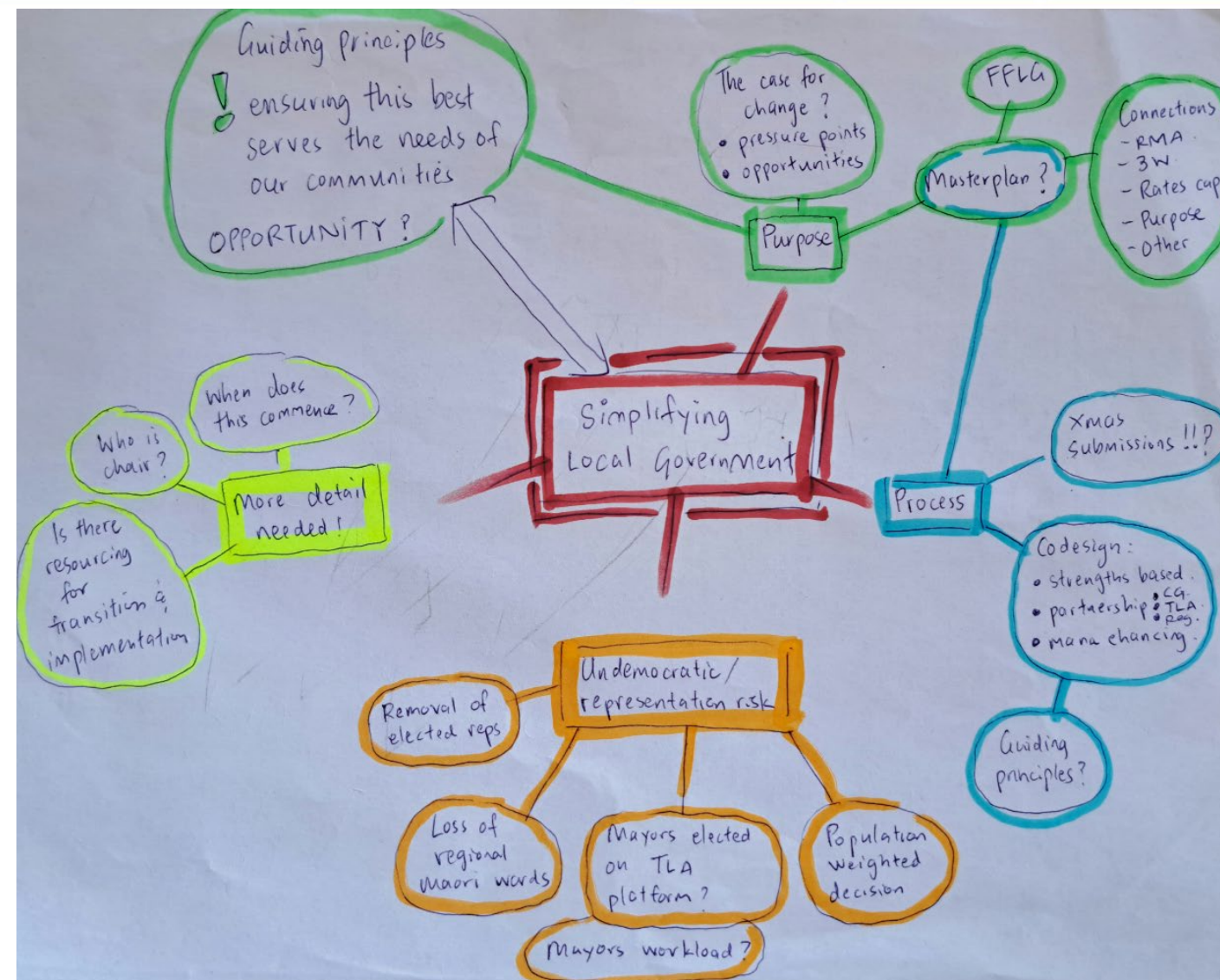
- **Each CTB to develop a regional reorganisation plan within two years of being established.**
 - Plans will have to map out all current functions across councils in the region.
 - Plans will set out ways that services can be delivered more effectively and efficiently.
 - Plan development must consult the public, iwi/Māori, regional stakeholders.
 - Plans to be assessed against statutory criteria.
 - Plans to be approved by Local Government Minister.
 - Depending on the region’s plan, the CTB might be kept, dissolved, or repurposed.
- **Options could include:**
 - Shared services.
 - Joint council owned organisations.
 - Forming unitary authorities.
 - Potential new community input structures.

4.1 Significant Reforms & Legislative Changes(Cont.)

Simplifying Local Government

Potential submission points?

- Agree there is a need for change.
- Need understanding of interconnections.
- More deliberate co-design approach.
- Role of central government.
- Democracy concerns.
- Representation concerns.
- Implementation resourcing.
- Information is light.
- Review could have a broader scope.



4.1 Significant Reforms & Legislative Changes(Cont.)

Simplifying Local Government – next steps

- Submissions on the proposal?
 - Submissions are due 20 February 2026.
 - Opportunity to workshop again on 4 February 2026.
 - Approval by committee on 19 February 2026.
 - Submission due 20 February 2026.
- After submissions?
 - Mid-2026: Legislation drafting commences.
 - Oct 2026: General election – legislation survives?
 - 2027: The Bill is enacted, and the transition to CTBs begins.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates Capping

Prepared by Paul Davidson

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4.1 Significant Reforms & Legislative Changes(Cont.)

Rates Capping

Rates capping is proposed

1. To be legislated by January 2027.
2. Transition from 2027.
3. Be fully in effect by 2029.
4. Submissions by 4 February 2026.

What?

- Range of CPI to GDP.
- Indicative 2-4%.
- On price component not volume/growth ie per person or per rating unit increase.
- Applies to all rates including target rates and fixed charges but not water charges or user fees.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping – setting the cap

Level set based on two sets of indicators:

- Minimum midpoint of RBNZ target range 2%.
- Maximum based on Gross Domestic Product less population growth less productivity gain – historically 4%.
- Can include a growth component but not clear how applies and for who.
- Range reviewed every three years.
- Agreed formula has been provided but unclear as to its application.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping - proposed formula

The proposed formula is expressed in Figure 1, based on per capita, price basis for a fixed basket of council services:

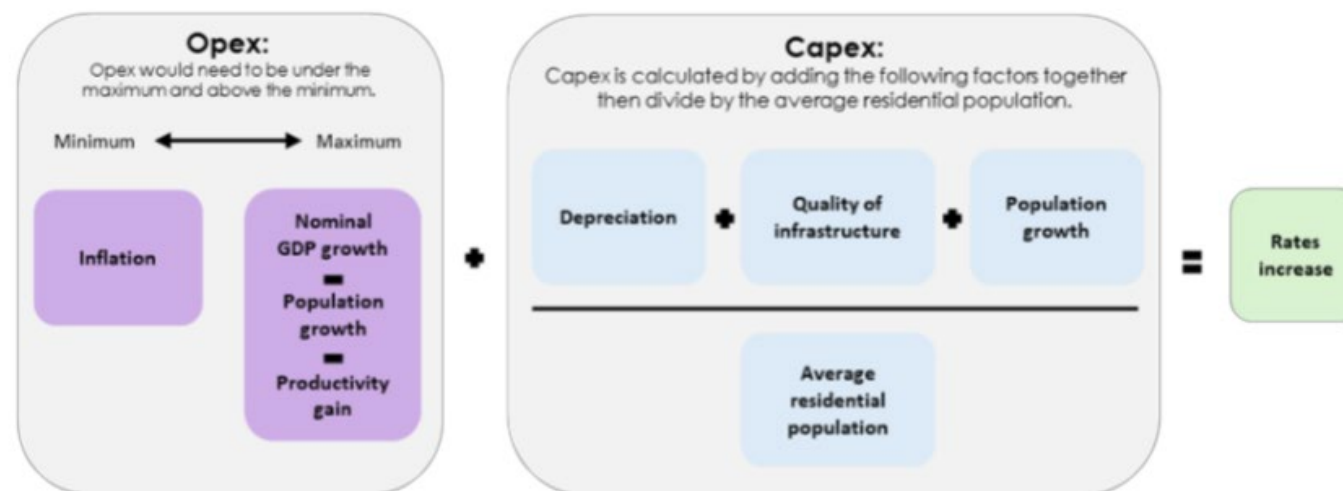


Figure 1 – Proposed rates target formula

In a future 'steady state', where investment is constant as a share of GDP, the infrastructure deficit has been addressed, and the share of operational spending to capital spending is constant, these factors should apply for both capital and operational spending.

To allow comparison with a price index, council capital expenditure is based on a per person or per rating unit basis and should –

- be sufficient to replace worn out assets (depreciation);
- respond to demand for more and improved infrastructure as income rises;
- be in line with GDP (quality of infrastructure); and
- increase as growth occurs, to cover the need to serve more people.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Capital spending to replace worn out assets should be depreciation funded. Rates should cover the increase in standards as Gross Domestic Product (GDP) increases, and the portion of growth costs that are not recovered from other tools (i.e. from development contributions or the forthcoming development levies regime). This should be in line with the target.

Preliminary analysis using this formula suggests that a 2-4% target range for local authority rates is justifiable as a long-run guide and anchor to where rates increases should be.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Variations

- **Regulator may approve variations**
 - Global economic crises or recovery from natural disasters.
 - Applications to the regulator to be justified by Council.
 - Requires a plan to return to range.

Timelines

- Legislation introduced next year.
- Transition from 1 January 2027.
- Application 2029.
- May be intervention during transition period – not mandatory and guidance to come.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Unknowns:

- What does transition period mean?
- Will other sources of funding be included eg Infrastructure Levies?
- Is Consume Price Index (CPI) based on Reserve Bank of NZ (RBNZ) target or actual?

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Potential risks, concerns, opportunities - things to think about:

- Exclusion of waters.
- Expenditure is focused on essential infrastructure.
- Range is for CPI at lower and GDP at higher. What occurs in high inflationary environments.
- What does this mean for the balanced budget?
- What does this mean for cost of borrowing?
- How does any infrastructure backlog be dealt with?
- Can level of service changes be funded?
- What does this mean to intergenerational equity eg risk reserve funding.
- Rates are a high portion of our income compared to overseas.

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4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Potential risks, concerns, opportunities - things to think about:

- What is the cost of infrastructure deficits?
- What is the impact on cost of infrastructure when required?
- Does this impact pipelines of work with uncertainty of programme?
- How are local specific issues dealt with and if via regulator how agile and responsive?
- How will climate impacts be funded in the future?
- What is the impact on Council LGFA guarantees?
- Should the focus be on infrastructure funding and not just local government?
- ¹⁹What about other funding sources eg value capture, GST incentivisation?

Rates capping – next steps

Targeted submissions by 4 February with a focus on:

- Do you agree with economic indicators for the formula?
- If not what indicators?
- Does the minimum target ensure essential services can be delivered?
- Does the maximum account for spending on core services?
- What spending will not be able to take place and why?
- Should there be adjustments between regions and councils?

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Economic indicators and impacts:

- CPI as a minimum does not recognise the costs of local government.
- GDP as a maximum does not reflect the costs of local government.
- Financially GDP growth benefits the central government tax system.
- GDP as a maximum does not consider lead time for infrastructure.
- Does not consider high inflation environments (especially if based on RBNZ target).
- Minimum standards will not be able to be met.

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

Economic indicators and impacts:

- Local Government Cost Index should be used instead of CPI as represents costs.
- Additional costs imposed by government eg health and safety will increase cost.
- Additional allowance should be given for imposed costs.
- Councils have different starting points and income bases which need to be recognised.
- CPI based caps only reflect cost increases of existing assets not the need for investment.
- Do the economic indicators align with the Local Government Act S101?

4.1 Significant Reforms & Legislative Changes(Cont.)

Rates capping

S101 Local Government Act:

- A local authority must manage its revenue, expenses, assets, liabilities, investments and general financial dealings prudently and in a manner that promotes the current and future interests of the community.
- A local authority must make adequate and effective provision in its long-term plan and in its annual plan (where applicable) to meet the expenditure needs of the local authority identified in that long-term plan and annual plan.
- Impact of rates caps on these provisions?

4.1 Significant Reforms & Legislative Changes(Cont.)

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Development Levies and Infrastructure Funding and Financing

Prepared by Paul Davidson
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4.1 Significant Reforms & Legislative Changes(Cont.)

Development Levies

Overview

- Replaces development contributions from 2028.
- Levies seek to recover more from growth than Development.

Contributions

- Councils are currently under recovering.
- Standardised and more predictable.
- Capacity and not project focused.
- Commerce Commission to be regulator.

4.1 Significant Reforms & Legislative Changes(Cont.)

Development Contributions



Potential risks, concerns, opportunities things to think about:

- Costs still remain for large infrastructure spends with local government i.e. the balance sheet pressure remains.
- Positive that greater amounts of growth costs are able to be recovered through standardised approach and wider catchments.
- More flexibility through area and not project approach.
- Allows bespoke arrangements.
- Specific questions for consultation.

Infrastructure Funding and Financing (IFF) Levies

Overview

- IFF has had limited uptake (Tauranga for Transport and Wellington for sludge).
- This has been due to time, complexity and cost.

4.1 Significant Reforms & Legislative Changes(Cont.)

Infrastructure Funding and Financing Levies

Potential risks, concerns, opportunities things to think about

- Aim to remove unnecessary barriers to using IFF.
- Improve viability.
- Streamline processes.
- Application to WDC may be limited but changes improve ability for more agencies to utilise.
- Opportunities for levies to provide long term funding and financing certain remain.
- Cost may still be a barrier relative to Local Government Funding Agency (LGFA) financing

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4.1 Significant Reforms & Legislative Changes(Cont.)

Resource Management Reforms – the Planning Bill and Natural Environment Bill

Prepared by Nicholas Woodley

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4.1 Significant Reforms & Legislative Changes(Cont.)

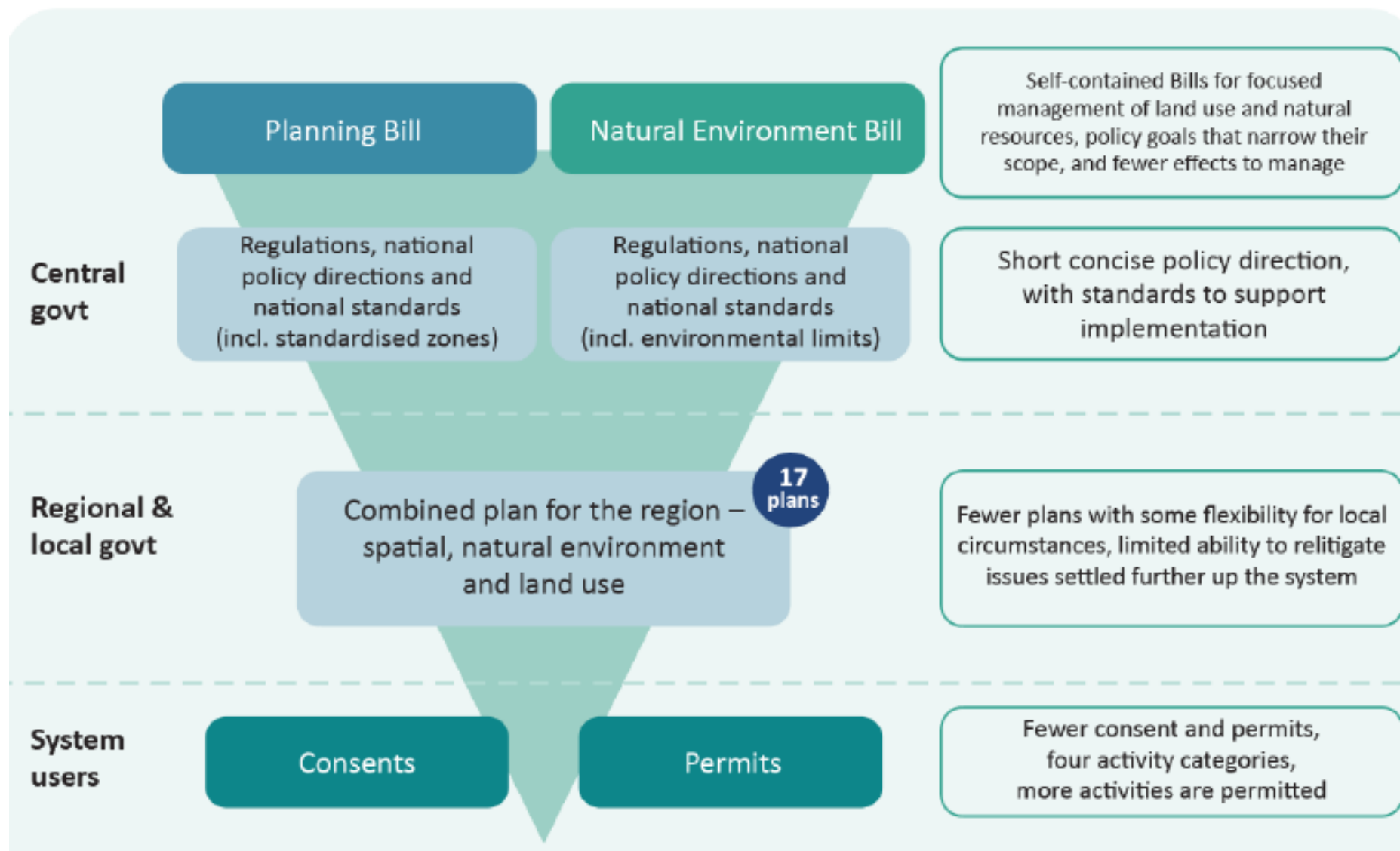
Purpose and guiding principles



- Core principle: enjoyment of property rights.
- Streamlined system to reduce consents.
- Greater role for central government in setting standards.
- One Regional Combined Plan:
 - Spatial Plan (30+ year timeframe)
 - Natural Environment Plan (Regional Council)
 - Land-use Plan (each District Council)
- Clear hierarchy: Goals → National Policy Direction (NPD) → Standards → Regional Spatial Plans → Land-use and natural environment plans.

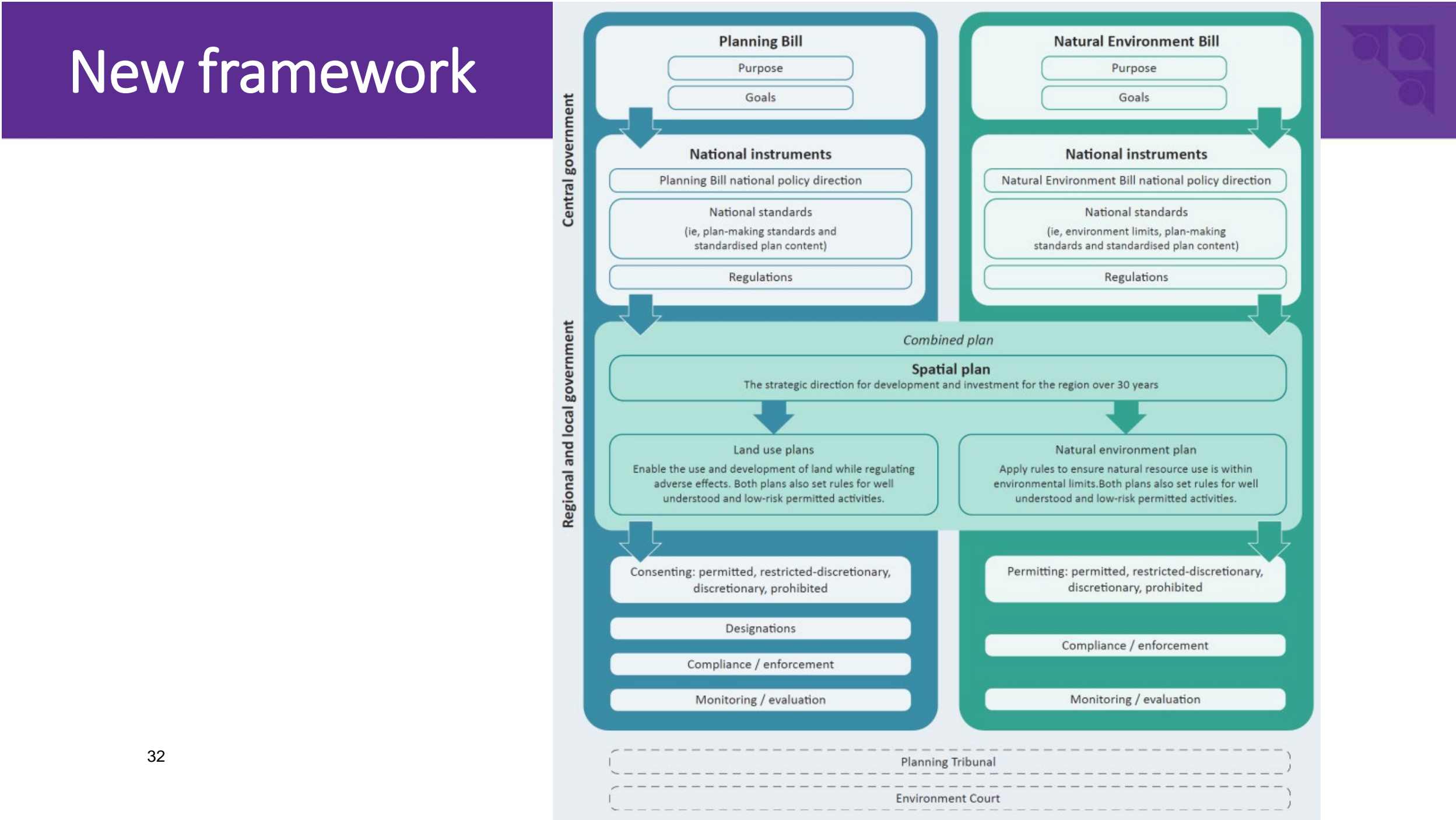
4.1 Significant Reforms & Legislative Changes(Cont.)

The funnel



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4.1 Significant Reforms & Legislative Changes(Cont.)



4.1 Significant Reforms & Legislative Changes(Cont.)

Next steps

Goals under each Bill...

Purpose: Planning Bill: to establish a framework for planning and regulating the use, development and enjoyment of land

Goals of the Planning Bill

- a) support and enable economic growth and change by enabling the use and development of land
- b) ensure that land use does not unreasonably affect others, including by separating incompatible land uses
- c) create well-functioning urban and rural areas
- d) to enable competitive urban land markets by making land available for development to meet current and expected demand for business, residential use, and development
- e) plan and provide for infrastructure to meet current and expected demand
- f) maintain public access to and along the coastal marine area, lakes, and rivers
- g) protect from inappropriate development the identified values and characteristics of—
 - i. areas of high natural character within the coastal environment, wetlands, lakes, rivers and their margins
 - ii. outstanding natural features and landscapes
 - iii. significant historic heritage
- h) safeguard communities from the effects of natural hazards through proportionate and risk-based planning
- i) to provide for Māori interests, through
 - i. Māori participation in the development of national direction, spatial planning, and land use plans; and
 - ii. the identification and protection of sites of significance to Māori (including wāhi tapu, water bodies, or sites in or on the coastal marine area); and
 - iii. enabling the development and protection of identified Māori land.

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Purpose: Natural Environment Bill: to establish a framework for the use, protection and enhancement of the natural environment

Goals of the Natural Environment Bill

- (a) enable the use and development of natural resources within environmental limits
- (b) safeguard the life-supporting capacity of air, water, soil, and ecosystems
- (c) protect human health from harm caused by the discharge of contaminants
- (d) achieve no net loss in indigenous biodiversity
- (e) manage natural hazard risks associated with the use or protection of natural resources through proportionate and risk-based planning
- (f) to provide for Māori interests, through
 - i. Māori participation in the development of national direction, spatial planning, and natural environment plans; and
 - ii. the identification and protection of sites of significance to Māori (including wāhi tapu, water bodies, or sites in or on the coastal marine area); and
 - iii. enabling the development and protection of identified Māori land.

4.1 Significant Reforms & Legislative Changes(Cont.)

National instruments



First suite of national instruments to inform spatial plans by the end of 2026:

- one NPD for the Planning Bill.
- one NPD for the Natural Environment Bill.
- environmental limits relating to human health for the freshwater, coastal water, land and soil, and air.
- national standards needed for the spatial plan component of regional combined plans.
- an indicative list of standardised zones and overlays.
- transitional national rules that sit outside plans and support the transitional consenting framework.

Second suite of national instruments in mid-2027:

- national standards needed for the land-use and natural environment plan components of regional combined plans.
- standardised plan content, including land-use zones and overlays.
- processes to set and manage ecosystem health limits to safeguard life-supporting capacity for the freshwater, coastal water, land and soil, and indigenous biodiversity domains.

4.1 Significant Reforms & Legislative Changes(Cont.)

Regional Spatial Plan



- Spatial Plan Committee.
- 30 year horizon.
- Land and Coastal Marine Area.
- Mandatory matters include:
 - Natural hazards, highly productive land, significant natural areas
 - Priority locations for local adaptation plans
 - Future development areas and infrastructure
 - Land use compatibility and separation
 - Treaty settlements incl. statutory acknowledgements, sites of significance to Māori, customary marine areas and protected customary rights areas

Process for decision making structured towards consensus with dispute resolution process.

4.1 Significant Reforms & Legislative Changes(Cont.)

Land use plans

- Must implement NPD, National Standards and Spatial Plan.
- Limitations on submissions (what they can cover and who can submit).
- Can include bespoke provisions subject to a justification report.
- Scope of effects curtailed:
 - Out of scope: visual amenity, private views, trade competition.
 - In scope: natural hazards, significant heritage, outstanding natural features/landscapes (ONF/L) areas.
- Relief framework for landowners when controls restrict use.
- Iwi authorities engaged in development of plans.
- Existing and initiated Mana Whakahono ā Rohe (no mechanism for new ones).
- Fewer resource consents, more permitted activities.
- Minor vs less than minor.
- Enhanced monitoring and compliance.

4.1 Significant Reforms & Legislative Changes(Cont.)

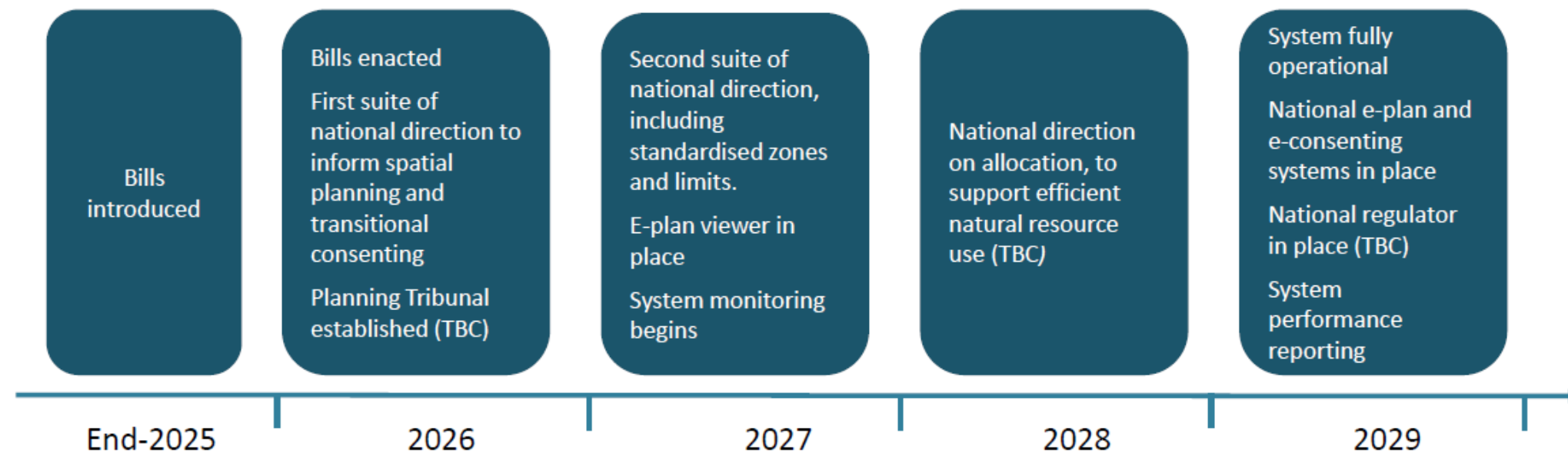
Regulatory relief

- Develop Regulatory Relief Framework (incl. in Land Use Plan).
- Rules relating to historic heritage, sites of significance to Māori, ONL/F, or areas of high natural character must consider impact on landowners and justify application to each property.
- Provide relief where impact is significant.
- Tools include rates relief, bonus development rights, no-fees consents, land swaps, access to grants and cash payment.
- Rolling over rules from existing District Plan does not limit eligibility for relief. If the person owned the land when the District Plan was notified, and the rule is similar, then they will still qualify for relief.
- Planning Tribunal to resolve disputes.

4.1 Significant Reforms & Legislative Changes(Cont.)

Transition timeline

Central Government



Local Government



4.1 Significant Reforms & Legislative Changes(Cont.)

Next steps

- Bills to have first reading, then go to select committee.
- Submissions period to be confirmed, likely mid-late February 2026.
- Bills expected to become law mid-2026.
- Resource Management (Duration of Consents) Amendment Bill extends many expiring consents to December 31, 2027, or mid-2031, providing continuity until the new planning system (replacing the RMA) is fully active around 2029, with exceptions for water and wastewater.

4.1 Significant Reforms & Legislative Changes(Cont.)

Potential submission areas

- Standardisation vs local decision making.
- Loss/narrowing of Māori interests and community input throughout the process.
- Narrowing of effects.
- Regulatory relief – practicality, unfunded mandate and risk of escalating costs in the context of rates capping, retrospective aspects, potential loss, development of regulatory relief framework, determining significance, no correlating tools for value capture.
- Inconsistency in processes between spatial plans and land use plans including notification.
- Limiting submissions to qualifying residents, and how this is defined.

4.1 Significant Reforms & Legislative Changes(Cont.)

Closing considerations – Where to from here

Purpose of workshop:

- Unpack a number of specific proposals:
 - Simplifying Local Government [submissions close 20 February]
 - Rates Capping [submissions close 4 February]
 - Development Contributions [submissions close 20 February]
 - Infrastructure Funding and Finance [submission timeframe tbc]
 - RMA, Planning Bill [submission timeframe tbc]
 - RMA, Natural Environment Bill [submission timeframe tbc]
- Consider appetite [and focus] for submissions.
- Opportunity to discuss initial views and concerns.
- Look at next steps.

Key dates early in the new year:

- 4 February 2026 - Council briefing: continue working through reforms
- 4 February 2026 - Submission deadline for Rates Capping (approval via delegation)
- 19 February 2026 - Committee to approve submissions with 20 Feb deadline
- Awaiting? - RMA deadline for submissions - likely mid to late February
- Awaiting?⁴¹ - More reform proposals to come down the pipeline