

AGENDA

Council Briefing *Hui Whakamōhio*

Wednesday, 4 February 2026
Wenerei, 4 Huitanguru 2026

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



Chief Executive: Steven Perdia | Publication Date: 31 January 2026

whakatane.govt.nz

 **WHAKATĀNE**
District Council
Kia Whakatāne au i ahau

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.

All care will be taken to maintain your privacy however, as a visitor in the public gallery, your presence may be recorded. By remaining in the public gallery, it is understood your consent is given if your image is inadvertently recorded.

The opinions or statements expressed during a briefing by individuals are their own, and they do not necessarily reflect the views of the Whakatāne District Council. Council thus disclaims any liability with regard to said opinions or statements.

A Membership - *Mematanga*

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*](#)

No apologies were received at the time of compiling the agenda.

4 Presentations - *Whakaaturanga*

4 *Presentations - Whakaaturanga*

4.1 *Annual Plan*

Leny Woolsey, Eliot Fenton, Ayla Naidoo, Kelly Farr, Nicola Burgess & Sarah Stewart will speak to the presentation.

4.1 Annual Plan(Cont.)

2026/27 Annual Plan Update

Council Briefing - 4th February 2026

Leny Woolsey, Eliot Fenton, Ayla Naidoo, Kelly Farr, Nicola Burgess, Sarah Stewart



4.1 Annual Plan(Cont.)

Purpose of today



Provide high-level budget information and to seek guidance on options before approval of the draft Annual Plan Budget at 5th March Council meeting.

- Recap timeline and direction setting from Council.
- Outline additional variations/ key changes to budget made since 4 December 2025.
- Update on roles and FTE for Year 3 of LTP (2026/27).
- Budget with the overall rating impact and option consideration.

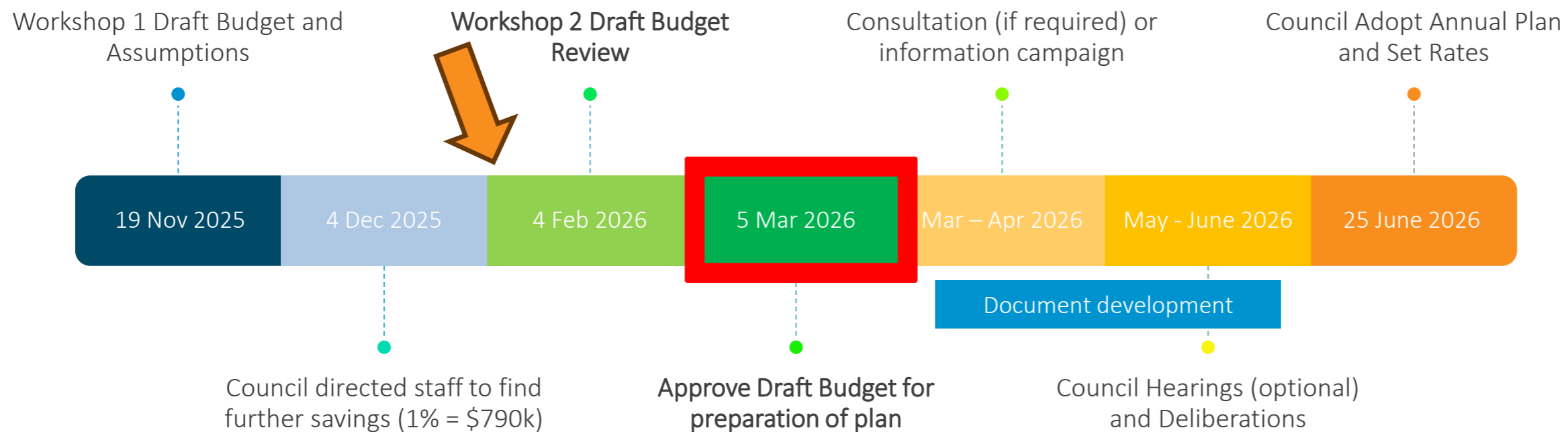


4.1 Annual Plan(Cont.)

Annual Plan Recap - timing



Annual Plan project timeline - Key Dates



4.1 Annual Plan(Cont.)



Key variations to LTP Year 3 budget

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4.1 Annual Plan(Cont.)

The reality of the 2026/27 budget?



- The approved LTP indicated **an average 9.4% rate** increase in Year three (2026/27).
- Cost reductions and adjustments to fees and charges (compared to 2025/26 Annual Plan) have resulted in a reduction in the rate requirement of approximately \$1.35m (~1.7%) for 2026/27, including:
 - \$623k operating costs/fees and charges adjustments.
 - \$725k inflation savings (BERL rates lower than forecast in Y3 LTP).



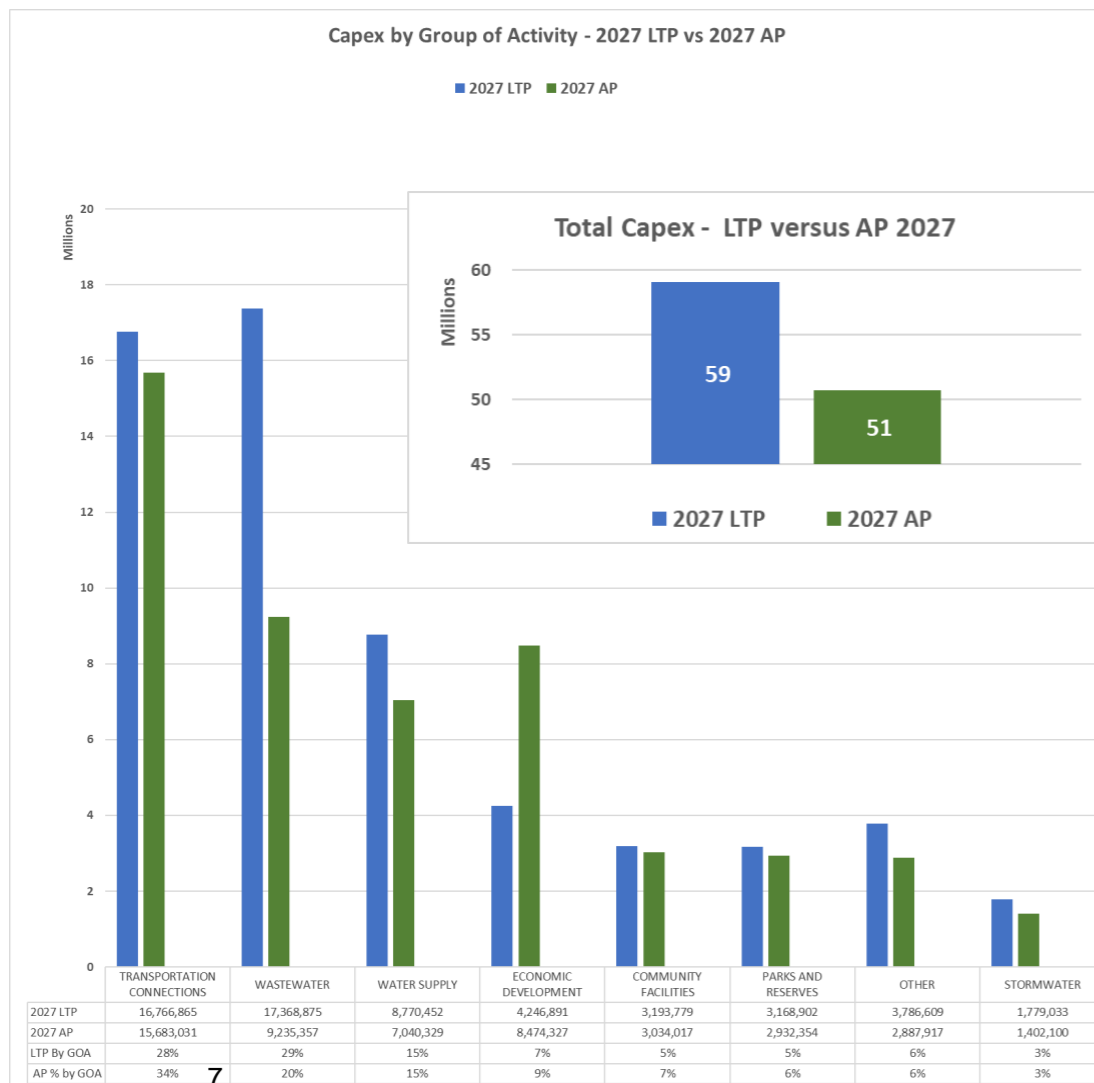
4.1 Annual Plan(Cont.)

Recap of Annual Plan budget variations – OPEX Changes vs V1 Budget



Quatic Centres **	(11,000)	Increase to fees based on prior year actuals
Building & Resource Management	(61,000)	Audit fees (\$48k (timing), consultants (\$10k), refund (\$6k)
Building & Resource Management **	(63,000)	Increase to fees based on prior year actuals
Corporate Services	154,000	\$71k increase valuation expenses, \$62k Audit Fee adjustment
Corporate Services	(120,000)	Additional penalty revenue to align with prior year actuals
Corporate Services	84,000	Growth Strategy, included in 2026AP but omitted from V1
District Partnerships	(112,000)	Predominantly project costs in particular IT tools not required (65k), training cost reduction \$24k, consultant reduction \$24k
Economic Development **	(66,000)	Increase to fees based on prior year actuals
Parks & Reserves **	(39,000)	Increase to fees based on prior year actuals
Ports & Harbours	(43,713)	Minor expenditure adjustments over various cost classifications
Strategic Property **	(107,789)	Increase fees and charges based on prior year (Harbour Leases); no rating impact
Stormwater	54,900	Minor expenditure adjustments over various cost classifications
Transport Connections	(1,082,939)	Savings are predominantly in Special Purpose Road (\$867k) and Local Roads (\$177k) to align with NZTA funding. Special Purpose Roads are 100% funded by NZTA, Local Roads are 65% funded by NZTA, therefore subsidy revenue has also been adjusted. Only the non subsidies portion of these savings will impact rates.
Transport Connections	982,254	Reduction in NZTA funding as above
Waste Management	72,000	
Waste Management **	(29,000)	Increase to fees based on prior year actuals
Wastewater	(42,400)	Minor expenditure adjustments over various cost classifications
Water Supply	(142,200)	Predominantly contract costs (\$120k) - xxx
Overall Salary Adjustment	(213,800)	Reflects change in FTE plus some minor corrections to V1 budget
Total Opex Changes vs V1*	(786,687)	
Adjustment for items with no rating impact (eg Ports & Harbour/Harbour Leases/Parking)	(163,687)	
Adjusted Rate Requirement	(623,000)	
Rating Impact of Changes	-0.9%	
<i>denotes a reduction in the rate requirement</i>		
<i>not all savings have a rating impact</i>		
<i>revenue increase shown as savings as it reduces rate requirement</i>		
Inflation Impact vs V1 Budget		
Adjustment per updated BERL not applied to V1 Budget	(725,000)	

Capex by Group of Activity: 2027 LTP (Year 3 vs 2027 AP)



Significant Changes to LTP

- Transportation Connections projects adjusted to align with NZTA funding and addition of Emergency projects, overall reduction of \$1m.
- Wastewater - Timing of Matatā WW project (\$7.5m pushed out).
- Water Supply - Keepa Road Water Main \$458k, Blueberry Corner Realignment \$744k removed from 2027.
- Reduction in Fleet Renewals \$509k versus LTP.
- Economic Development - Floodwall Integration Project increase of \$4.8m (2028 LTP budget bought forward \$1.1m and additional funding \$3.7m reallocated from Kanoa) (NB this is the only item that has changed since V1 Budget).



4.1 Annual Plan(Cont.)



Roles and FTE

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4.1 Annual Plan(Cont.)

Proposed FTE changes AP 26/27



We've made a number of adjustments to FTE in order to realise as much cost saving as possible.

- Prior to the December briefing, we removed all of the new roles which were planned to be added in Year 3 of the LTP.
- Following further review, we've removed the following roles which are currently vacant:
 - Archivist
 - Environmental Planner
 - Consent Renewal Project role
 - Business Analyst (ERP project)
 - Animal Control Officer
 - Project Support Officer
 - Visitor Information Officer
- Three new roles have been added:
 - Legal Services Advisor
 - Finance role
 - Transition Director (LWDW)

The removal of these vacant positions is unlikely to have significant impact levels of service.

The changes will require managers to adjust their work programmes to maintain focus on key outcomes



4.1 Annual Plan(Cont.)

Proposed FTE changes AP 26/27



Additional roles approved for Year 3 LTP 2024/34

Department	LTP Year 3
Libraries, Galleries and Museum	+1.0
Community Regulation	+2.0
Digital Services	+1.0
Finance	+1.0
Human Resources / H&S	+1.0
Legal	+1.0
Māori Partnerships	+2.0
Parks & Reserves	+1.0
Transport	+1.0
Three Waters	+2.0
TOTALS	13

Proposed adjustments for AP27

Department	Proposed AP27
Roles planned for Yr 3 LTP	-13.0
Libraries, Galleries and Museum	-1.0
Resource Consents	-1.0
Community Regulation	-1.0
Digital Services	-1.0
Finance	+1.0
Legal	+1.0
Tourism & Events	-1.2
Three Waters	-1.0
	+ 1.0
TOTALS	-16.2

Note: all roles above marked to be removed are currently vacant. LTP Yr 3 roles had not yet taken effect.

4.1 Annual Plan(Cont.)



Application of identified cost reductions

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4.1 Annual Plan(Cont.)

Balanced Budget



Finance are continuing to process changes and update information which will be tabled at the workshop on the implications on the balanced budget of various options.

Key points include:

- We have improved the balanced budget situation in recent years BUT,
- Higher asset costs e.g., roading revaluation have offset these gains.
- We have options to further reduce the budget deficit.
- Any additional application of revenue will improve balanced budget deficit.



4.1 Annual Plan(Cont.)

OPTION ANALYSIS & CONSIDERATION



Option 1 – Rates focused: Reduce the average rate increase by 1.7% (reduced from 9.4% to 7.7%).

Option 2 – Balance Budget Focus: Reduce the operating deficit (maintain average rate increase of 9.4% and apply 1.7% to reduce operating deficit).

Option 3 – Balanced Budget with contingency: Reduce the operating deficit and create a contingency (average rate increase of 9.4% and apply 1% to operating deficit and 0.7% to a managed contingency fund).

Option 4 – Mixed application: Reduce the average rate increase and the operating deficit (e.g. 1% of rates and remaining 0.7% applied to reduce operating deficit).

Seeking Council's guidance on how to apply cost reductions



4.1 Annual Plan(Cont.)

Option 1 – Rates focus



Option 1 – Reduce average rate increase by 1.7% (average rate increase reduced from 9.4% to 7.7%).

Advantages

- Decreases average rate increase by 1.7% (no consultation).

Disadvantages

- Does not reduce operating deficit.
- A higher operating deficit will reduce options for Council with the introduction of rates capping.

Associated risk/ and other issues to consider

- Risks associated with the numerous legislative reforms underway (e.g. rates capping, waters, RMA) – there is a high level of uncertainty around the scope, nature and timing of change that may impact Council.
- May disadvantage Council's financial position with rates capping to be implemented by 2029.
- Unlikely to have significant impact on levels of service and adjustment to work programmes may be required.
- Uncertainty of inflation savings with regard to the application of adjusted BERL rates.



4.1 Annual Plan(Cont.)

Balanced budget focus – Option 2



- Retain an average rate increase of 9.4% and apply the balance of funding (1.7% = \$1.35m) to reducing the operating deficit.

Advantages

- Maintains average rate increase consistent to LTP (no consultation).
- Most positive option towards reducing the operating deficit from previous revision.
- Better financial position for rate capping 2029.

Disadvantages

- Does not lower the average rate increase for communities that are struggling with high cost of living.
- No contingency fund utilised – risk of BERL rates changing.

• Risks and/or issues to be considered:

- Risks associated with the numerous legislative reforms underway (e.g. rates capping, waters, RMA) – there is a high level of uncertainty around the scope, nature and timing of change that may impact Council.
- Uncertainty of inflation savings in regard to the application of adjusted BERL rates.
- Unlikely to have significant impact on levels of service and adjustment may be required.



4.1 Annual Plan(Cont.)

Contingency and balance budget – Option 3



- Retain a 9.4% average rate increase and apply a reduction in the rate requirement (\$790k) to reduce the operating deficit and develop a contingency fund.

Advantages

- Maintains average rate increase consistent to LTP (No consultation).
- Develop contingency fund for greater cost control and address the uncertainty of the application of adjusted BERL rates through contingency fund.

Disadvantages

- A higher operating deficit will reduce options in the future for Council under rates capping.
- Does not lower average rates for community facing potential associated living costs.

• Risks and/or issues to be considered:

- Risks associated with the numerous legislative reforms underway (e.g. rates capping, waters, RMA) – there is a high level of uncertainty around the scope, nature and timing of change that may impact Council and Council resources.
- If the contingency funds remain unused, this can be used toward reducing the operating deficit,
- Unlikely to have significant impact on levels of service and adjustment to work programmes may be required.



4.1 Annual Plan(Cont.)

Mixed application – Option 4



- Develop a mixed approach – e.g. apply a 1% rates reduction and use the remaining 0.7% to reduce the operating deficit.

Advantages

- Decrease the average rate increase is 1% less than the approved LTP (No consultation).
- A positive option toward reducing the operating deficit.

Disadvantages

- No contingency fund utilised – risk of BERL rates changing.

• Risks and/or issues to be considered:

- Risks associated with the numerous legislative reforms underway (e.g. rates capping, waters, RMA) – there is a high level of uncertainty around the scope, nature and timing of change that may impact Council and Council resources.
- Uncertainty of inflation savings in regard to the application of adjusted BERL rates.
- Unlikely to have significant impact on levels of service and adjustment to work programmes may be required.



4.1 Annual Plan(Cont.)

Further budget considerations



- Rex Morpeth project
- Waste Levy
- I-site
- License Plate recognition vehicle
- Yacht Club dredging



4.1 Annual Plan(Cont.)



Discussion / Feedback



4.2 Ratepayer Assistance Scheme

4.2 *Ratepayer Assistance Scheme*

Paul Davidson, Scott Necklen, Mark Butcher & Hugo Ellis will speak to the presentation.

4.2 Ratepayer Assistance Scheme(Cont.)



Whakatane District Council Briefing - 4 February 2026

Paul Davidson, Whakatane District Council CFO

Scott Necklen, Interim Chief Executive LGNZ

Mark Butcher, Chief Executive LGFA

Hugo Ellis, Partner Cameron Partners

4.2 Ratepayer Assistance Scheme(Cont.)



RATEPAYER ASSISTANCE SCHEME

THE OPPORTUNITY FOR LOCAL GOVERNMENT

WHAKATANE DISTRICT COUNCIL

FEBRUARY 2026



4.2 Ratepayer Assistance Scheme(Cont.)

Introduction

Development of RAS has been underway for over six years

- LGNZ, LGFA and Cameron Partners have led the process over this time
- Scott Necklen, Interim Chief Executive LGNZ
- Mark Butcher, Chief Executive LGFA
- Hugo Ellis, Partner Cameron Partners
- The process is now at a critical juncture requiring the sector to decide whether it supports RAS establishment and if so to communicate this to the minister
- Thank you for the opportunity to present RAS to you



4.2 Ratepayer Assistance Scheme(Cont.)

1. New Zealand Local Government Funding Agency



RAS is modelled on the LGFA which provides a strong precedent and insights

- LGFA was established in 2011 with a view to improving the efficiency of local government financing through:
 - Scale achieved from aggregation
 - Centralisation and specialisation of capabilities
 - A “rating arbitrage”
- LGFA is estimated to have saved the sector \$100s of millions (and potentially up to \$1 billion) in reduced financing margins
- In addition it has provided its shareholders with an average 5.6% cash dividend return, and the book value of equity has quadrupled
- The RAS structure and development process is modelled on the LGFA:
 - Utilises the strength of a LA rates charge to provide security
 - Achieves scale across the sector, centralises costs and accesses specialist capabilities
 - Structured to obtain very low cost financing and pass this on to ratepayers
 - Designed by, and majority owned by LAs
 - Development process with stage gates to minimise costs and support informed decision making

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4.2 Ratepayer Assistance Scheme(Cont.)

2. The RAS Opportunity

RAS has been developed to address a range of economic and social issues

- NZ is experiencing a cost-of-living crisis, an ageing population and must invest to meet infrastructure, H&S and environmental requirements
- Local government is responding but it needs additional tools to ensure its policies can be financed, administered efficiently and are effective
- The RAS:
 - Addresses ratepayer affordability
 - Provides ratepayers with flexibility to decide when to pay LA charges
 - Provides very competitive finance terms
- Multiple applications are possible:
 1. **Deferred Development Contributions / Development Levies**
 2. **IMPACT Loans**
 3. **Rates Postponement (RP)**



4.2 Ratepayer Assistance Scheme(Cont.)

2. The RAS Opportunity cont.

Government is supportive and has recommended further development

- While the RAS is similar to the LGFA it lends to ratepayers whereas the LGFA lends to LAs
- The RAS would be a new entity owned by LAs, providing a national shared service available to all LAs – it would:
 - Undertake administration of ratepayer loans
 - Be off-balance sheet for LAs
- The Minister for Local Government is supportive and officials have been engaged in the development process and undertaking policy work
- A final stop / go decision in Q1 2026 is being targeted
- The sector needs to confirm its support and funding for final development and establishment



4.2 Ratepayer Assistance Scheme(Cont.)

2. The RAS Opportunity cont.

An indication of support from the sector is required

- The minister has indicated “...he wants to see the different perspectives of a range of councils... to gauge their level of interest in the scheme”.
- We are seeking a formal show of support to the minister before he makes his decision
- The proposed resolution that we are seeking is along the following lines:

- *In-principle support for establishment of the RAS subject to...*
- *Assuming the RAS is established as envisioned, [Council X] intends to make RAS products available its ratepayers by becoming a RAS member requiring it to:*
 - *Sign up to a joint and several guarantee (akin to the LGFA arrangements)*
 - *Support ratepayer access to RAS products – eg via its website*
 - *Support information sharing arrangements*
- *In due course, consider making an equity investment in RAS in due course, noting that total equity required is estimated to be \$30 million - \$35 million, the majority of which will come from the local government sector*



4.2 Ratepayer Assistance Scheme(Cont.)

3. Deferred DCs / DLs

Deferred DCs / DLs would spread the cost over say, 30 years, supporting development

- DC costs are significant, 2026 annual plans indicate ~\$700 million nationally (excluding ~\$200 million Watercare IGCs)
- The DLS is expected to enable LAs to raise more revenue to fund growth
- BUT the DLS, supply chain issues and inflation pressures means developers will need to pay more → affordability concerns and risk to developments
- The RAS would be able to effectively convert upfront DCs / DLs into series of annual payments over say 30 years (paying the upfront DC / DL to the LA and charging the property owner principal and interest annually to get repaid)
- Developers would have the option to pay in full or defer
- Future owners would expect to pay less for properties with deferred DCs / DLs to reflect the RAS levies that would be charged in future
- The present value of the future deferred DC levies can be repaid at any time

8



4.2 Ratepayer Assistance Scheme(Cont.)

4. IMPACT loans

The RAS can finance and administer loans to ratepayers for property improvements

- Current legislation enables LAs to provide financing to ratepayers that can be repaid via a voluntary targeted rate
- IMPACT loans support ratepayers to invest in their properties to achieve desirable private and public benefits
- Potential examples, include home insulation, heat pumps, double glazing, solar panels, home batteries, water tanks, septic tanks, stock exclusion fencing, sea walls
- Current IMPACT loans usage across most LAs is low:
 - IMPACT loans must be financed out of LAs' existing financing capacity
 - LAs have encountered operational and regulatory challenges
- RAS :
 - Can undertake all administration of loans
 - Would be 'off-balance sheet' for LAs
 - Provide competitive financing options (~2% below equivalent floating mortgage rates)



4.2 Ratepayer Assistance Scheme(Cont.)

5. Rates Postponement

RP allows qualifying ratepayers to defer rates and pay on sale of their property

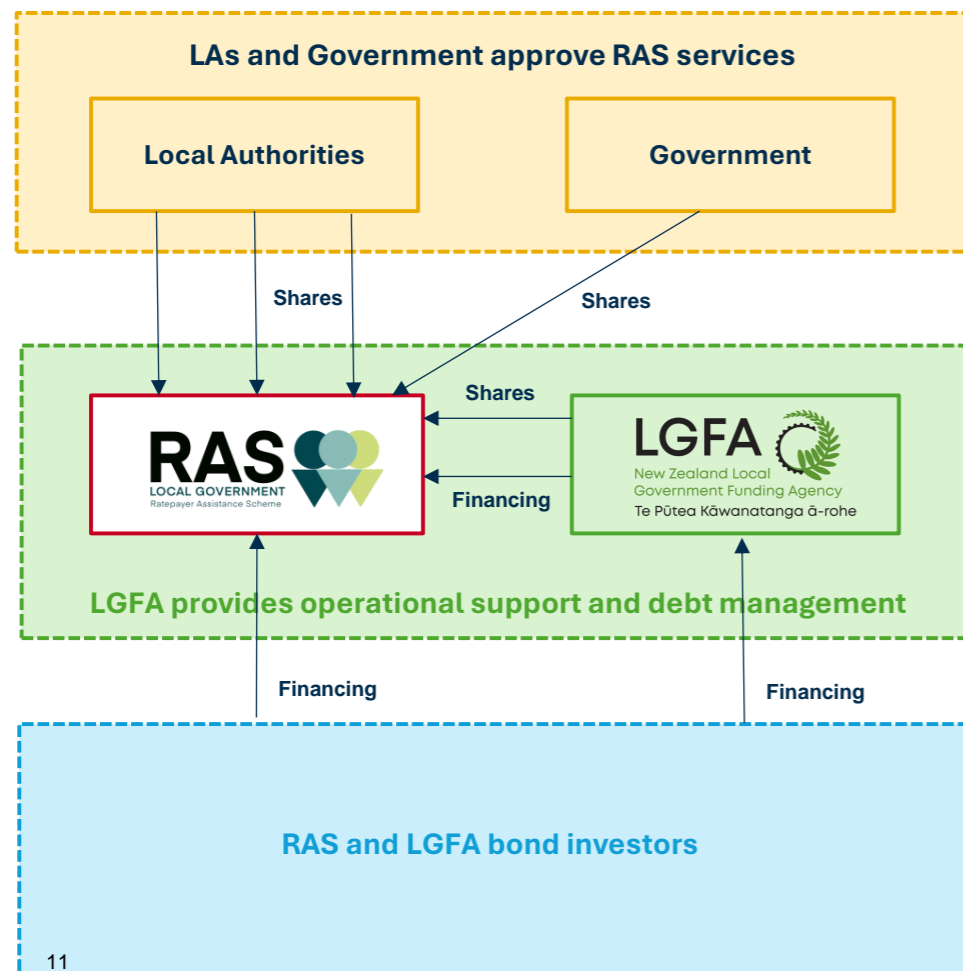
- RP provides flexibility to ratepayers (like a reverse equity mortgage) to decide to pay LA charges at some time in the future, partially mitigating:
 - Affordability issues
 - Demographic changes
 - General cost of living challenges
- In principle all LA charges could be deferred in the same way – in principle water charges can be included and are part of the RAS proposal
- RAS RP is an opportunity for a standardised, highly efficient national RP scheme at very competitive financing rates (~2% below equivalent floating mortgage rates; ~4% to 5% below reverse mortgage rates)
- British Columbia, Canada (population ~5 million) has a property tax regime similar to New Zealand’s rating system and a well-established property tax deferment scheme, providing strong insights – in 2024:
 - 83,000+ users
 - ~C\$2.7 billion in loans (4x growth from ~C\$670 million in 2016)
 - ~3.9% of British Columbia households



4.2 Ratepayer Assistance Scheme(Cont.)

6. What it is and how it works

Structurally the RAS has many similarities to the LGFA – it would be owned by LAs, LGFA and government, providing services to LAs and their ratepayers

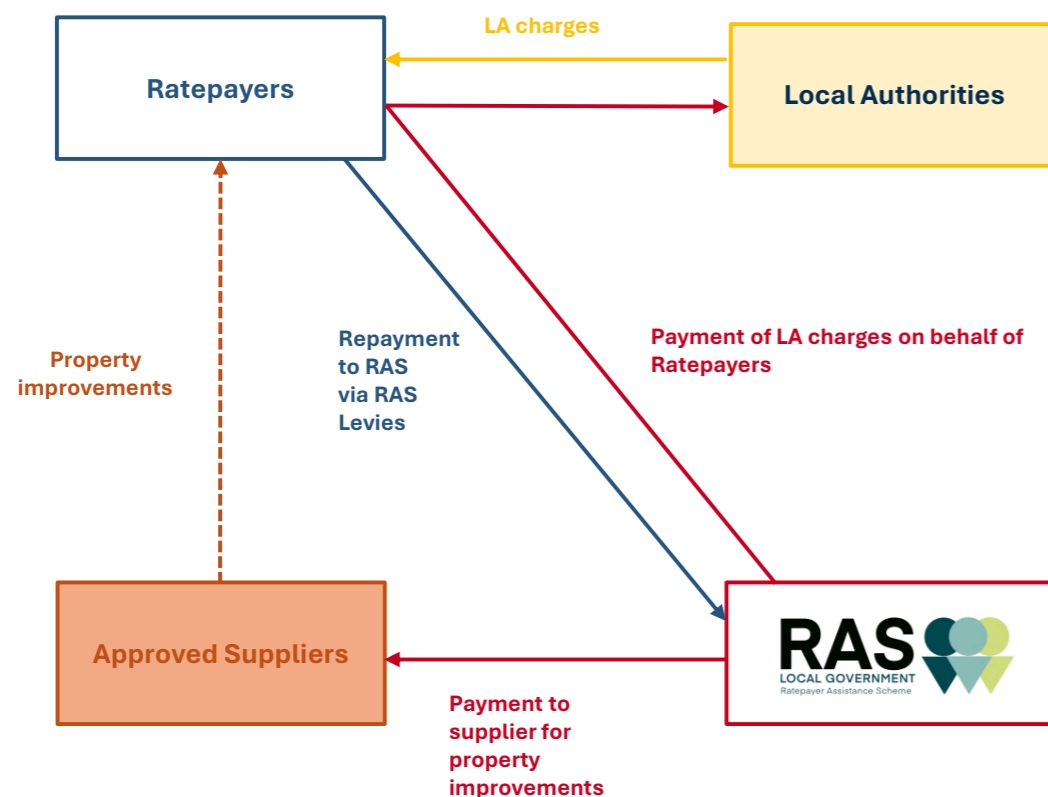


- The RAS would be a new entity (a CCO)
- It would have no discretion – all its services would be approved by LAs and central government
- All LAs would be able to use the services of the RAS, subject to meeting RAS’s membership requirements – e.g.
 - Origination (e.g. web page link, promotion)
 - IT interface (e.g. data sharing)
 - Security requirements (e.g. J&S guarantee)
- LGFA has a critical role with RAS:
 - Assisting with development
 - At all levels of the capital structure:
 - Equity
 - Preference shares
 - Debt
 - Treasury management services and debt issuance activities once RAS is ready to issue debt in its own name

4.2 Ratepayer Assistance Scheme(Cont.)

7. What it is and how it works

The RAS effectively does what LAs can and already do, but does it more efficiently and effectively, taking on the administrative burden and risk while being off-balance sheet



- The RAS would have the power to impose a levy charge equivalent to a rate and obtain a very high credit rating
- LAs would opt-in and ratepayers would also opt-in
- The interface between LAs, RAS and ratepayers would be as seamless as possible – eg with RP or deferred DCs/DLs:
 - Ratepayers would “apply” through the LA’s website
 - The application would go directly to RAS for processing
 - Once approved, payment of the rate charge or DC / DL would be made to the LA by the RAS
 - The RAS would levy the ratepayer directly to obtain repayment
- In the case of IMPACT loans the process would be the same except that RAS would make payment to the approved supplier of the property improvement

4.2 Ratepayer Assistance Scheme(Cont.)

8. Who is involved ?

Multiple stakeholders are involved in finalizing and assessing the 2025 Business Case

RAS Steering Group

- Local Government New Zealand
 - Funding Councils for final business case development (Auckland, Hamilton City, Hutt City, New Plymouth District, Palmerston North City, Queenstown Lakes District, Tauranga City, Wellington City) ¹
 - New Zealand Local Government Funding Agency
 - Rewiring Aotearoa
 - Energy Efficiency Conservation Authority (EECA)²
- Strategic Advisory Group – Hon Nick Smith, Cameron Bagrie and Stuart Henderson
 - Department of Internal Affairs, Treasury, MHUD, MBIE
 - Ministerial Offices
 - Advisers (Cameron Partners – lead financial, Fr@nk – IT Advisor, PWC – Accounting & Tax, PwC – IT, Simpson Grierson – Legal)

¹ Christchurch City Council has previously contributed financially to earlier stages of the RAS development

² EECA has provided financial support by way of a grant to RAS that is repayable when certain conditions are met



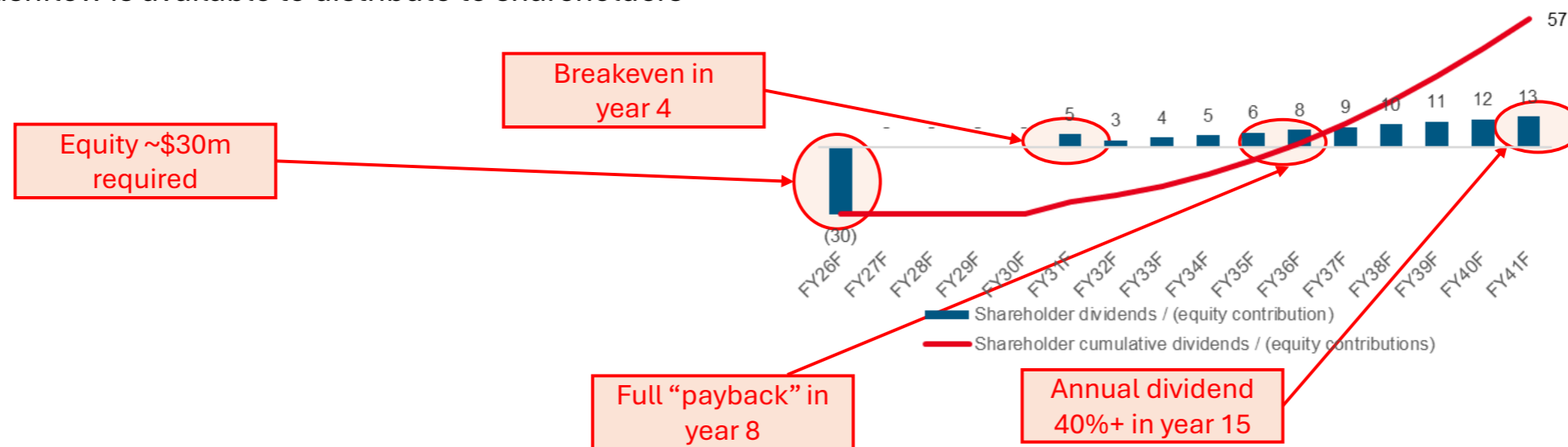
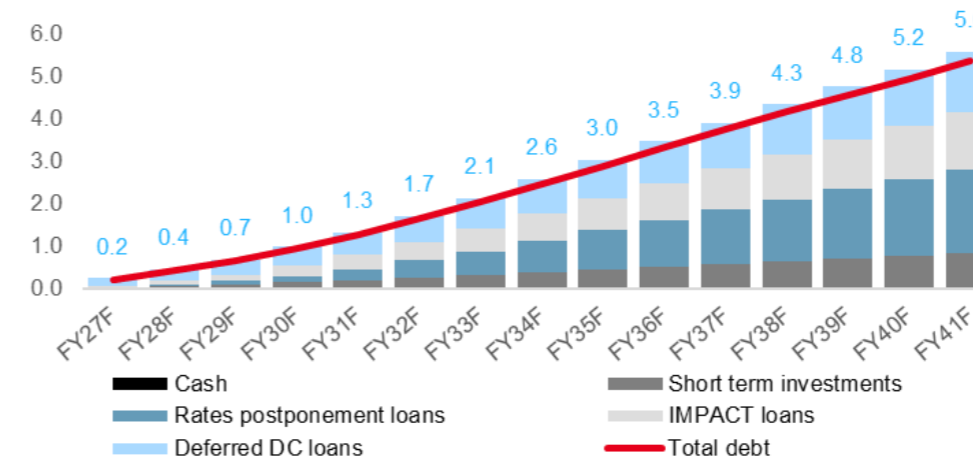
4.2 Ratepayer Assistance Scheme(Cont.)

9. RAS 2025 financial Base Case



Strong surpluses may be available to reduce financing rates to ratepayers and provide returns to shareholders

- The 2025 Base Case is considered conservative – it assumes:
 - 60% of LAs as members on day 1
 - Deferred DC / DLs uptake of 35% (with 50% repaid in year 1)
 - RP uptake of 2.8% achieved by FY41
 - IMPACT loans relating to solar panels, home batteries and home heat pumps and water heat pumps based on RA and EECA analysis
 - Net interest margin 1% initially reducing once bonds issued
 - Surplus cashflow is available to distribute to shareholders



4.2 Ratepayer Assistance Scheme(Cont.)

10. Council support required

Local government needs to indicate whether it is willing and able to support RAS

- The minister requires an indication of councils' support to:
 - Make RAS products available to their ratepayers and therefore their intentions to join RAS as members
 - Ultimately, their willingness and ability to provide the equity capital required
- ~\$3 million in "at risk" funding has been provided by 8 councils (plus EECA) until a "stop/go" decision in Q1 26
- Assuming a "go" decision...
 - ~\$30 - \$35 million in total equity is estimated:
 - Establishment costs
 - IT system
 - Meet operating deficits until breakeven is achieved
 - Development funding already provided will qualify as equity (included in est. equity requirement)
 - Councils can use RAS if they are not shareholders – it will be imperative that there is widespread council support as shareholders and members



4.2 Ratepayer Assistance Scheme(Cont.)

11. Next Steps

Obtain council support to present to the minister

- The minister will meet with the Steering Group prior to making a decision
- It is intended to provide the minister with feedback from the sector around that time

Assuming Cabinet approves the RAS “ask” to complete a stop / go decision

- LGFA will seek shareholder approval to become a shareholder and subscribe for RPS
- Councils will be approached to:
 - Join RAS as members and promoting the products to ratepayers
 - Participate as shareholders in RAS by subscribing for equity

What information and resources are available for councils?

- LGNZ website has an information page /resource centre dedicated to RAS
- LGNZ, LGFA and Cameron Partners are available to answer questions and present to councils



4.2 Ratepayer Assistance Scheme(Cont.)

12. In summary, the Steering Group is seeking...

A formal indication of support to present to the minister

- Ideally this will be via a resolution passed at the next council meeting along the following lines

- *“Assuming the RAS is established as envisioned, [Council X] intends to make RAS products available its ratepayers by becoming a RAS member requiring it to:*
 - *Sign up to a joint and several guarantee (akin to the LGFA arrangements)*
 - *Support ratepayer access to RAS products – eg via its website*
 - *Support information sharing arrangements”*



4.2 Ratepayer Assistance Scheme(Cont.)



4.3 Submissions to Central Government

4.3 Submissions to Central Government

Paul Davidson, Leny Woolsey, Nicholas Woodley & Wouter Vullings will speak to the presentation.

4.3 Submissions to Central Government(Cont.)

Significant Reforms and Legislative Changes

 **Better Together**
Toitū te Kotahitanga

 **WHAKATĀNE**
District Council
Kia Whakatāne au i ahau

*Guidance for submissions to Central Government
Council Briefing 4 February 2026*

- *RMA Reform: Planning Bill and Natural Environment Bill - Nicholas Woodley*
- *Simplifying Local Govt - Wouter Vullings*
- *Rates Capping - Paul Davidson*
- *Development Contributions and Infrastructure Funding and Financing Act - Paul Davidson*

whakatane.govt.nz

Introduction

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

Previous Briefing on (18 Dec 2025):

- Unpack specific proposals
- Discuss initial views and concerns
- Confirm appetite for submissions

Purpose of this Briefing (4 Feb 2026):

- Continue to build understanding and visibility
- Develop key points for submissions
- Confirm submission approval process

Council Briefing - BRIEFING

4.3 Submissions to Central Government(Cont.)

		2025		2026		2027		2028		2029		2030		2031		2033			
		SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	JUN	SEP	DEC	MAR	SEP		
* 10 new or amended ND instruments under the RMA came into effect on 15 January																			
 Resource Management Reform	Planning Bill		Bill introduced	Submissions close Feb	Enacted. Transitional arrangements begin.	LG Joint regional spatial planning committee and process agreement		Latest National policy direction and 1st standards set within 9 mths of enactment		LG Regional Spatial Plan notified 6 mths after national policy direction (max 15 mths after enactment)		LG Regional Spatial Plan adopted 6 mths after notification		Land Use Plan notified within 9 mths of adopting regional spatial plan		Land Use Plan adopted within 12 months of notification	DC switches system on Transitional consenting ends. RSP, NE Plan, LU Plan switch on	LTP must implement Regional Spatial Plan	
	Natural Environment Bill																		
 Local Government Act/Reform	Reorganisation			Consultation subs close Feb	Bill introduced			Enacted	Mayors form Combined Territories Board (CTB) No regional councillors		CTB relationship with Regional Spatial Plan Committee?			CTB becomes committee for Natural Environment Plans?		CTB adopts Reorganisation Plan	Minister approves Reorganisation Plans	LG Reorganisation	
	Infrastructure Funding and Financing			Bill introduced			Enacted				Councils can charge fees			Councils can charge fees				DCs repealed	
	Rate Capping			Consultation subs close Feb			Enacted	Impact of rates cap must be considered in LTP						3-4% rates cap fully enforced 1 Jul 2029				LTP must implement 2-4% rates cap	
 Climate Change Response Act	Adaptation planning		Bill signalled for 2026		Enacted			Regulations in force	Priority locations for adaptation plans incl. in notified Regional Spatial Plan		Priority locations for adaptation plans incl. in adopted Regional Spatial Plan								Adopt adaptation plans. Review existing adaptation plans at 10 yrs old and adopt v2 in 2 yrs
 Emergency Management			Bill introduced	Consultation subs close Feb	Enacted														National DM Strategy 10 yrs, National DM Plan 5 yrs, Regional DM Plan - being based on previous
 Water Services	Local Government (Water Services) Act 2025		Enacted					WS Business Units Water Services Strategy, DC Policy, Revenue Financing Policy take effect		WS Business Units Water Services Strategy, DC Policy, Revenue Financing Policy take effect		WS Business Units Water Services Strategy, DC Policy, Revenue Financing Policy take effect							
 Building Reform	Liability settings & BCA mergers ³		Bill signalled for 2026																
	Earthquake strengthening		Bill introduced		Enacted														

4.3 Submissions to Central Government(Cont.)

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Resource Management Reforms:

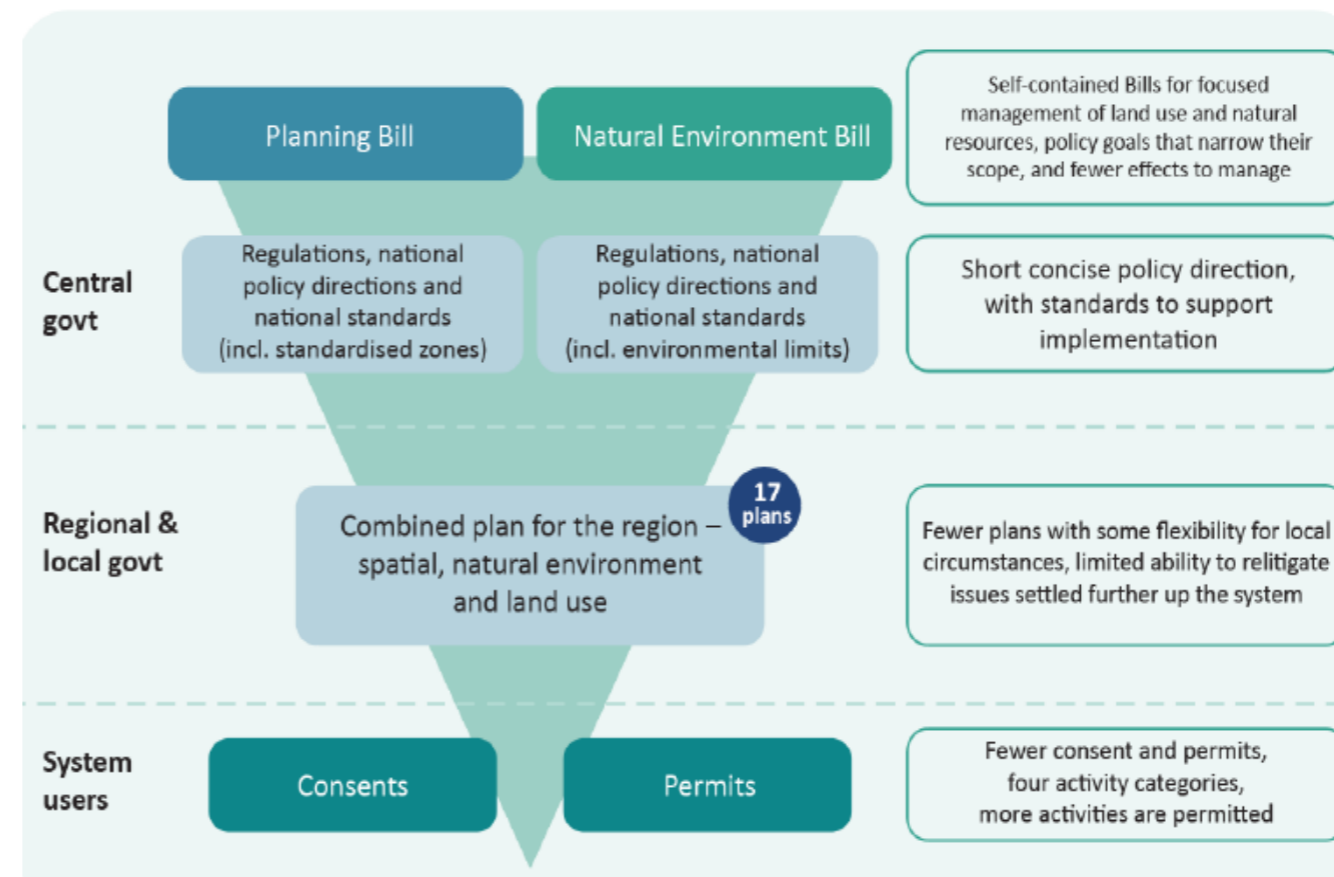
- Planning Bill
- Natural Environment Bill

Prepared by Policy, Planning and Consents Compliance Team
Council Briefing - 4 February 2026

4.3 Submissions to Central Government(Cont.)

System philosophy

- Enjoyment of property rights.
- Protection and development are separated:
 - Planning Bill - land use and development
 - Natural Environment Bill – management and protection
- Greater national direction.
- More activities classified as permitted, fewer resource consents required, and changes to activity status categories.
- Lower bar to consider management of effects.



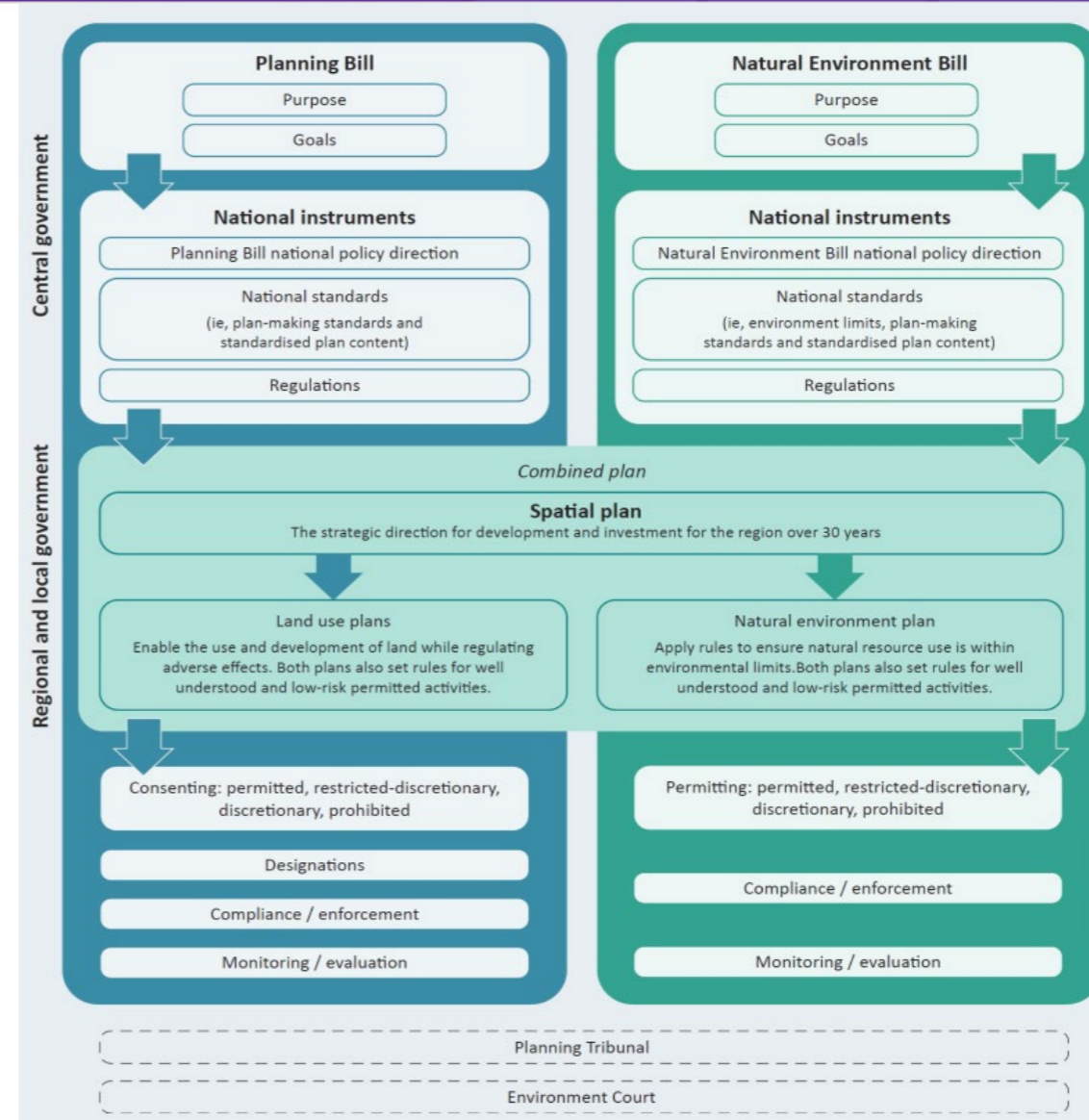
4.3 Submissions to Central Government(Cont.)

Purpose and goals

- Narrower functional purpose statements.
- Each Bill sets statutory goals, supported by national policy direction and standards.
- The goals shape what the system is intended to achieve and narrow the matters that may be considered in plan-making and consenting.
- Clear shift toward enabling development and growth (housing, business, infrastructure, primary sector).
- Increased importance of national instruments.

Submission points

- Conflict between goals.
- Removal of amenity.



4.3 Submissions to Central Government(Cont.)

Procedural principles (clause 13 of Bills)

- Complement the purpose and goals.
- Guide how people undertaking processes and decisions must act.
- Aim to ensure decision-making is clear, cost-effective, timely, proportionate and evidence-based.
- Aim to ensure that plans aren't overly complex and can be understood by the public.
- Includes the requirement to “act in an enabling manner”.

Submission points

- Formalise some existing practices.
- May allow councils to be less risk-averse – “we were acting in an enabling manner”.
- But terms are too vague and will result in litigation.
- Principle about collaboration between local authorities is missing.

4.3 Submissions to Central Government(Cont.)

Māori rights and interests

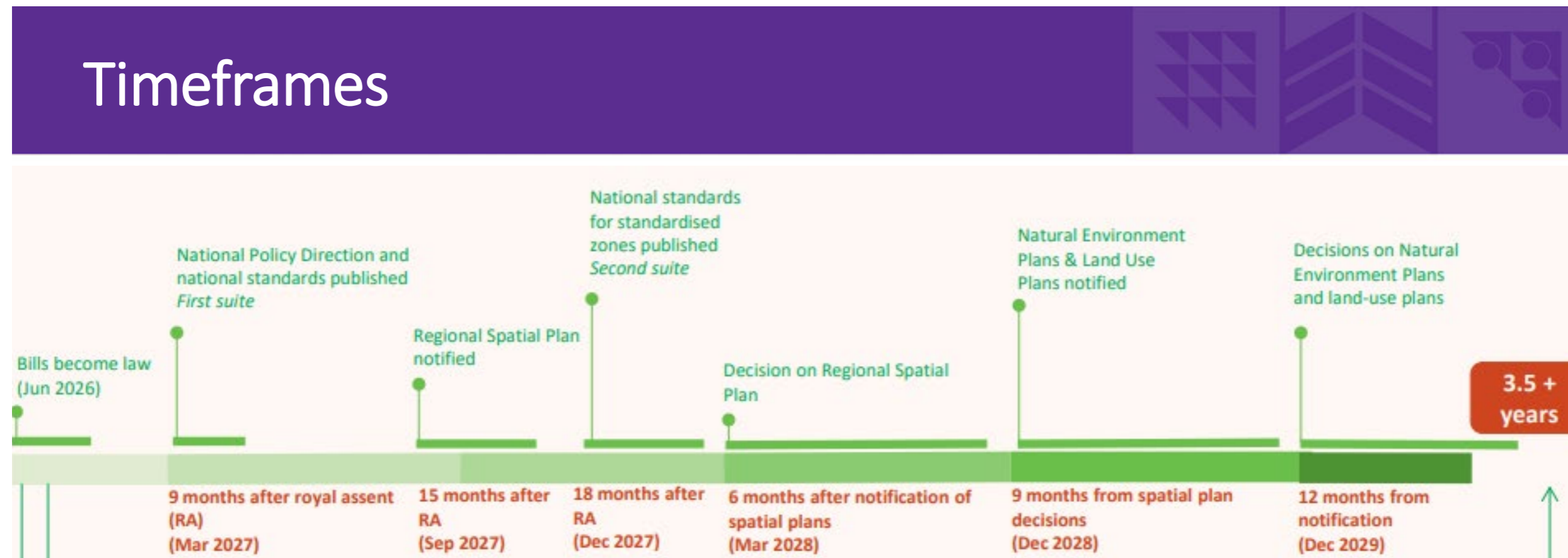
- Transfer of powers and Joint Management Agreements retained.
- Participation in preparation of national instruments and plans.
- Participation largely limited to settlement provisions (not included in old settlements).
- Te Tiriti settlements to have “the same or equivalent effect”.
- Existing partnership agreements continue.
- Greater reliance on “identified” sites and land.

Submission points

- Consideration of principles of Te Tiriti removed.
- No new Mana Whakahono a Rohe once enacted.
- Particularisation of Māori interests to narrow matters.
- Dilution of interests e.g. only identified values
8 = reduction in Māori rights and interests.



4.3 Submissions to Central Government(Cont.)



Submission points

- Unhelpful timing of delivery of national instruments and timeframe for notifying Regional Spatial Plan.
- Three month audit timeframes for bespoke or specified rules.
- Likely need for immediate review
= significant risks to quality of key instruments and legal and financial risks to councils.

4.3 Submissions to Central Government(Cont.)

Regulatory relief (Part 4 of Schedule 3)



- Broader regulatory relief (lower threshold than s 85 RMA).
- Compensation potentially payable for protecting specified topics.
- Requirement for regulatory relief frameworks in plans applied to specified rules.
- Relief may include development rights, cash payments, rates or consent relief, land transfer, or access to grants and mitigation programmes.
- Relief costs expected to sit within future rates caps.

Submission points

- Unfunded mandate – must protect, must provide relief.
- Disincentivises protection.
- Ambiguity in the term “significant impact”.
- Assessment of materiality unworkable, considers “impact on land value”.
- Potential for double-dipping.
- Need for transferable tools.
- Retrospective relief is inappropriate.

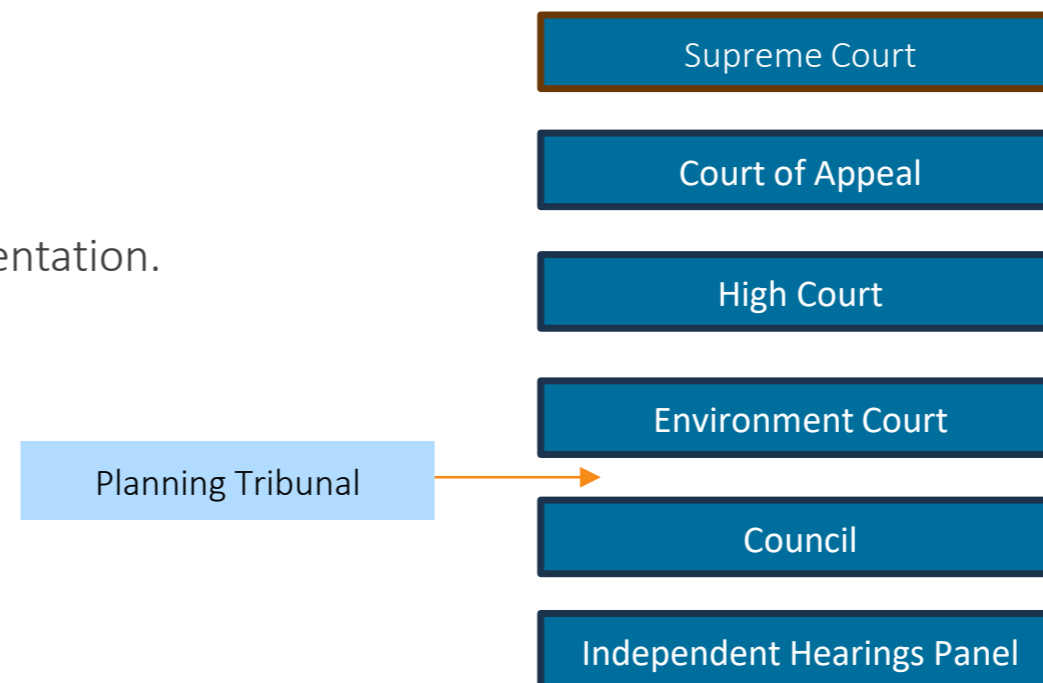
4.3 Submissions to Central Government(Cont.)

Planning Tribunal

- New branch of the Environment Court.
- Adjudicators resolving minor disputes, including regulatory relief.
- Opportunity for more accessible, less formal decision-making.

Submission points

- Opportunity for reducing delays and costs for parties.
- Concerns re Planning Tribunal becoming overly formalised.
- Ensure direct participation without mandatory legal representation.
- Publish clear, plain-language decisions and guidance.



4.3 Submissions to Central Government(Cont.)

Natural hazards

Submission points

- Lack of alignment and integration of local authority functions across enactments.
- Issue with approach to assessment in national policy direction.
- Ambiguity in term “significant risk”.

4.3 Submissions to Central Government(Cont.)

Next steps

Parliamentary process

- Submissions to Environment Select Committee close 13 February 2026.
- Select Committee report back to the House due 26 June 2026.
- Enactment expected before Parliament rises on 24 September 2026.

Council actions before enactment...

- Prepare for consenting under the transitional regime.
- Consider council preferences for spatial planning process arrangements.
- Collate or procure information to inform spatial planning.

4.3 Submissions to Central Government(Cont.)

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Simplifying Local Government

Prepared by Wouter Vullings

Council Briefing – 4 February 2026

4.3 Submissions to Central Government(Cont.)

Simplifying Local Government - recap

Step 1: Abolishing Regional Councillors

- Remove regional councillors and Māori wards.
- Replace with Combined Territories Board (CTB) (mayors from each TLAs).
- CTBs to take over existing roles and functions of regional councils.
- CTB decisions through population weighted voting system.
- Alternative options of crown appointed commissioners.

Step 2: Locally Led Reorganisation

- CTBs must develop a regional reorganisation plan within 2 years.
- Plans to map out all current functions across councils in the region.
- Plans to set out ways that services can be delivered more effectively and efficiently – could include shared services, CCOs, unitary authorities etc.
- Plan development must consult the public, iwi/Māori, stakeholders.
- Plans to be assessed against statutory criteria.
- Final approval of plans by Local Government Minister.
- Depending on the region's plan, the CTB might be kept or dissolved.



4.3 Submissions to Central Government(Cont.)

Simplifying Local Government

**Acknowledge change is needed:**

1. Our communities face ongoing and growing challenges and opportunities.
2. We welcome the conversation.

A more strategic approach required:

3. Lots of context for change but this is not well articulated.
4. A more strategic approach is needed - clearly articulate principles, objectives, key constraints.
5. An integrated approach needed - with coordination across concurrent local government reforms.
6. Continuity is needed – bipartisan approach that builds from previous work, U-turns unhelpful and inefficient.

Constitution of the Combined Territories Board:

7. Support mayoral based CTB but with caveats...
8. Undemocratic to appoint rather than elect membership - at least align with next election cycle.
9. Should CTB constitution be broadened?
 - a. include regional (council) representation?
 - b. specific Māori representation?
 - c.¹⁶ Do we have a view on a crown commissioner on CTB?

4.3 Submissions to Central Government(Cont.)

Simplifying Local Government

Voting models for the Combined Territories Board

10. Both 'pure population', and 'one-mayor-one-vote model' carry bias – neither are ideal.
11. The proposal for a 'population based vote adjusted (by LGC) for effective representation' would appear to seek some middle ground but is not further defined so difficult to support – we withhold judgement.
12. Main concern is the risk of decision bias towards the population mass in the west of the region (incl. Tauranga City and Western Bay of Plenty which covers 63% of population).
 - o Given the available information, WDC to favour the 'one-Mayor-one-vote' model as this helps offset the above risk.
13. Support the specialist voting approach for key resource management decisions (requiring both the proportional and voter majority to pass).
14. If there are Crown Commissioners should they have voting rights?
15. Voting model would have to be reconsidered if CTB constitution changes.

Western Bay and TCC = 63% of population
Eastern Bay = only 16% of population
but 61% of land area

4.3 Submissions to Central Government(Cont.)

Simplifying Local Government



Regarding development of Regional Reorganisation Plans:

16. Independent regional design risks highly divergent regional models - confusing and counters intention to “simplify.”
17. We suggest a collaborative co-design process (multi-partnership CG, LG: TLA and Regional, Iwi/Māori) with element of greater national consistency embedded in the framework.
18. Reorganisation criteria (against which plans will be assessed) don’t appear to be anchored in clear principles and objectives (because these haven’t been articulated) – the criteria should follow logically from these (and should be part of codesign process).
19. Criteria are also narrow with examples weighted towards efficiency and consolidation (e.g. versus consideration of community impact, value for money, placemaking, local choice).
20. Overall lacks focus localism - e.g. empowering local placemaking, recognising local diversity and enabling local choice.
21. Regional Reorganization plans within 2-year deadline of CTB establishment is likely aspirational.
22. Responding to reform is another unfunded mandate – need resource as this is not BAU.
23. Approval of RRP sits with Minister of LG – do we have views or is this? irrelevant if we are advocating for a co-design partnership approach?
24. Consideration of regional assets – assurance these will remain local and that they be distributed fairly.

4.3 Submissions to Central Government(Cont.)

Simplifying Local Government

Scope of proposal should be broadened:

25. The scope of local government reorganisation should be broadened to enable further opportunities
 - a. Introduce wider funding and financing tools to reduce reliance on rates.
 - b. Build stronger enduring partnerships with Iwi-Māori (e.g. beyond 'giving effect to treaty settlements').
 - c. Strengthen and develop 'structured' partnership between LG and CG.
 - d. Continued exploration of CG functions that could be devolved to LG (social housing, local social services).

Submission closing sentiments:

30. We welcome and embrace the conversation.
31. This is the start of a proposal and needs further consideration.
32. We expect a strategic and co-design approach.
33. We look forward to further opportunity to work with CG in shaping the future of the local government sector.

4.3 Submissions to Central Government(Cont.)

Simplifying Local Government – next steps

Submissions on the proposal?

- Submission approval by P&S 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.

4.3 Submissions to Central Government(Cont.)

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Rates Capping

Prepared by Paul Davidson

Council Briefing - 4 February 2026

4.3 Submissions to Central Government(Cont.)

Rates capping

Recap

- 2 – 4% across all rates excluding waters.
- Regulator may approve variations.
 - o Global economic crises or recovery from natural disasters.
 - o Applications to the regulator to be justified by Council.
 - o Requires a plan to return to range.

Timelines

- Legislation introduced next year.
- Transition from 1 January 2027.
- Application 2029.

4.3 Submissions to Central Government(Cont.)

Rates capping

Key submission points – Part 1 – Specific questions

- *Do you agree with the proposed economic indicators to be included in a formula for setting rates targets?*
 - Recognition of Local Government Cost index being more reflective of cost structure than Consumer Price Index.
 - Need to update cap levels regularly based on changing economic environment.
 - Whilst quality of infrastructure is recognised in formula unclear how this will recognise local factors in quality of infrastructure.
 - Agree with including a range that provides for a maximum level above CPI but not the formulation of this maximum.

4.3 Submissions to Central Government(Cont.)

Rates capping

Key submission points – Part 1 – Specific questions

- *If you don't agree with the suggested economic indicators, what do you suggest be included and why?*
- *Does setting the minimum of the target in line with inflation ensure that councils can maintain service standards?*
- *If not why not?*
- *Does the maximum of the target account for spending on core services?*
 - Minimal standard based in line with inflation will not allow minimum services standards.
 - Local Government costs are not consistent with a measure of inflation based on Consumer Price Index.
 - Local Government Cost index is a more appropriate measure.
 - Maximum target does provide for greater flexibility and opportunity however a GDP based measure does not correlate with cost of investment required to be delivered by a local authority or does not align with timing.
 - Local based consultation and decision making provides for setting expenditure and rating levels.
 - Financial strategies can be enhanced to provide greater oversight over setting maximum rate levels.

4.3 Submissions to Central Government(Cont.)

Rates capping

Key submission points – Part 1 – Specific questions

- *What council spending will not be able to take place under this target range? Why?*
 - Expenditure beyond the maintenance of existing infrastructure will be limited.
 - Risks impacts on the delivery of infrastructure to support housing, economic growth.
 - Bulk of expenditure focuses already on core infrastructure.
 - Percentage based caps do not encourage efficiency but encourage reduced investment in core infrastructure.
 - Nature of cap as a percentage increase focuses cuts on investment capital expenditure, as other operating expenditure savings do not provide ongoing percentage reductions.
 - If overall impacts on expenditure on core infrastructure are limited overall tax take will be impacted through reduced growth and lowering tax receipts.

4.3 Submissions to Central Government(Cont.)

Rates capping

Key submission points – Part 1 – Specific questions

- *Are changes to the target needed to account for variations between regions and councils?*
- *What changes do you propose and why?*
 - Recommended that variations between regions and councils occur.
 - To be manageable based on various key differences and not just growth levels.
 - Includes factors such as infrastructure deficits, investment holdings, resilience and risk profiles.

Rates capping

Key submission points – Part 2 – General comments

- Intergenerational approach to funding and financing for equity and fairness.
- Impact on balanced budgets and credit ratings.
- The long term cost of infrastructure may increase.
- The impact on the overall tax system and the wider funding and financing options.
- Compliance with existing Local Government Act provisions.
- Other proposed changes impacting on rates caps.
- Ratepayer Assistance Scheme (RAS).

4.3 Submissions to Central Government(Cont.)

Development Levies and Infrastructure Funding and Financing

Prepared by Paul Davidson

Council Briefing – 4 February 2026

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4.3 Submissions to Central Government(Cont.)

Development Levies and Infrastructure Funding and Financing Levy

Overview and recap

- Development Levies seek to replace the development contribution regime and allow for greater recovery of costs.
- Proposed changes to the Infrastructure Funding and Financing Levies aim to improve the IFF Act by increasing efficiency, reducing time to introduce a levy and allowing other agencies to use this legislation.
- Both Development Levies and IFF Levy submissions continue to be worked on for late February.

4.3 Submissions to Central Government(Cont.)

Approving submissions



Submissions in motion:

○ Rates Capping (proposal)	[submissions close 4 February]	Approval via delegation
○ RMA, Planning Bill	[submissions close 13 February]	5 Feb Committee approval
○ RMA, Natural Environment Bill	[submissions close 13 February]	5 Feb Committee approval
○ Simplifying Local Government (proposal)	[submissions close 20 February]	19 Feb Committee approval
○ Development Contributions Bill	[submissions close 20 February]	19 Feb Committee approval
○ Infrastructure Funding and Financing	[submissions close 20 February]	19 Feb Committee approval

Awaiting more proposals...

- Climate adaptation Bill
- Building reforms
- Impact of next general election 7 November???

4.4 Transport Activity Management Planning

4.4 Transport Activity Management Planning

David Bewley, Ann-Elise Reynolds & Joe Metcalfe will speak to the presentation.

4.4 Transport Activity Management Planning(Cont.)

Transport – Activity Management Planning

4 February 2026

Ann-Elise Reynolds – Manager Transportation

Joe Metcalfe – Team Leader Transport Strategy & Assets



What We'll Cover Today:



- Activity Management Planning 101
- AMP Review Process
- Councillor Involvement
- Why we do Activity Management Planning
- Key Challenges
- Review Previous Strategic Direction
- **Confirm 2027 Strategic Direction**



Activity Management Planning:



What is the AMP?

- **Activity** Management Plan (AMP)
- Evidenced case for investment
- 10 year view, updated 3 yearly with LTP
- **Required** to meet conditions of funding for WDC & NZTA
- Follows a business case approach
- Link to our current 2024-34 AMP available [here](#)

3



Activity Management Planning:



What is the AMP made up of?

Strategic Case

- Strategic context: statutory & policy context, Local, Regional * National Objectives
- Strategic Assessment: Problems, Benefits, Priorities and links to delivery

Programme Business Case

- LoS, evidence, analysis, gaps,
- Options considering cost, risk, benefit delivery

Management and Commercial Cases

- How the activity is managed, procured and delivered



Activity Management Planning:



The Review Process

Strategic Context Review

What's happening locally, regionally, nationally?

Where are we now?

Where do we want to be in future?



Strategic Response Review

What are the gaps?

What are our key problems?

What benefits do we want to achieve and prioritise?



Programme Development

What's our new data telling us?

What programmes and projects do we develop?

What LoS and risk is acceptable?



Options Analysis

Which programme option will optimise benefits, VfM and minimise risk?

How will we procure, manage & deliver the programmes?

5



Activity Management Planning:



Your Involvement

Strategic Case (today)

- Give us a steer on the current Strategic Direction
- Confirm the 2027 Problems, Benefits, and Priorities?

Programme Business Case (mid 2026)

- Review Programme options and MCA
- Confirm the preferred programme

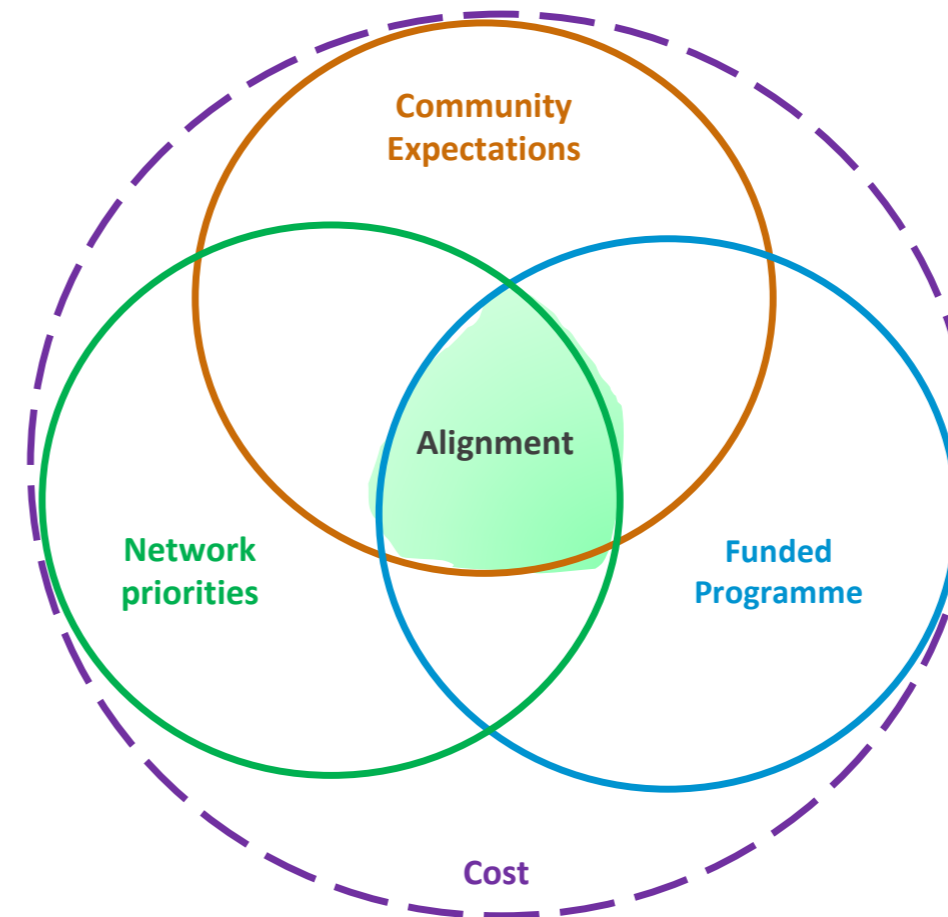


Why Activity Management Planning:



Better Alignment = Greater Benefits and Minimised Cost

- *Benefits are maximised and cost minimised when there is greater alignment between community expectation, network needs and the funded programme.*

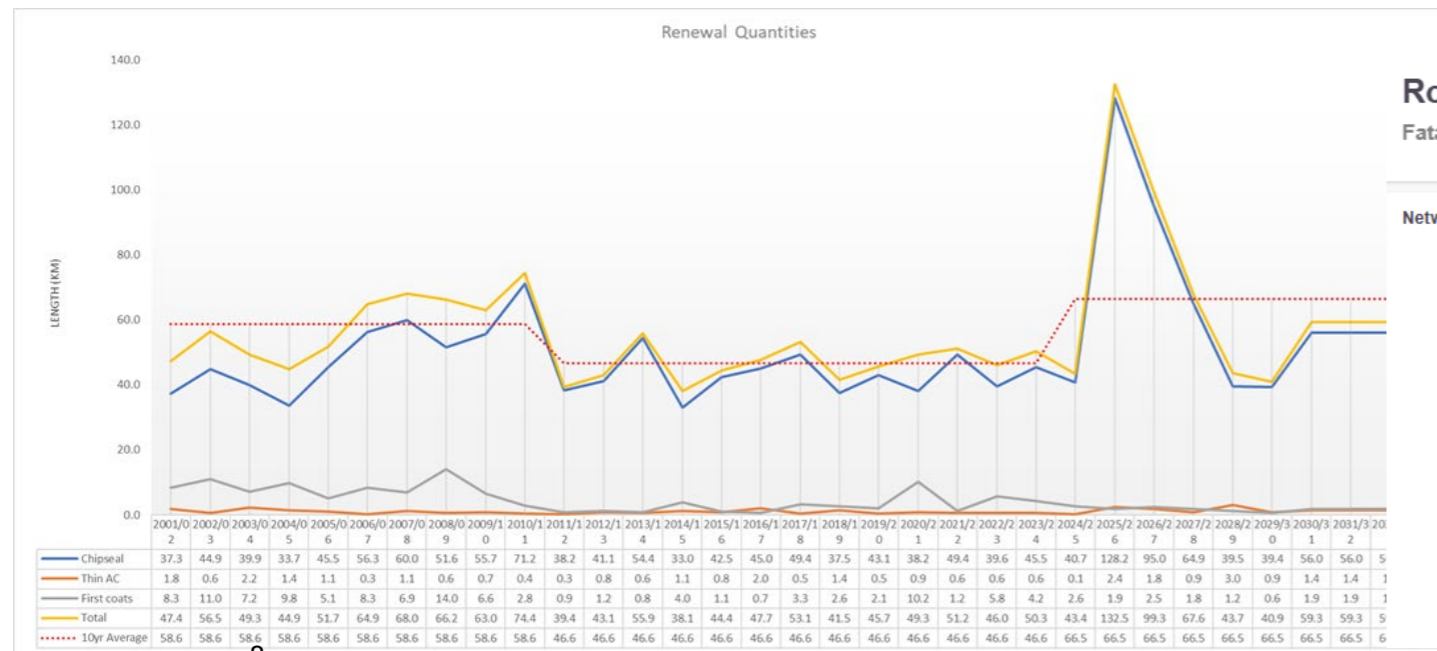
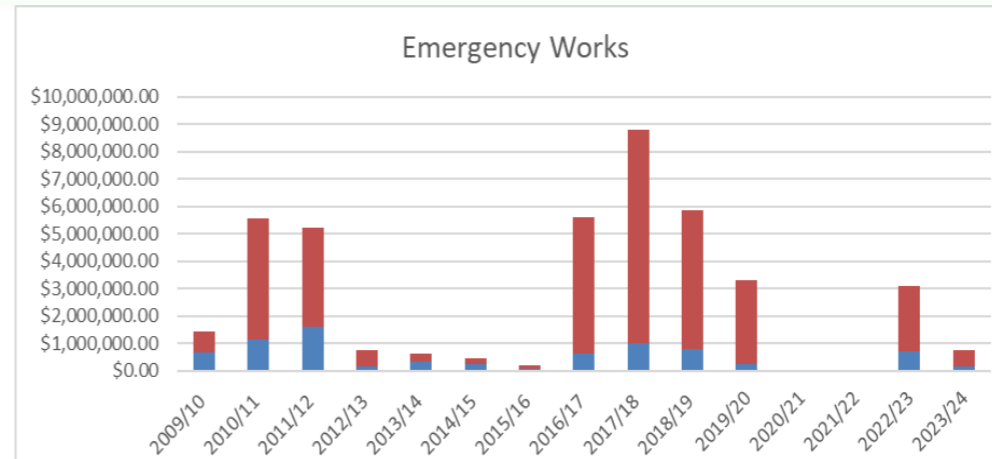


4.4 Transport Activity Management Planning(Cont.)

Key Challenges:

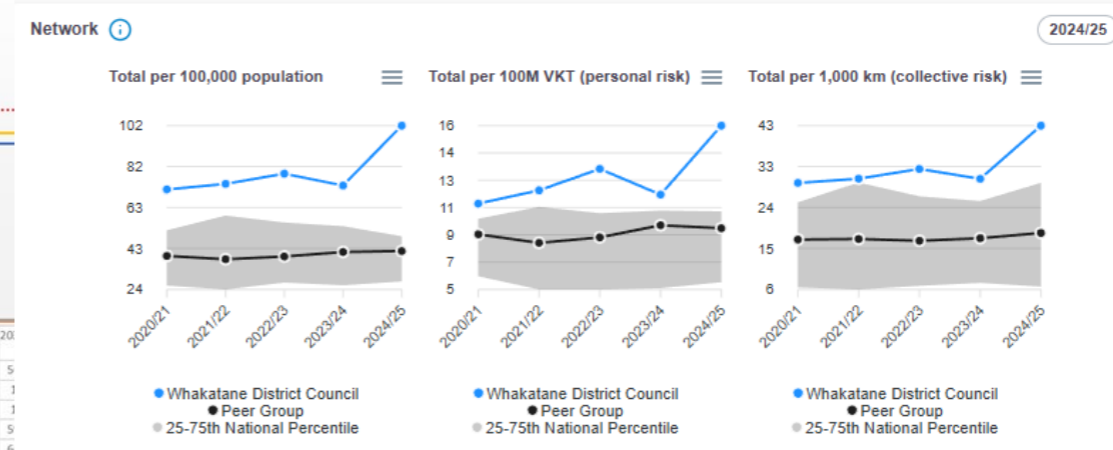


- Aging Pavements
- Declining Safety Stats
- Deferred Renewals
- Expected Growth
- Significant Storm Costs
- Funding Uncertainty

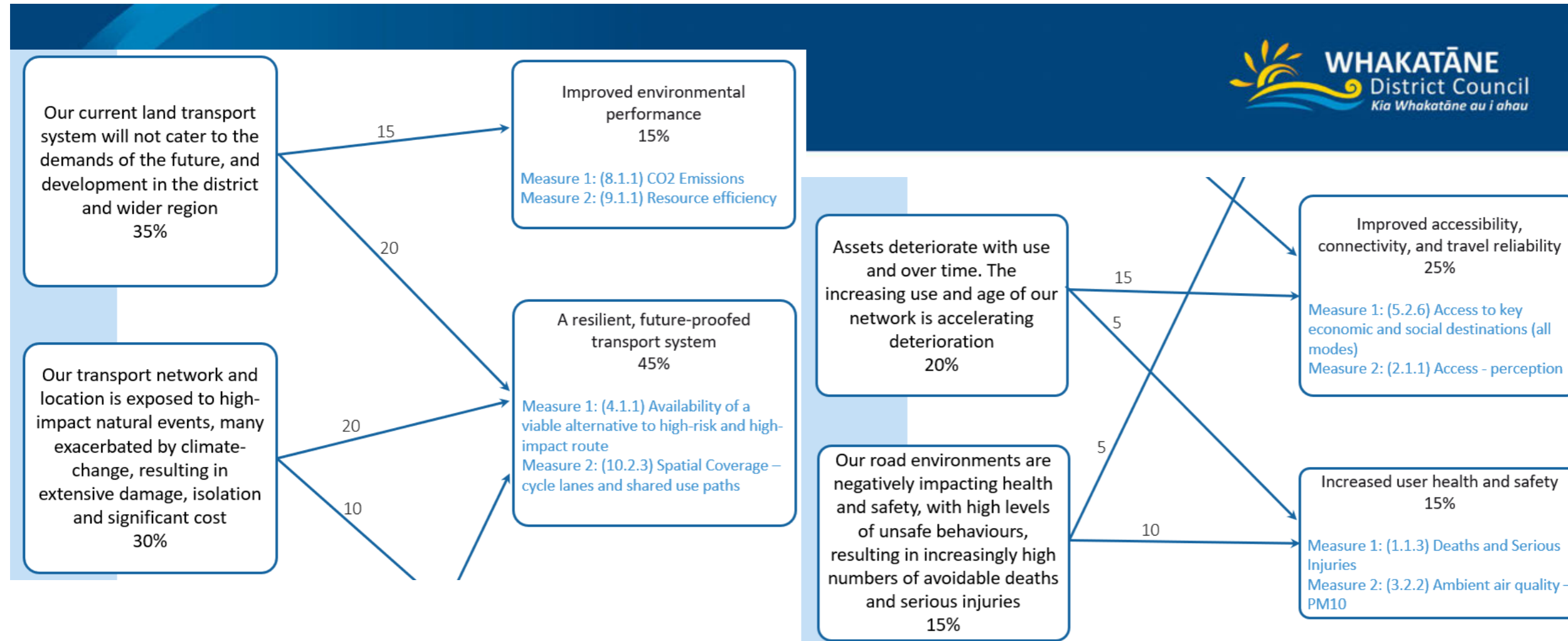


Road Safety

Fatal and Serious Injuries



4.4 Transport Activity Management Planning(Cont.)



Investment Logic Map:



4.4 Transport Activity Management Planning(Cont.)

Example Programme:



Project	Growth	Resilience / Climate	Asset	Safety	Rank
Intersection Upgrade	High	Low	Med	High	2
Pedestrian Crossing Upgrade	Med	Med	Low	High	4
Seal extension	Med	Med	High	Low	3
Culvert Upgrade	Med	High	High	Low	1

Growth 35% – Climate 30% – Asset 20% – Safety 15%

Project	Growth	Resilience / Climate	Asset	Safety	Rank
Intersection Upgrade	High	Low	Med	High	3
Pedestrian Crossing Upgrade	Med	Med	Low	High	2
Seal extension	Med	Med	High	Low	4
Culvert Upgrade	Med	High	High	Low	1

Growth 15% – Climate 40% – Asset 20% – Safety 25%



Review Previous Strategic Direction:



Current Problem Statements:

- Growth (35%)
- Resilience (30%)
- Asset Deterioration (20%)
- Safety (15%)

Are these still relevant?

Are there other problems or benefits not captured?

What's the priority order?

Current Benefit Statements:

- Improved Environmental Performance (15%)
- Resilient, Future-Proofed transport system (45%)
- Improved accessibility, connectivity, reliability (25%)
- Improved user Health & Safety (15%)

