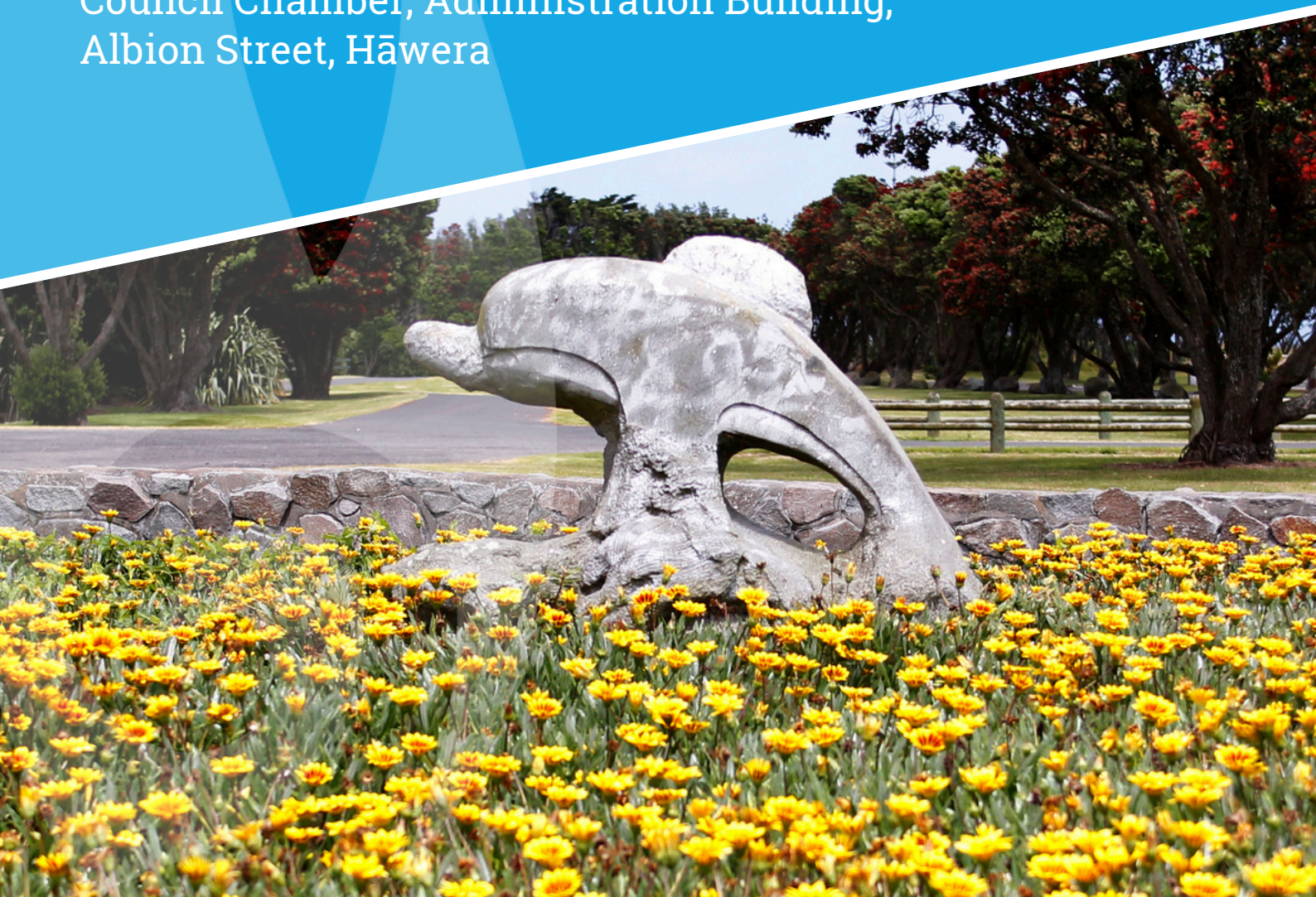
Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Rārangi take o te Komiti Kaupapa Here me te Rautaki

Policy and Strategy Committee Agenda

Monday 9 November 2026, 1 pm

Council Chamber, Administration Building,
Albion Street, Hāwera



Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Purongo Whaitikanga
Governance Information

Ngā Mema o te Komiti / Committee Members



Phil Nixon
Mayor



Andy Beccard
Councillor



Mark Bellringer
Councillor



Heather Brokenshire
Councillor



Karen Cave
Councillor



Robert Northcott
Deputy Mayor



Racquel Cleaver-Pittams
Councillor



Janet Fleming
Councillor



Leanne Horo
Councillor



Aarun Langton
Councillor



Cheryl Luke-Maraki
Councillor



Diana Ried
Councillor



Brian Rook
Councillor



Garth Weir
Councillor

Apatono / Delegations

The primary role of the Policy and Strategy Committee is to allow free and open debate whilst policies are being developed. The membership of the Committee is made up of all Councillors. The Council invites one representative from each Community Board to attend the meetings where they have speaking rights only.

Policy is usually initially developed within the portfolio groups. It is then passed to the Policy and Strategy Committee who will discuss the policies and make recommendations for additions or amendments. Once the Policy and Strategy Committee is happy with the policies the policy is taken to the Full Council meeting for adoption.

Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Purongo Whaitikanga
Governance Information

Huinga Tangata / Attendance Register

Date	24/11/25	09/02/26	23/03/26	11/05/26	22/06/26	17/08/26	28/09/26				
Meeting	O	O	O	O	O	O	O				
Andy Beccard	X	√	√	A	√	√	√				
Mark Bellringer	A	√	A	√	√	√	√				
Heather Brokenshire	√	√	√	√	√	√	√				
Karen Cave	√	√	√	√	√	√	√				
Racquel Cleaver-Pittams	√	√	√	√	√	√	√				
Janet Fleming	√	√	√	√	√	√	√				
Leanne Horo	X	√	√	√	√	√	√				
Aarun Langton	√	√	√	√	√	√	A				
Cheryl Luke-Maraki	X	√	√	√	√	√	√				
Phil Nixon	√	AO	√	√	√	√	√				
Robert Northcott	√	√	√	√	√	√	√				
Diana Reid	√	√	√	√	√	A	√				
Brian Rook	√	√	√	√	√	√	√				
Garth Weir	√	X	√	√	√	√	√				
Dave Stewart	√	√	√	√	√	√	√				
Bronwyn Wattrus	√	A	X	A	A	√	√				
Rachel Werder	√	√	√	A	√	√	√				
Monica Willson	√	√	A	√	A	√	√				

Key

√ Attended
AO Attended Online
-- Was not required to attend
A Apology
Y Attended but didn't have to attend
X Did not attend - no apology given

Types of Meetings
O Ordinary Meeting
E Extraordinary Meeting

He Karere Haumaru / Health and Safety Message

In the event of an emergency, please follow the instructions of Council staff. If there is an earthquake - drop, cover and hold where possible. Please remain where you are until further instrcution is given.

He Pānga Whakararu / Conflicts of Interest

Members are reminded of the need to be vigilant to stand aside from decision making when a conflict arises betweeen their role as an elected member and any private or other external interest they might have.

Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Rārangi Agenda

Policy and Strategy Committee

Monday 9 November 2026 at 1 pm

1. **Karakia**

2. **Matakore / Apologies**

3. **Tauākī Whakarika / Declarations of Interest**

4. **Whakatakoto Kaupapa Whānui, Whakaaturanga hoki / Open Forum and Presentations**

5. **Whakaaetia ngā Menīti / Confirmation of Minutes**

   5.1 Policy and Strategy Committee held on 28 September 2026 ..... Page 9

6. **Pūrongo / Reports**

   6.1 Revenue and Financing Policy ..... Page 13
   6.2 Surplus Property Report ..... Page 58
   6.3 Review of Procurement Thresholds ..... Page 65
   6.4 He Pou Tikanga Ngā iwi o te Tai Whakarunga – Council Partnership Strategy Review..... Page 71
   6.5 System Improvements Act – Voting Rights for Appointed Members ..... Page 108

7. **Pūrongo-Whakamārama / Information Reports**

   7.1 Chief Executive's Quarterly Report..... Page 114
   7.2 Quarterly Economic Development and Tourism Report to 30 September 2026..... Page 125

8. **Karakia**

Next Meeting Date: Monday 15 February 2026 – Council Chamber
Elected Members' Deadline: Monday 1 February 2026

Karakia

1. Karakia

Ruruku Timata – Opening Prayer

Whaia, whaia, whaia te urutapunui a Tāne.
Tāne te waiora, Tāne te pūkenga, Tāne te wānanga
Tāne te whakaputa nei I te whaiao, I te ao mārama
Tīhei mauri ora

Let us follow in the footsteps of Tāne (The god who gave us knowledge)
Tāne the lifesource, Tāne the skilful, Tāne the knowledgeable
Tāne who brought light to the world
So give us life.

Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Matakore Apologies

2. Matakore / Apologies

Leave of Absence: *The Committee may grant a member leave of absence following an application from that member. Leave of absences will be held in the Public Excluded section of the meeting.*

Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Ngā Whakaputanga
Declarations of Interest

3. Tauākī Whakarika / Declarations of Interest

Notification from elected members of:

a) Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and

b) Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968.

Declarations of Interest: *Notification from elected members of: Any interests that may create a conflict with their role as an elected member relating to the items of business for this meeting; and Any interests in items in which they have a direct or indirect pecuniary interest as provided for in the Local Authorities (Members' Interests) Act 1968*

Whakatakoto Kaupapa Whānui, Whakaaturanga hoki

Open Forum and Presentations

4. Whakatakoto Kaupapa Whānui, Whakaaturanga hoki / Open Forum and Presentations

The Council has set aside time for members of the public to speak in the public forum at the commencement of each Council, Committee and Community Board meeting (up to 10 minutes per person/organisation) when these meetings are open to the public. Permission of the Mayor or Chairperson is required for any person wishing to speak at the public forum.

Ngā Menīti Komiti
Committee Minutes

To	Policy and Strategy Committee
Date	9 November 2026
Subject	**Policy and Strategy Committee – 28 September 2026**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Policy and Strategy Committee met on 28 September 2026. The Committee is being asked to confirm their minutes from 28 September 2026 as a true and correct record.

2. There were two recommendations within the minutes for the Council to consider.

3. The Policy and Strategy Committee moved a recommendation 40/26 PS that the Council amend the Significance and Engagement Policy to remove Housing for the Elderly from the list of strategic assets.

4. The Policy and Strategy Committee moved a recommendation 41/26 PS that the Council adopts the revised Significant and Engagement Policy with the removal of Housing for the Elderly as a strategic asset in the Significance and Engagement Policy and Notes that the Significance and Engagement Policy is not in its final designed format as it will form part of the 2027-2037 Long Term Plan.

5. The Council adopted recommendations 40/26 PS and 41/26 PS at its Ordinary Council meeting on 21 October 2026.

Taunakitanga / Recommendation

THAT the Policy and Strategy Committee adopts the minutes from the meeting held on 28 September 2026 as a true and correct record.

Menīti
Minutes

Ngā Menīti take o te Komiti Kaupapa Here me te Rautaki
Policy and Strategy Committee

Held in the Council Chamber, Administration Building, Albion Street, Hāwera on Monday 28 September 2026 at 1.01 pm.

Kanohi Kitea / Present: Mayor Phil Nixon (Chairperson), Deputy Mayor Robert Northcott, Councillors Andy Beccard, Mark Bellringer, Heather Brokenshire, Karen Cave, Racquel Cleaver-Pittams, Janet Fleming, Leanne Horo *arrived 1.06 pm*, Cheryl Luke-Maraki, Diana Reid, Brian Rook and Garth Weir.

Ngā Taenga-Ā-Tinana / In Attendance: Dave Stewart (Eltham-Kaponga Community Board Representative), Rachel Werder (Te Hāwera Community Board Representative), Bronwyn Wattrus (Pātea Community Board Representative), Monica Willson (Taranaki Coastal Community Board Representative), Fiona Aitken (Chief Executive), Liam Dagg (Group Manager Environmental Services), Rob Haveswood (Group Manager Community Services), Sam Greenhill (Governance Officer), Gerard Langford (Head of Communication and Customer Services), Anne Sattler (Senior Policy Advisor), Becky Wolland (Head of Strategy and Governance), one media and one member of the public.

Matakore / Apologies: Councillor Aarun Langton.

RESOLUTION **(Cr Cave/Cr Rook)**

38/26 PS **THAT the apology from Councillor Aarun Langton be received.**

CARRIED

1. Tauākī Whakarika / Declarations of Interest

There were no conflicts of interest declared at the meeting.

2. Whakaaetia ngā Mēniti / Confirmation of Minutes

2.1 Policy and Strategy Committee held on 17 August 2026

Deputy Mayor Northcott sought an update on progress with the speed concerns in Ōhawe. Mayor Nixon noted that discussions were being had and work was happening behind the scenes to consider possible options. The most recent vehicle count data was from two

years ago and did not indicate any concerns regarding the speed of vehicles. It was uncertain whether speed humps or a speed reduction would mitigate the issue.

Councillor Beccard noted the similarities between Ōhawe and other beachside residential areas in the District and felt that there should be consistency in terms of speed limits.

Councillor Horo arrived at 1.06 pm.

Councillor Rook highlighted that there was a problem with vehicle disturbances throughout the country.

RESOLUTION **(Deputy Mayor Northcott/Cr Fleming)**

39/26 PS **THAT the Policy and Strategy Committee adopts the minutes from the meeting held on 17 August 2026 as a true and correct record.**

CARRIED

3. Pūrongo / Reports

3.1 Significance and Engagement Policy

The Significance and Engagement Policy (the Policy) had been reviewed as part of the development of the 2027-2037 Long Term Plan (LTP) to ensure it remained current and fit for purpose. The Policy set out how the Council, including the in-house business unit for water services, determined the significance of issues, proposals and decisions, and the level of engagement the community could expect when the Council was making decisions.

Mrs Sattler introduced the report and noted that feedback had been received from Te Kāhui Matauraura. Minor amendments to the Policy were proposed.

Mrs Wolland noted that there was an additional amendment for the Council to consider. Following advice from the auditor it was recommended that the Policy should reflect the Council's preferred option for Housing for the Elderly as far as it being a strategic asset or not.

Deputy Mayor Northcott queried whether Housing for the Elderly needed to remain classified as a strategic asset while the Council continued to provide the service. Ms Aitken noted that the Council was considering reclassifying Housing for the Elderly as a non-strategic asset through the LTP, with the final decision to be made when the LTP was adopted in June 2027. She noted that its current classification as a strategic asset carried specific consultation and decision-making requirements, and that reclassification would provide greater flexibility for any future decisions about the service.

Mrs Wolland noted that a resolution of Council was required to signal the Council's intent to reclassify Housing for the Elderly within the Policy in order for it to be consulted on.

Mayor Nixon queried whether point 3.6 in the Policy would be updated to reflect the new Act relating to Civil Defence Emergency Management. Mrs Wolland confirmed that the section would be updated.

RECOMMENDATION **(Mayor Nixon/Cr Beccard)**

40/26 PS **THAT the Policy and Strategy Committee recommends the Council amend the Significance and Engagement Policy to remove Housing for the Elderly from the list of strategic assets.**

CARRIED

Councillor Beccard queried whether the recommendation needed to include a statement that the decision would be consulted on as part of the LTP consultation. Mrs Wolland noted that the recommendation to remove Housing for the Elderly as a strategic asset would trigger the consultation process.

RECOMMENDATION **(Deputy Mayor Northcott/Cr Weir)**

41/26 PS **THAT the Policy and Strategy Committee recommends the Council;**

a) Adopts the revised Significant and Engagement Policy with the removal of Housing for the Elderly as a strategic asset in the Significance and Engagement Policy.

b) Notes that the Significance and Engagement Policy is not in its final designed format as it will form part of the 2027-2037 Long Term Plan.

CARRIED

The meeting concluded at 1.14 pm.

Dated this day of 2026

…….
CHAIRPERSON

Pūrongo
Report

6

To	Policy and Strategy Committee
From	Kaitātari Mātāmua Kaupapa Here / Senior Policy Advisor, Anne Sattler
Date	9 November 2026
Subject	**Revenue and Financing Policy**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Revenue and Financing Policy (the Policy) is a mandatory requirement under sections 101 and 102 of the Local Government Act 2002 (LGA) and provides the framework for how the Council funds its activities.

2. The Policy identifies the funding sources available to the Council, including rates, fees and charges, subsidies, borrowing and other revenue sources, and outlines the rationale for how costs are allocated between individuals and the wider community.

3. The Policy has been reviewed as part of preparations for the 2027-2037 Long Term Plan (LTP) to ensure it remains consistent with legislative requirements and reflects the Council's current approach to financial management, public participation and the revised purpose of local government. The review focused primarily on ensuring alignment with the amended purpose of local government while maintaining a transparent and sustainable approach to funding Council activities and services.

4. Feedback has been sought from Te Kāhui Matauraura and the Risk and Assurance Committee, with relevant amendments incorporated into the revised Policy.

5. Adoption of the revised Policy will enable it to be incorporated into the 2027-2037 LTP and presented to the community as part of the consultation process.

Taunakitanga / Recommendation(s)

THAT the Policy and Strategy Committee recommends the Council;

a) Adopts the revised Revenue and Financing Policy; and

b) Notes that the Revenue and Financing Policy is not in its final designed format as it will form part of the 2027-2037 Long Term Plan.

Kupu Whakamārama / Background

6. Section 102 of the LGA requires every local authority to adopt a Revenue and Financing Policy. The Policy sets out how the Council will fund its activities and services, including the use of rates, fees and charges, subsidies, borrowing and other funding sources.

7. The Policy provides a transparent framework for determining who should contribute to the costs of Council activities, taking into account factors such as community benefit, the distribution of benefits between current and future ratepayers and the principles of prudent financial management.

8. The current Policy has been reviewed as part of preparations for the 2027-2037 LTP. As part of the LTP activity workshops, the Council considered the funding of each activity, including the balance between community and individual benefit (public vs private benefit splits) and the funding mechanisms used. These discussions have informed the review and are reflected in the proposed Policy. The review has also considered the recent changes to the purpose of local government and their implications for the Council's funding approach.

9. The Policy has been presented to Te Kāhui Matauraura and the Risk and Assurance Committee for feedback which has been incorporated into the review of the Policy.

10. The revised Policy is attached for consideration and, if adopted, will form part of the 2027-2037 LTP documentation.

Ngā Kōwhiringa / Options – Identification and analysis

Options

11. Option One: Approve the revised Policy.

12. Option Two: Amend and approve the revised Policy.

13. Option Three: Do not approve the revised Policy and advise Council officers on the next steps.

14. Approval of option one or two would enable the Policy to be incorporated into the LTP and be formatted as part of the final document. If option three is selected the Policy must be presented at a Council meeting in December to meet LTP deadlines.

Risks

15. Failure to maintain an up to date Policy may undermine confidence in the Council's decision-making processes, creating reputational risk. It may expose the Council to legal risks associated with compliance under the LGA. Adoption of the revised Policy mitigates both these risks.

Whaiwhakaaro me ngā aromatawai / Considerations and Assessments

Local Government Purpose

The purpose of local government is—

a) to enable democratic local decision-making and action by, and on behalf of, communities; and

b) to meet the current and future needs of communities for good-quality, cost-effective, and local—
   (i) infrastructure; and
   (ii) public services; and
   (iii) performance of regulatory functions; and

c) to support local economic growth and development by fulfilling the purpose set out in paragraph (b).

16. The Council's LTP and consultation document will outline the projects, services and activities the Council proposes to undertake over the next ten years. In accordance with the LGA, the community will have the opportunity to provide feedback on the proposed direction of the LTP, supporting democratic local decision-making and helping inform the Council's final decisions.

17. The Policy gives effect to the Council's obligations under sections 101 and 102 of the LGA, which require local authorities to manage their financial affairs prudently and adopt a Revenue and Financing Policy that identifies how Council activities will be funded.

18. The Policy supports the purpose of local government by providing a transparent and consistent framework for how the costs of Council activities, services, infrastructure, and regulatory functions are funded. The policy helps ensure that funding decisions are fair, cost-effective, and aligned with the needs of current and future communities. By clearly setting out the sources of funding for Council activities and the rationale for those choices, the policy supports informed public participation through the LTP consultation process and assists the Council to meet its statutory obligations in a financially sustainable manner.

Assessment of Significance and Engagement

19. The level of significance of this matter has been determined by considering the following criteria and levels of engagement:

Criteria	Measure	Assessment
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.	High: The policy affects all residents, ratepayers, and users of Council services as it establishes the funding sources used for Council activities. While the policy does not directly alter services, it influences how the costs of those services are shared across the community.

Criteria	Measure	Assessment
LOS	The achievement of, or ability to achieve, the stated levels of service set out in the Long Term Plan.	Low: The policy does not directly change levels of service but provides the funding framework that supports the delivery and sustainability of the levels of service proposed through the LTP.
Decision	Whether this type of decision, proposal or issue has generated wide public interest in South Taranaki.	High: Revenue and funding decisions are typically of significant public interest as they influence rates, fees, charges, and the allocation of costs between current and future beneficiaries.
Financial	The impact of the decision or proposal on the Council's overall budget or its inclusion in an approved LTP and the ability to carry out existing or proposed functions and activities now and in the future.	High: This policy has a significant financial impact as it guides the Council's funding approach for all activities and underpins the financial assumptions and funding decisions included in the LTP.
Reversible	The degree to which the decision or proposal is reversible.	Medium: The policy can be reviewed and amended through future LTP or Annual Plan processes; however, changes require formal consultation and consideration of statutory requirements.
Environment	The degree of impact the decision will have on the environment.	Low: The policy has no direct environmental impact. Any environmental effects would arise from the activities funded under the policy rather than the policy itself.

20. In terms of the Council's Significance and Engagement Policy this matter is of medium/high significance and the level to which the Council needs to engage is to consult on the Policy as part of the LTP process.

Legislative Considerations

21. The Council is required by section 102 (2)(a) of the LGA to have a Revenue and Financing Policy.

Financial/Budget Considerations

22. There are no direct additional costs associated with reviewing, maintaining and implementing the Policy. The review has been undertaken as part of the Council's ongoing policy and LTP programme, with associated activities completed within existing budgets.

Consistency with Plans/Policies

23. The matters considered in this report are consistent with the Council's existing policy framework and will inform the development of the 2027-2037 LTP, including future service levels, funding requirements and strategic priorities.

Consideration of Iwi/Māori

24. Consistent with the Council's commitment to supporting Māori participation in decision-making and recognising its responsibilities under the LGA, the draft Policy was presented to Te Kāhui Matauraura. The feedback was considered and incorporated into the version presented in this report.

Affected Parties Consultation

25. As part of the LTP consultation the Policy will be included in the document and available for public feedback.

Whakakapia / Conclusion

26. The revised Revenue and Financing Policy provides a clear, transparent and legislatively compliant framework for funding Council activities, services and infrastructure.

27. The Policy has been reviewed to align with current legislative requirements for the development of the 2027-2037 LTP. Adoption of the revised Policy will enable it to be incorporated into the draft LTP and consulted on alongside other strategic and financial planning documents. Accordingly, it is recommended that the Policy and Strategy Committee endorse the revised Revenue and Financing Policy for adoption by the Council.



Anne Sattler
Kaitātari Mātāmua Kaupapa Here
Senior Policy Advisor



[Seen by]
Becky Wolland
Pouhautū Rautaki me te Whaitikanga /
Head of Strategy and Governance

Appendices:
P&S - Revenue and Financing Policy Draft - 2027-37 LTP - Tracked changes 2026 11 09.docx
P&S - Revenue and Financing Policy Draft - 2027-37 LTP - No tracked changes 2026 11 09.docx

Appendix 1

Revenue and Financing Policy

Our Revenue and Financing Policy provides predictability and certainty about sources of funding and how we recover the costs for our activities. It explains the reasons for various funding methods for our operating and capital expenditure.

We have reviewed the ways we fund our activities, including how we collect rates, having particular regard to the new purpose of local government and affordability for our communities. ~~and, a~~As a result, we are not proposing any significant changes to our funding approach.

~~The change in central Government policy on three waters reforms means that the three waters activities (water supply, wastewater and stormwater) have been included in the 2024-34 Long Term Plan.~~

Local Government Purpose

The purpose of local government is set out in section 10 of the Local Government Act 2002 is:

(a) to enable democratic local decision-making and action by, and on behalf of, communities; and

(b) to meet the current and future needs of communities for good-quality, cost effective, and local
  (i) infrastructure; and
  (ii) public services; and
  (iii) performance of regulatory functions; and

(c) to support local growth and development by fulfilling the purpose set out in paragraph (b).

This Revenue and Financing Policy assists Council to fulfil this statutory purpose by establishing a transparent and sustainable framework for funding Council activities. The policy provides a structured approach for determining how the costs of services, infrastructure and regulatory functions are funded and allocated between the community, community groups, and individuals.

The policy supports Council's ability to provide good-quality infrastructure, local public services and regulatory functions in a cost-effective manner while balancing affordability, equity, accountability and the efficient use of public resources. Through these funding decisions, Council seeks to ensure that services remain financially sustainable and continue to meet the current and future needs of the South Taranaki community.

Revenue and Financing Policy Considerations

In developing this policy, ~~we have~~Council has considered the requirements of Sections 101~~(3)~~, 102 and 103 of the Local Government Act 2002 (LGA 2002). In accordance with section 101 (1AAA), Council has had particular regard to the purpose of local government in Section 10 and the core services identified in Section 11A. These requirements state that a local authority is to consider ~~must determine what~~ the funding needs of its activities and determine the sources of funding that are ~~the~~ most appropriate, having regard to the matters set out in section 101(3) of the Act. ~~with consideration of the following two steps:~~

~~Step One~~ Funding Principles

In determining the appropriate funding sources of each activity Council has applied the following considerations, alongside broader principles of affordability, equity, value for money, intergenerational equity, transparency and financial stability:

- The community outcomes to which an activity primarily contributes;
- The distribution of benefits between the community as a whole, any identifiable part of the community and/or individuals;
- The period in or over which those benefits are expected to occur;
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and

- The costs and benefits, including consequences for transparency and accountability, of funding an activity distinctly from other activities.

~~Step Two~~ Te Ture Whenua Māori Act Principles

~~The overall impact of any allocation of liability for revenue needs on the current and future social, economic, environmental and cultural well-being of the community.~~

Section 102(3A)(a) of the LGA 2002 states that a revenue and financing policy must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993. The principles are:

- The spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed;
- Recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whānau, and hapū, and to protect wāhi tapu;
- Facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and hapū.

We support these principles through plans, strategies and policies developed with the four rūnanga of South Taranaki – Ngāti Ruanui, Ngāruahine, Taranaki and Ngā Rauru:

- District Plan – supports the protection of wāhi tapu and the coastal protection area, and supports the development of papakainga;
- Property Acquisitions and Disposals Policy – the appropriate rūnanga is approached as a first right of refusal to purchase Council-owned land declared surplus to requirements.
- Remission and Postponement of Rates on Māori Freehold Land Policy – recognises that certain Māori-owned lands have particular conditions, features and/or ownership structures that make it appropriate to provide relief from rates;
- Tangata Whenua Liaison Fund – supports projects and initiatives that develop positive relationships between Tangata Whenua, Council and the South Taranaki community as set out in Te Tiriti ō Waitangi;
- He Pou Tikanga, Ngā iwi o te Tai Whakarunga / Council Partnership Strategy – a ~~newly-developed~~ strategy to provide a partnership framework between ngā iwi and the Council; and
- Urupā maintenance fund – ~~this Long Term Plan recommends the establishment of~~ a fund to support iwi with the maintenance of urupā in South Taranaki.

Community Outcomes

Council has identified a set of community outcomes that describe the outcomes it seeks to contribute to through the delivery of infrastructure, services and regulatory functions. These community outcomes help inform Council's decisions about funding and the allocation of costs between beneficiaries and users of the services. ~~Part of the purpose of local government, as defined in the LGA 2002, is to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future, and our community outcomes align with the community well-beings:~~

- Mana Mauri – Cultural Well-being – Creative, diverse communities that enhance the mauri of our people.
- Mana Tangata – Social Well-being – Safe, connected communities where people feel happy and proud of where we live.
- Mana Oranga – Economic Well-being – Flourishing communities with a diverse economy, innovative people and resilient infrastructure.
- Mana Taiao – Environmental Well-being – Sustainable communities that manage resources in a way that improves our environment for future generations.

Each activity description lists the community outcomes it primarily contributes to and highlights why we undertake the activity.

Distribution of Benefits

The distribution of benefits is allocated between the community as a whole, any identifiable part of the community and individuals. Benefits that flow to individuals or groups, where it is possible to identify the user or group and stop the service if the user does not pay, are often described as '~~private~~ individual benefits', and the costs are generally funded on a user-pays basis. '~~Public~~ Community and community groups benefits' flow to the whole community when it is not possible to identify the individuals or groups that benefit and the cost of additional people benefiting is small, or the whole community benefits. Most of our activities have a mix of ~~public~~ community and individual ~~private~~ benefits.

We must assess the period over which the benefits flow from each activity. For all of our activities, the operating costs directly relate to the benefits an activity provides during the year of the expenditure. Operating costs are therefore funded annually from annual income including rates, user charges, subsidies and other income.

Capital expenditure creates assets that will produce benefits over their useful lives. These lives range from a few years for office equipment, computers and vehicles to 100 years for some infrastructural assets such as bridges and some pipe networks. The costs of these assets should therefore be funded over the time of benefit. This recognises the concept of intergenerational equity, where each generation pays a share of the value of the asset, while it receives the benefit from that asset. Intergenerational equity is particularly relevant for larger capital assets.

Building financial reserves to fund the capital expenditure required to renew an existing asset is prudent and the interest earned on financial reserves helps to fund the asset replacement. If renewals or replacements occur before the reserve has enough funds, we will use loans to fund the shortfall.

Who Causes the Need for an Activity?

We are required to assess the extent to which each activity exists because of the actions or inactions of an individual or group. This principle, known as the 'exacerbator pays' or 'polluter pays', suggests that costs should be recovered directly from those causing the need for the activity. Examples are parking fines, food licences, pool safety, dog control and trade waste.

Costs and Benefits of Funding Activities

We consider the individual costs and benefits of the funding of each activity, taking into account the consequences for transparency and accountability. Separate funding allows ratepayers to assess whether the activity represents good value to them. For some activities, the costs of collecting user charges would be more than the revenue collected, so a number of activities are funded entirely from rates.

The Long Term Investment Fund rates subsidy is deducted from each activity's expenditure prior to the allocation between funding sources. In that respect the Long Term Investment Fund is not considered general revenue.

~~Impacts on Well-beings~~ Overall impact of funding decisions

~~The impacts on the current and future social, economic, environmental and cultural well-beings of the community were considered along with the following matters:~~

In determining the appropriate mix of funding sources, Council considered the overall impact of funding decisions on current and future ratepayers and communities, including the following matters:

- What is the likely impact of the mix of funding sources on ratepayers on fixed incomes (affordability)?
- Would the policy act as a barrier for individuals in the community to access the activity?
- What incentives would the policy create for growth and development within the District?
- How is the burden of funding distributed across different sectors of the community?
- Would the policy support people to conserve scarce resources, avoid environmentally unfriendly activities and preserve our natural heritage?
- Would the policy support the community to participate in recreational and cultural activities and preserve our historical and other cultural heritage?
- Council has considered the Government's proposed 2%-4% rates target range when assessing its funding approach.

Financial Management

The LGA 2002 requires us to ensure that each year's projected operating revenues equal the year's operating expenses (a balanced budget). Despite this requirement, Section 100(2) of the LGA 2002 allows us to set projected operating revenues at a level that does not achieve a balanced budget if we believe it is financially prudent to do so, for example, to fund a previous or future year's deficit or to repay debt.

Other Legal Requirements

While the Revenue and Financing Policy is governed by the LGA 2002, other legislation is relevant for determining appropriate funding mechanisms, including:

Local Government (Rating) Act 2002

This Act sets out legal requirements for rating. It covers who is liable to pay rates, what land is rateable, what kinds of rates may be set and how they are set, the valuation systems that may be used and the various rating mechanisms available, such as targeted rates. It also sets a number of limits. For example, all rates set as a uniform fixed amount, including the Uniform Annual General Charge but excluding uniform rates for water or wastewater, may not exceed 30% of the total rates revenue.

Other Legislation

Several Acts, such as the Sale and Supply of Alcohol Act 2012, set out statutory fees for various types of regulatory services and these may not be exceeded. Where fee setting is up to the Council, there is often a general legal requirement to be "fair and reasonable".

Water Services Act 2023

Water services are subject to specific legislative and regulatory requirements that influence how these activities are funded and managed. Council operates water supply, wastewater and stormwater activities on a ring-fenced basis, with revenue and expenditure for these services separately identified and managed. Revenue collected for water services is used to fund the operation, maintenance, renewal and development of water infrastructure, as well as any associated borrowing and financing costs. Ring-fencing supports transparency, accountability and the long-term financial sustainability of these essential services.

Resource Management Act 1991 (RMA 1991)

~~This Act sets out our responsibilities in terms of the environment. It allows local authorities to require financial contributions from developers to meet the costs of their effects on the environment, including their impacts on the demand for infrastructure. Alternatively, under the LGA 2002, local authorities can seek development contributions or a combination of development and financial contributions under the respective Acts, subject to compliance with both Act's requirements. We currently take financial contributions, and development contributions are being considered through the District Plan review process.~~

~~The RMA was to be replaced with three new Acts, two of which became law briefly and have since been repealed. The Government has signalled that new legislation will replace the RMA 1991.~~

The resource management system is transitioning from the Resource Management Act 1991 to the new Planning Act and Natural Environment Act. The new system introduces a stronger regional approach to planning, including the development of a Regional Spatial Plan to guide long-term growth, infrastructure and environmental planning across the region.

Council will participate in the development and implementation of the new regional planning framework, including working with other councils, central government and iwi in the development of relevant plans and policies. The transition will create additional costs for Council, including its contribution to regional planning and the development and implementation of the new statutory planning framework. These costs will need to be considered through future funding and Long Term Plan decisions.

Council will continue to review its funding approach as the new system is implemented, including the appropriate use of development contributions, levies and other available funding mechanisms to fund growth-related infrastructure.

Funding Sources

The sources of funding available to the Council are:

- General rates, including:
  - Choice of valuation system
  - Differential rating; and
  - Uniform Annual General Charge
- Targeted rates
- Lump sum contributions
- Fees and charges
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales
- Development contributions
- Financial contributions under the RMA 1991
- Grants and subsidies ~~Any other sources~~
- Reserves

Operating Expenditure

Expenditure on our day-to-day operations is operating expenditure and includes overheads, which are costs not directly attributed to any of the activities, for example support services like Financial Services, Information Services and People and Capability. Operating expenditure is funded from a variety of sources:

General Rates

General rates are charged as a set amount per dollar of the capital value of most properties in the District (some are non-rateable). ~~During our funding review we chose to~~ The Council will continue ~~with~~ the capital value rating system for general rates, rather than land value and more targeted rates. This is because of the capital value rating system~~'s~~ is considered to provide a fair and equitable approach to allocating rates, ensuring that the contribution made by each property broadly reflects its relative value within the district. ~~greater tendency to match the 'ability to pay' – owners of higher capital value properties pay a larger contribution in rates than owners of lower valued properties.~~

Differentials are a tool for altering the incidence of rates. Setting a differential rate does not increase the rating income; it merely allocates the rates requirement in a different way from a pure value-based system. We are not proposing to apply a differential to the general rate.

Uniform Annual General Charge (UAGC)

We assess a UAGC as a fixed amount on each separately used or inhabited part of a rating unit. The UAGC part-funds a range of activities, such as democracy and leadership, arts and culture, community development, environmental sustainability and emergency management.

Targeted Rates

Targeted rates can be assessed on property, including on the basis of use, the area of land, its location and value and the provision or availability of Council services. Targeted rates may be applied as a uniform annual charge on capital or land value, or differentially for different types of property uses. We may also apply targeted rates to fund any part of the cost of activities that benefit identifiable groups in the District.

We charge targeted rates for:

- Water
- Wastewater

- Charge based on number of toilets connected to wastewater system in commercial properties *(subject to consultation)*
- Stormwater *(currently charged under general rates – subject to consultation)*
- Forestry levy *(subject to consultation)*
- Roading
- Kerbside refuse collection services
- Eltham Drainage
- Hāwera Business Rate for town promotion

Voluntary Targeted Rates
We have a voluntary targeted rate for property owners who benefit from the installation of insulation that we provide under the Warmer Homes Scheme. The Council resolved in June 2023 to discontinue the scheme as a result of changes to the Credit Contracts and Consumer Finance Act 2003. Property owners that are currently part of the warmer homes scheme will continue to pay their loans as per their agreements with the Council.

Fees and Charges
We apply fees and charges to recover either the full or part cost of a variety of services we provide, such as building consents, the provision of utility connections and vehicle crossings.

Interest and Dividends
We sold Egmont Electricity Limited in 1997 and invested the proceeds in a Long Term Investment Fund. We have allocated $~~3.87~~4.22 million each year from interest earned on the Fund towards subsidising general rates, UAGC and the roading rate. ~~In this long term plan we are proposing to increase the subsidy to $4.22 million. This is a consultation topic that we are asking for feedback from the community. The Council's preferred option is to increase the subsidy.~~
An annual draw down of $1.73 million to service loans for specified community projects, and $76,000 to fund Hāwera town centre upgrade and Earthquake Prone Building Projects and related loan servicing costs.

Grants and Subsidies
We receive subsidies from Waka Kotahi New Zealand Transport Agency that cover a proportion of the capital and maintenance costs of our roading network.

Any Other Sources
Special funds have either been received from a third party to be used in a specific way (restricted funds) or are tagged to be applied for a specific purpose or area of benefit (non-restricted funds).

Capital Expenditure
We categorise our capital expenditure projects as renewals, extending level of service or growth-related projects.

Renewal Projects
Renewal projects restore or replace components of an asset or the entire asset to meet the designed level of service (to return it to its original size, condition or capacity). These projects will be funded from capital reserves built up from funded depreciation. Where the reserve is not sufficient to meet the programmed renewals, loans will be utilised and repaid from a contribution from the reserve that best fits intergenerational equity and/or the operational funding sources for the particular activity, as per this policy.

Extending Level of Service Projects
Extending level of service projects create new assets or alterations to existing assets that mean a higher level of service is delivered. These projects will be funded by loans and repaid from the operational funding sources.

Growth-related projects
Growth-related projects ~~are additional~~involve the creation of new assets or the expansion of existing infrastructure and services to meet increasing demand arising from population growth, development, or changes in service needs. ~~required to serve growth in demand for existing services due to new areas being serviced, such as new water mains and roading. These will be funded from financial contributions and we will consider a contribution from the Economic Development Fund towards the asset creation on a case by case~~

~~basis after considering specific criteria.~~ Funding may be sourced from development-related contributions, financial contributions where applicable, borrowing, reserves, grants, subsidies, rates or other funding sources, depending on the nature of the project and the legislative framework in place at the time.

Sources of funding for Capital Expenditure

Capital expenditure is expenditure on assets that provide benefits over multiple years, including the renewal of existing assets, the creation of new assets and projects that increase levels of service or accommodate growth. The following funding sources are normally used for each ~~capital expenditure~~ category of capital expenditure, ~~under normal circumstances.~~ ~~A~~any alternative funding sources are specifically approved by the Council.

Borrowing

We will not borrow to fund operational expenditure unless short term reasons justify this as an interim solution. When funding projects by debt, we spread the repayment over several years to enable us to match charges placed on the community with the period of benefits from the capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While minimising interest costs and financial risks associated with borrowing is of primary importance, we match the borrowing term with the average life of assets when practical. Our overall borrowing requirement is reduced when other funds are available to finance capital expenditure, such as:

- Council financial reserves, including reserves comprising financial contributions.
- Contributions towards capital expenditure from other parties, such as Waka Kotahi New Zealand Transport Agency for certain roading projects.
- Revenue collected to cover depreciation charges.
- Proceeds from the sales of assets.
- Operating surpluses.

Financial Contributions under the Resource Management Act

~~Financial contributions are provided for in our District Plan and may be imposed as a condition of development or resource consent. Works and services may be required for purposes specified in the District Plan for ensuring positive effects on the environment. Development can place a significant strain on existing physical resources (utility networks, reserves and public amenities) and the District Plan places a requirement for developers, in most cases, to meet the full and actual costs of extensions and connections to the existing reticulation network.~~

~~There is flexibility in the provision of reserve contributions to take into account variations from site to site, particularly the ability to connect to existing reserves or to create access to the margins of waterways and other natural areas. In urban residential subdivision there is also a threshold figure for the provision of land so that a realistic reserve area can be provided. In lieu of land, cash can be provided for the enhancement of reserves in the vicinity.~~

Council has introduced financial contributions as an additional funding mechanism for growth-related costs. Alongside development contributions, financial contributions provide Council with a means of ensuring that, where appropriate, growth and development contribute towards the costs associated with the additional demand or effects they create.

Grants and Subsidies

We receive subsidies from Waka Kotahi New Zealand Transport Agency that cover a proportion of the capital and maintenance costs of our roading network. ~~We also receive grants and subsidies from Central Government and grants from external sources. We received grants from the Government as part of its COVID-19 'shovel ready' projects recovery programme – $3 million towards the construction of Te Ramanui o Ruapūtahanga library, arts and cultural centre and $7 million for the Nukumaru Station Road extension.~~

Any Other Source

Special funds have either been received from a third party to be used in a specific way (restricted funds) or are tagged to be applied for a specific purpose or area of benefit (non-restricted funds).

Assets

We own, on behalf of the community, assets worth about $1.068 billion. The majority are required to deliver the services the community requires of us; for example, the pipes, pumps and monitoring equipment of our water supply network are essential to provide the community with the water supply service it needs and expects.

Our property portfolio has been categorised into:

- Vital to the provision of a Council service or function
- Advantageous to own; or
- Surplus to requirements.

We are identifying properties that no longer have any strategic purpose or public benefit or where the use of sale proceeds would be of greater benefit to the community. Proceeds from asset sales will in the first instance go to repay debt that may be associated with the asset. If the asset is to be replaced with a similar asset or one built to provide for a similar purpose in the foreseeable future (1 - 2 years), the sale proceeds will be held in trust to pay for the new asset's creation. Wherever the sale proceeds are greater than the known debt or the replacement cost of the 'like' asset, the surplus will be made available to the Long Term Investment Fund.

Depreciation

Our policy for funding the depreciation of non-strategic assets is to fund a proportion that allows for the renewal of components, rather than funding the depreciation for total replacement of the asset. As an example, buildings will have roofs and other components replaced to ensure the full useful life of the structure can be achieved, but no funds will be built up to replace the structure. We consider it is not prudent to build up reserves (and increase rates from this generation) for the ultimate replacement of these assets, which for the most part will be in 30 - 50 years' time, when it is unknown if these types of assets will be wanted by future generations. We have taken into account the current global economic climate and our significant debt programme when considering the funding of depreciation.

Note: Three waters activities are included for year one of the Long Term Plan.

The table indicates the range of community and community groups or individual good based on the following descriptors:

Descriptor	**Range**	
High	80%	100%
Medium to High	60%	80%
Medium	40%	60%
Low to Medium	20%	40%
Low	0%	20%

A "High" community good would indicate that the expenditure for that activity likely meets the criteria of a community good on a percentage basis between 80% and 100%.

		Who Benefits?					Funding Sources Private		Funding Sources Public			
	Community Outcomes	Who Benefits	Period of benefit	Whose actions create the need	Costs vs Benefits	Rationale	Operational	Capital	Operational	Capital	~~Private~~ Individual benefit %	~~Public~~ Community and community groups benefit %
Coastal Structures (rock walls, Patea moles, sand clearing, stabilisation)	Mana Tangata	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	Local people and visitors who want to access the sea and the coast	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals receive high benefit from the provision of the service and there are social benefits to the community through access to beaches and the sea.	General rates and revenue	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Low	High
Emergency Management	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	This activity is about preparedness for a disaster and is a high public good.	N/A	~~N/A~~ Borrowings	General rates and revenue	~~N/A~~ Borrowings	Low	High
Environment and Sustainability	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.	This activity is a high public good as it focuses on improving environmental sustainability across the District.	N/A	N/A	General rates and revenue	General rates and revenue + grants	Low	High
Environmental Policy	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.	This activity is a high public good because it sets the overall framework for development within the District.	Fees and charges	N/A	General rates and revenue + borrowings	N/A	Low	High

Cemeteries	Mana Tangata	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service	Users are charged for these service but not the full cost in recognition of the public benefit.	Individuals receive a high public health benefit from provision of this service although it also has a reserve function and useful historic value.	Fees and charges + bequests	Fees and charges + borrowings + financial contributions + bequests	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Medium
Coastal Structures (Access-ways only)	Mana Tangata	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	Local people and visitors who want to access the sea and the coast	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals receive high benefit from the provision of the service and there are social benefits to the community through access to beaches and the sea.	General rates and revenue	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings	Low	High
Heritage (Museum)	Mana Mauri	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Museum users can be identified and could be charged, but the Council feels there is a high public benefit in making entry freely available.	There are the wider benefits of education, retention of heritage and community identity, while individuals benefit from the displays and information.	Fees and charges + general rates and revenue + grants	N/A	General rates and revenue	Borrowings + reserves	Low	High
LibraryPlus	Mana Mauri	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals receive high benefit from the use of this service and its availability has a wider social benefit to the community.	Fees and charges + general rates and revenue	Grants + bequests + borrowings	General rates and revenue + investment income	Reserves + borrowings + general rates and revenue	Low ~~to Medium~~	High
Public Toilets	Mana Tangata	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service	The costs of charging users would greatly exceed the revenue collected and there is a public benefit in providing toilets	Individuals receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for sanitary reasons.	General rates and revenue	General rates and revenue + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Medium	High

Recreation Centres - Halls	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	While the users of this service can be identified and are charged, there is some public benefit from its provision	Individuals receive high benefit from the use of the service; however, there are social benefits to the community in the availability of these facilities.	Fees and charges + general rates and revenue	Grants + Surpluses from Rentals + Donations + Borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Low	High
Recreation Centres - TSB Hub	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	While the users of this service can be identified and are charged, there is some public benefit from its provision	Individuals receive high benefit from the provision of the service and there are social and economic benefits to the community.	Fees and charges + general rates and revenue + grants and sponsorship	Grants + surpluses from rentals + donations + borrowings	General rates and revenue + grants	Borrowings + reserves + grants + investment	Low	High
Swimming Pools - Aquatic Centre	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	Users are charged for this service but not the full cost in recognition of the public benefit.	Individuals receive high benefit from the use of the service and there is a wider community benefit in its availability for social reasons. The Aquatic Centre provides a higher level of service, which is partly recovered by fees and charges.	Fees and charges + general rates and revenue + grants	Grants + surpluses from rentals + donations + borrowings	General rates and revenue + interest	Borrowings + reserves + grants + investment	Low to Medium	High
Swimming Pools - Rural Pools	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	Users are not charged for this service in recognition of the public benefit of providing swimming pools in our smaller communities.	Individuals receive benefit from the use of the service and there is a wider benefit to the community in the free availability of this service for recreational purposes.	General rates and revenue	Grants	General rates and revenue	General rates and revenue + borrowings + reserves	Low to Medium	High

Audit and Risk, Customer Services, Information Services, People and Capability	Mana Mauri, Mana Tangata , Mana Oranga, Mana Taiao	Users of the services, the whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of this activity is not practicable and there is an equal benefit to all ratepayers and residents.	The public good component of this activity reflects that it contributes to the open, transparent and accountable democratic process of local government.	Overhead recoveries	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings	Low	High
Democracy and Leadership	Mana Mauri, Mana Tangata , Mana Oranga, Mana Taiao	Whole Community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding for this activity is not practicable and there is an equal benefit to all ratepayers and residents.	The public good component of this activity reflects that it contributes to the open, transparent and accountable democratic process of local government and supports elected members to be effective decision-makers.	N/A	N/A	General rates and revenue. + Interest and dividends. + Reserves. + Fees and charges.	General rates and revenue. + Interest and dividends. + Borrowings and reserves.	High	Low
Community Support	Mana Tangata	The whole community	Benefit occurs in the year the funding is provided	N/A	Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.	The public good component of this activity recognises the contribution made by organisations and groups within the community and offers a helping hand in appreciation of this voluntary contribution in the way of grants. The civil ceremonies and recognition awards contribute to the social and cultural well-being of the community.	N/A	N/A	General rates and revenue + reserves	General rates and revenue + borrowings + reserves	Low	High

Holiday Parks	Mana Tangata	Users	Benefit occurs in the year the funding is provided and on-going	Visitors to the District	Users are charged for these service but not the full cost in recognition of the public benefit.	Individual visitors receive high benefit from the provision of the service and there are economic benefits to the community.	Fees and charges	Grants + surpluses from rentals	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Low to Medium
Parks, Reserves, Sports-grounds and Public Spaces	Mana Tangata	Whole community, sports-ground users	Benefit occurs in the year the funding is provided	N/A, sportsground users	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals have a private benefit from the availability of parks, reserves, sportsgrounds and public spaces. There is also a significant public benefit in the availability of these services.	Fees and charges + general rates and revenue	General rates and revenue + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Low	High
Animal Services	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided	Community members that do not comply with bylaws and other controls	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	Within the activity there is a high degree of public benefit, but the costs are influenced by the people who create the need for the service.	Fees and charges	Fees and charges + borrowings + reserves	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Medium

Building Control	Mana Tangata, Mana Taiao	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Users of the service - applicants for building consents and those doing building work	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	There is a high level of private benefit to the applicant and some public benefit.	Fees and charges	N/A	General rates and revenue	Borrowings + reserves	~~High~~ Medium to High	~~Low~~ Low to Medium
Environmental Health - Licensing, Alcohol and Gambling	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided	Users and providers of these activities and services, Government	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	These activities have a high public good through the protection of public health and well-being.	Fees and charges	N/A	General rates and revenue	N/A	Low to Medium	Mediu m to High
Nuisance Control (Noise)	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided	Community members that do not comply with bylaws and other controls	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	This activity has a high public good through public protection.	Fees and charges	N/A	General rates and revenue	N/A	Low	High
Planning	Mana Tangata, Mana Taiao	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Users of the service - applicants for resource consents and developers	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	There is a high level of private benefit to the applicant and some public benefit from sustainable development.	Fees and charges	N/A	General rates and revenue	Borrowings + reserves	Low to Medium	Medium to High

Parking Control	Mana Tangata, Mana Taiao	The whole community, CBD retailers	Benefit occurs in the year the funding is provided	Community members that do not comply with bylaws and other controls	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	This activity has a high public good by creating the availability of carparks. There are some benefits for retailers within the CBDs, but the costs are influenced by the people who create the need for the service.	Fees and charges	N/A	General rates and revenue	Borrowings + reserves	High	Low
Regional Road Safety	Mana Oranga	Whole community	Benefit occurs in the year the funding is provided and on-going	Road users	User charges for these activities are not practicable and there is an equal benefit to all ratepayers and residents.	Road safety is mostly for the greater public good. Training and events are provided and negative effects can result if these events are not attended by key audiences.	Fees and charges + general rates and revenue	Fees and charges + general rates and revenue	General rates and revenue	General rates and revenue	Low	High
Roading - Subsidised via NZTA	Mana Oranga	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going - the service is available for current and future generations	Users of the service	User charges for these activities are not practicable and there is an equal benefit to all ratepayers and residents.	Individuals benefit directly from the use of the service and the community benefits from the provision of the service.	Grants/ subsidies + targeted rates (differential) + fees and charges + financial contributions + other contributions	Grants/ subsidies + targeted rates (differential) + fees and charges + financial contributions + other contributions	Targeted rates (differential) + investment income + general rates and revenue + reserves	General rates and revenue + targeted rates (differential) + borrowings + reserves	High	High

Roading - Non-Subsidised	Mana Oranga	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going - the service is available for current and future generations	Users of the service	User charges for these activities are not practicable and there is an equal benefit to all ratepayers and residents.	Individuals benefit directly from the use of the service and the community benefits from the provision of the service.	Targeted rates (differential) + fees and charges + financial contributions + other contributions	Targeted rates (differential) + fees and charges + financial contributions + other contributions	Targeted rates (differential) + general rates and revenue + reserves	Targeted rates (differential) + general rates and revenue + borrowings + reserves	High	High
Waste Management -Disposal	Mana Taiao	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service who generate waste	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	This activity benefits individuals, but there is also a higher public interest to provide this service as it contributes to long term sustainability.	Fees and charges + general rates and revenue + targeted rates (differential)	Fees and charges + targeted rates (differential) + borrowings + reserves + external contributions	General rates and revenue + targeted rates	General rates and revenue + targeted rates + borrowings + reserves	Medium to High	Low to Medium
Waste Management - Kerbside Collection	Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided	Users of the service who generate waste	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	This activity benefits individuals; however, it is also in the public interest to provide this service.	Fees and charges + targeted rates (differential)	N/A	General rates and revenue + targeted rates	N/A	High	Low
Arts	Mana Mauri	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Users of the service	While the users of this service could potentially be identified and charged, the costs would outweigh the public benefits.	The community receives the benefit of this activity together with individuals who are able to enhance their skills through this process.	Fees and charges + general rates and revenue	N/A	General rates and revenue	N/A	Low	High

~~Community Development~~	~~Mana Tangata~~	~~The whole community~~	~~Benefit occurs in the year the funding is provided and on-going~~	~~N/A~~	~~Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.~~	~~The community receives the greatest benefit from the outcomes of this activity.~~	~~General rates and revenue~~	~~N/A~~	~~General rates and revenue~~	~~N/A~~	~~Low~~	~~High~~
Corporate Property	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of this service	Users are charged for this service but some are not charged the full cost in recognition of the public benefit.	Individuals receive high benefit from the use of sundry Council properties. This activity also manages a small number of properties used for community good by not-for-profit organisations.	Fees and charges + general rates and revenue	General rates and revenue + borrowings	General rates and revenue	General rates and revenue + borrowings + asset sales + reserves	High	Low
Economic Development	Mana Oranga	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	People wishing to establish or expand businesses, and local residents	While the users of these services could be identified and charged, it would be counter-productive to do so, as the Council wants to encourage economic development, tourism and events for the benefit of the District.	Individuals benefit directly from the use of the service and the community indirectly benefits because of the positive economic impacts.	Fees and charges + targeted rates	N/A	General rates and revenue + targeted rates (differential) + reserves	Borrowings + reserves	Low	High
Hāwera Cinema	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	Users are charged for these service but not the full cost in recognition of the public benefit.	Individuals receive high benefit from the provision of the service, which also contributes to the social and leisure fabric of the community.	Fees and charges + general rates and revenue	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Medium	Medium

Housing for the Elderly	Mana Tangata	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going - current and future tenancies	Users of the service	Users are charged for these service but not the full cost in recognition of the public benefit.	Selected individuals receive the greatest benefit from this activity. There is a social benefit to the wider	Fees and charges + general rates and revenue	Grants + borrowings + reserves + asset sales	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Low
Tourism and Events	Mana Oranga	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Visitors, local residents	While the users of these services could be identified and charged, it would be counter-productive to do so, as the Council wants to encourage economic development, tourism and events for the benefit of the District.	Individuals benefit directly from the use of the service and attending events and the wider community benefits from the vibrancy that events bring. The community benefits indirectly through the positive economic impacts.	Fees and charges + general rates and revenue	Borrowings	General rates and revenue + reserves	General rates and revenue + borrowings + reserves	Low	High
Water Services (ring-fenced)												
Eltham Drainage	Mana Mauri, Mana Tangata , Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	The users of this service can be identified and are charged the full cost of its provision.	The landowners in the Eltham Drainage Area are the only people who benefit from this service.	Targeted rates	Targeted rates	NA	NA	High	Nil
Wastewater	Mana Mauri, Mana Tangata , Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	Individuals receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for public health reasons.	Fees and charges + general rates and revenue + targeted rates (differential)	Fees and charges + targeted rates (differential) + borrowings + reserves + external contributions	General rates and revenue + targeted rates	General rates and revenue + targeted rates + borrowings + reserves	High	Low

Water supply - Urban and rural	Mana Mauri, Mana Tangata, Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	Individuals receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for public health reasons.	Fees and charges + general rates and revenue + targeted rates (differential)	Fees and charges + targeted rates (differential) + borrowings + reserves + external contributions	General rates and revenue + targeted rates	General rates and revenue + targeted rates + borrowings + reserves	High	Low
Stormwater	Mana Mauri, Mana Tangata, Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	Separate funding of this activity is not practicable and there is an equal opportunity for ratepayers and residents in areas served by stormwater to benefit.	Individuals in areas served by our stormwater network receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for public health and safety reasons.	General rates and revenue	General rates and revenue + borrowings + reserves	General rates and revenue	General rates and revenue + borrowings + reserves	High	Low

Appendix 2

Revenue and Financing Policy

Our Revenue and Financing Policy provides predictability and certainty about sources of funding and how we recover the costs for our activities. It explains the reasons for various funding methods for our operating and capital expenditure.

We have reviewed the ways we fund our activities, including how we collect rates, having particular regard to the new purpose of local government and affordability for our communities. As a result, we are not proposing any significant changes to our funding approach.

Local Government Purpose

The purpose of local government is set out in section 10 of the Local Government Act 2002 is:

(a) to enable democratic local decision-making and action by, and on behalf of, communities; and

(b) to meet the current and future needs of communities for good-quality, cost effective, and local
  (i) infrastructure; and
  (ii) public services; and
  (iii) performance of regulatory functions; and

(c) to support local growth and development by fulfilling the purpose set out in paragraph (b).

This Revenue and Financing Policy assists Council to fulfil this statutory purpose by establishing a transparent and sustainable framework for funding Council activities. The policy provides a structured approach for determining how the costs of services, infrastructure and regulatory functions are funded and allocated between the community, community groups, and individuals.

The policy supports Council's ability to provide good-quality infrastructure, local public services and regulatory functions in a cost-effective manner while balancing affordability, equity, accountability and the efficient use of public resources. Through these funding decisions, Council seeks to ensure that services remain financially sustainable and continue to meet the current and future needs of the South Taranaki community.

Revenue and Financing Policy Considerations

In developing this policy, Council has considered the requirements of Sections 101, 102 and 103 of the Local Government Act 2002 (LGA 2002). In accordance with section 101 (1AAA), Council has had particular regard to the purpose of local government in Section 10 and the core services identified in Section 11A. These requirements state that a local authority is to consider the funding needs of its activities and determine the sources of funding that are most appropriate, having regard to the matters set out in section 101(3) of the Act.

Funding Principles

In determining the appropriate funding sources of each activity Council has applied the following considerations, alongside broader principles of affordability, equity, value for money, intergenerational equity, transparency and financial stability:

- The community outcomes to which an activity primarily contributes;
- The distribution of benefits between the community as a whole, any identifiable part of the community and/or individuals;
- The period in or over which those benefits are expected to occur;
- The extent to which the actions or inaction of particular individuals or a group contribute to the need to undertake the activity; and
- The costs and benefits, including consequences for transparency and accountability, of funding an activity distinctly from other activities.

Te Ture Whenua Māori Act Principles

Section 102(3A)(a) of the LGA 2002 states that a revenue and financing policy must support the principles set out in the Preamble to Te Ture Whenua Māori Act 1993. The principles are:

- The spirit of the exchange of kawanatanga for the protection of rangatiratanga embodied in the Treaty of Waitangi be reaffirmed;
- Recognise that land is a taonga tuku iho of special significance to Māori people and, for that reason, to promote the retention of that land in the hands of its owners, their whānau, and hapū, and to protect wāhi tapu;
- Facilitate the occupation, development, and utilisation of that land for the benefit of its owners, their whānau, and hapū.

We support these principles through plans, strategies and policies developed with the four rūnanga of South Taranaki – Ngāti Ruanui, Ngāruahine, Taranaki and Ngā Rauru:

- District Plan – supports the protection of wāhi tapu and the coastal protection area, and supports the development of papakainga;
- Property Acquisitions and Disposals Policy – the appropriate rūnanga is approached as a first right of refusal to purchase Council-owned land declared surplus to requirements.
- Remission and Postponement of Rates on Māori Freehold Land Policy – recognises that certain Māori-owned lands have particular conditions, features and/or ownership structures that make it appropriate to provide relief from rates;
- Tangata Whenua Liaison Fund – supports projects and initiatives that develop positive relationships between Tangata Whenua, Council and the South Taranaki community as set out in Te Tiriti ō Waitangi;
- He Pou Tikanga, Ngā iwi o te Tai Whakarunga / Council Partnership Strategy – a strategy to provide a partnership framework between ngā iwi and the Council; and
- Urupā maintenance fund –a fund to support iwi with the maintenance of urupā in South Taranaki.

Community Outcomes

Council has identified a set of community outcomes that describe the outcomes it seeks to contribute to through the delivery of infrastructure, services and regulatory functions. These community outcomes help inform Council's decisions about funding and the allocation of costs between beneficiaries and users of the services.

- Mana Mauri – Cultural Well-being – Creative, diverse communities that enhance the mauri of our people.
- Mana Tangata – Social Well-being – Safe, connected communities where people feel happy and proud of where we live.
- Mana Oranga – Economic Well-being – Flourishing communities with a diverse economy, innovative people and resilient infrastructure.
- Mana Taiao – Environmental Well-being – Sustainable communities that manage resources in a way that improves our environment for future generations.

Each activity description lists the community outcomes it primarily contributes to and highlights why we undertake the activity.

Distribution of Benefits

The distribution of benefits is allocated between the community as a whole, any identifiable part of the community and individuals. Benefits that flow to individuals or groups, where it is possible to identify the user or group and stop the service if the user does not pay, are often described as 'individual benefits', and the costs are generally funded on a user-pays basis. 'Community and community groups benefits' flow to the whole community when it is not possible to identify the individuals or groups that benefit and the cost of additional people benefiting is small, or the whole community benefits. Most of our activities have a mix of community and individual benefits.

We must assess the period over which the benefits flow from each activity. For all of our activities, the operating costs directly relate to the benefits an activity provides during the year of the expenditure. Operating costs are therefore funded annually from annual income including rates, user charges, subsidies and other income.

Capital expenditure creates assets that will produce benefits over their useful lives. These lives range from a few years for office equipment, computers and vehicles to 100 years for some infrastructural assets such as bridges and some pipe networks. The costs of these assets should therefore be funded over the time of benefit. This recognises the concept of intergenerational equity, where each generation pays a share of the value of the asset, while it receives the benefit from that asset. Intergenerational equity is particularly relevant for larger capital assets.

Building financial reserves to fund the capital expenditure required to renew an existing asset is prudent and the interest earned on financial reserves helps to fund the asset replacement. If renewals or replacements occur before the reserve has enough funds, we will use loans to fund the shortfall.

Who Causes the Need for an Activity?

We are required to assess the extent to which each activity exists because of the actions or inactions of an individual or group. This principle, known as the 'exacerbator pays' or 'polluter pays', suggests that costs should be recovered directly from those causing the need for the activity. Examples are parking fines, food licences, pool safety, dog control and trade waste.

Costs and Benefits of Funding Activities

We consider the individual costs and benefits of the funding of each activity, taking into account the consequences for transparency and accountability. Separate funding allows ratepayers to assess whether the activity represents good value to them. For some activities, the costs of collecting user charges would be more than the revenue collected, so a number of activities are funded entirely from rates.

The Long Term Investment Fund rates subsidy is deducted from each activity's expenditure prior to the allocation between funding sources. In that respect the Long Term Investment Fund is not considered general revenue.

Overall impact of funding decisionsIn determining the appropriate mix of funding sources, Council considered the overall impact of funding decisions on current and future ratepayers and communities, including the following matters:

- What is the likely impact of the mix of funding sources on ratepayers on fixed incomes (affordability)?
- Would the policy act as a barrier for individuals in the community to access the activity?
- What incentives would the policy create for growth and development within the District?
- How is the burden of funding distributed across different sectors of the community?
- Would the policy support people to conserve scarce resources, avoid environmentally unfriendly activities and preserve our natural heritage?
- Would the policy support the community to participate in recreational and cultural activities and preserve our historical and other cultural heritage?
- Council has considered the Government's proposed 2%-4% rates target range when assessing its funding approach.

Financial Management

The LGA 2002 requires us to ensure that each year's projected operating revenues equal the year's operating expenses (a balanced budget). Despite this requirement, Section 100(2) of the LGA 2002 allows us to set projected operating revenues at a level that does not achieve a balanced budget if we believe it is financially prudent to do so, for example, to fund a previous or future year's deficit or to repay debt.

Other Legal Requirements

While the Revenue and Financing Policy is governed by the LGA 2002, other legislation is relevant for determining appropriate funding mechanisms, including:

Local Government (Rating) Act 2002
This Act sets out legal requirements for rating. It covers who is liable to pay rates, what land is rateable, what kinds of rates may be set and how they are set, the valuation systems that may be used and the various rating mechanisms available, such as targeted rates. It also sets a number of limits. For example, all rates set as a uniform fixed amount, including the Uniform Annual General Charge but excluding uniform rates for water or wastewater, may not exceed 30% of the total rates revenue.

Other Legislation
Several Acts, such as the Sale and Supply of Alcohol Act 2012, set out statutory fees for various types of regulatory services and these may not be exceeded. Where fee setting is up to the Council, there is often a general legal requirement to be "fair and reasonable".

Water Services Act 2023
Water services are subject to specific legislative and regulatory requirements that influence how these activities are funded and managed. Council operates water supply, wastewater and stormwater activities on a ring-fenced basis, with revenue and expenditure for these services separately identified and managed. Revenue collected for water services is used to fund the operation, maintenance, renewal and development of water infrastructure, as well as any associated borrowing and financing costs. Ring-fencing supports transparency, accountability and the long-term financial sustainability of these essential services.

Resource Management Act 1991 (RMA 1991)
The resource management system is transitioning from the Resource Management Act 1991 to the new Planning Act and Natural Environment Act. The new system introduces a stronger regional approach to planning, including the development of a Regional Spatial Plan to guide long-term growth, infrastructure and environmental planning across the region.

Council will participate in the development and implementation of the new regional planning framework, including working with other councils, central government and iwi in the development of relevant plans and policies. The transition will create additional costs for Council, including its contribution to regional planning and the development and implementation of the new statutory planning framework. These costs will need to be considered through future funding and Long Term Plan decisions.

Council will continue to review its funding approach as the new system is implemented, including the appropriate use of development contributions, levies and other available funding mechanisms to fund growth-related infrastructure.

Funding Sources

The sources of funding available to the Council are:

- General rates, including:
    - Choice of valuation system
    - Differential rating; and
    - Uniform Annual General Charge
- Targeted rates
- Lump sum contributions
- Fees and charges
- Interest and dividends from investments
- Borrowing
- Proceeds from asset sales
- Development contributions
- Financial contributions under the RMA 1991

- Grants and subsidies
- Reserves

Operating Expenditure

Expenditure on our day-to-day operations is operating expenditure and includes overheads, which are costs not directly attributed to any of the activities, for example support services like Financial Services, Information Services and People and Capability. Operating expenditure is funded from a variety of sources:

General Rates
General rates are charged as a set amount per dollar of the capital value of most properties in the District (some are non-rateable). The Council will continue the capital value rating system for general rates, rather than land value and more targeted rates. This is because of the capital value rating system is considered to provide a fair and equitable approach to allocating rates, ensuring that the contribution made by each property broadly reflects its relative value within the district.

Differentials are a tool for altering the incidence of rates. Setting a differential rate does not increase the rating income; it merely allocates the rates requirement in a different way from a pure value-based system. We are not proposing to apply a differential to the general rate.

Uniform Annual General Charge (UAGC)
We assess a UAGC as a fixed amount on each separately used or inhabited part of a rating unit. The UAGC part-funds a range of activities, such as democracy and leadership, arts and culture, community development, environmental sustainability and emergency management.

Targeted Rates
Targeted rates can be assessed on property, including on the basis of use, the area of land, its location and value and the provision or availability of Council services. Targeted rates may be applied as a uniform annual charge on capital or land value, or differentially for different types of property uses. We may also apply targeted rates to fund any part of the cost of activities that benefit identifiable groups in the District.

We charge targeted rates for:

- Water
- Wastewater
- Charge based on number of toilets connected to wastewater system in commercial properties *(subject to consultation)*
- Stormwater *(currently charged under general rates – subject to consultation)*
- Forestry levy *(subject to consultation)*
- Roading
- Kerbside refuse collection services
- Eltham Drainage
- Hāwera Business Rate for town promotion

Voluntary Targeted Rates
We have a voluntary targeted rate for property owners who benefit from the installation of insulation that we provide under the Warmer Homes Scheme. The Council resolved in June 2023 to discontinue the scheme as a result of changes to the Credit Contracts and Consumer Finance Act 2003. Property owners that are currently part of the warmer homes scheme will continue to pay their loans as per their agreements with the Council.

Fees and Charges
We apply fees and charges to recover either the full or part cost of a variety of services we provide, such as building consents, the provision of utility connections and vehicle crossings.

Interest and Dividends
We sold Egmont Electricity Limited in 1997 and invested the proceeds in a Long Term Investment Fund. We have allocated $4.22 million each year from interest earned on the Fund towards subsidising general rates, UAGC and the roading rate.
An annual draw down of $1.73 million to service loans for specified community projects, and $76,000 to fund Hāwera town centre upgrade and Earthquake Prone Building Projects and related loan servicing costs.

Grants and Subsidies
We receive subsidies from Waka Kotahi New Zealand Transport Agency that cover a proportion of the capital and maintenance costs of our roading network.

Any Other Sources
Special funds have either been received from a third party to be used in a specific way (restricted funds) or are tagged to be applied for a specific purpose or area of benefit (non-restricted funds).

Capital Expenditure

We categorise our capital expenditure projects as renewals, extending level of service or growth-related projects.

Renewal Projects
Renewal projects restore or replace components of an asset or the entire asset to meet the designed level of service (to return it to its original size, condition or capacity). These projects will be funded from capital reserves built up from funded depreciation. Where the reserve is not sufficient to meet the programmed renewals, loans will be utilised and repaid from a contribution from the reserve that best fits intergenerational equity and/or the operational funding sources for the particular activity, as per this policy.

Extending Level of Service Projects
Extending level of service projects create new assets or alterations to existing assets that mean a higher level of service is delivered. These projects will be funded by loans and repaid from the operational funding sources.

Growth-related projects
Growth-related projects involve the creation of new assets or the expansion of existing infrastructure and services to meet increasing demand arising from population growth, development, or changes in service needs. Funding may be sourced from development-related contributions, financial contributions where applicable, borrowing, reserves, grants, subsidies, rates or other funding sources, depending on the nature of the project and the legislative framework in place at the time.

Sources of funding for Capital Expenditure

Capital expenditure is expenditure on assets that provide benefits over multiple years, including the renewal of existing assets, the creation of new assets and projects that increase levels of service or accommodate growth. The following funding sources are normally used for each category of capital expenditure, any alternative funding sources are specifically approved by the Council.

Borrowing
We will not borrow to fund operational expenditure unless short term reasons justify this as an interim solution. When funding projects by debt, we spread the repayment over several years to enable us to match charges placed on the community with the period of benefits from the capital expenditure.

Borrowing is managed within the framework specified in the Liability Management Policy. While minimising interest costs and financial risks associated with borrowing is of primary importance, we match the borrowing term with the average life of assets when practical. Our overall borrowing requirement is reduced when other funds are available to finance capital expenditure, such as:

- Council financial reserves, including reserves comprising financial contributions.

- Contributions towards capital expenditure from other parties, such as Waka Kotahi New Zealand Transport Agency for certain roading projects.
- Revenue collected to cover depreciation charges.
- Proceeds from the sales of assets.
- Operating surpluses.

Financial Contributions under the Resource Management Act
Council has introduced financial contributions as an additional funding mechanism for growth-related costs. Alongside development contributions, financial contributions provide Council with a means of ensuring that, where appropriate, growth and development contribute towards the costs associated with the additional demand or effects they create.

Grants and Subsidies
We receive subsidies from Waka Kotahi New Zealand Transport Agency that cover a proportion of the capital and maintenance costs of our roading network.

Any Other Source
Special funds have either been received from a third party to be used in a specific way (restricted funds) or are tagged to be applied for a specific purpose or area of benefit (non-restricted funds).

Assets

We own, on behalf of the community, assets worth about $1.068 billion. The majority are required to deliver the services the community requires of us; for example, the pipes, pumps and monitoring equipment of our water supply network are essential to provide the community with the water supply service it needs and expects.

Our property portfolio has been categorised into:

- Vital to the provision of a Council service or function
- Advantageous to own; or
- Surplus to requirements.

We are identifying properties that no longer have any strategic purpose or public benefit or where the use of sale proceeds would be of greater benefit to the community. Proceeds from asset sales will in the first instance go to repay debt that may be associated with the asset. If the asset is to be replaced with a similar asset or one built to provide for a similar purpose in the foreseeable future (1 – 2 years), the sale proceeds will be held in trust to pay for the new asset's creation. Wherever the sale proceeds are greater than the known debt or the replacement cost of the 'like' asset, the surplus will be made available to the Long Term Investment Fund.

Depreciation

Our policy for funding the depreciation of non-strategic assets is to fund a proportion that allows for the renewal of components, rather than funding the depreciation for total replacement of the asset. As an example, buildings will have roofs and other components replaced to ensure the full useful life of the structure can be achieved, but no funds will be built up to replace the structure. We consider it is not prudent to build up reserves (and increase rates from this generation) for the ultimate replacement of these assets, which for the most part will be in 30 - 50 years' time, when it is unknown if these types of assets will be wanted by future generations. We have taken into account the current global economic climate and our significant debt programme when considering the funding of depreciation.

Note: Three waters activities are included for year one of the Long Term Plan.

The table indicates the range of community and community groups or individual good based on the following descriptors:

Descriptor	**Range**	
High	80%	100%
Medium to High	60%	80%
Medium	40%	60%
Low to Medium	20%	40%
Low	0%	20%

A “High” community good would indicate that the expenditure for that activity likely meets the criteria of a community good on a percentage basis between 80% and 100%.

		Who Benefits?					Funding Sources Private		Funding Sources Public			
	Community Outcomes	Who Benefits	Period of benefit	Whose actions create the need	Costs vs Benefits	Rationale	Operational	Capital	Operational	Capital	Individual benefit %	Community and community groups benefit %
Coastal Structures (rock walls, Patea moles, sand clearing, stabilisation)	Mana Tangata	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	Local people and visitors who want to access the sea and the coast	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals receive high benefit from the provision of the service and there are social benefits to the community through access to beaches and the sea.	General rates and revenue	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Low	High
Emergency Management	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	This activity is about preparedness for a disaster and is a high public good.	N/A	Borrowings	General rates and revenue	Borrowings	Low	High
Environment and Sustainability	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.	This activity is a high public good as it focuses on improving environmental sustainability across the District.	N/A	N/A	General rates and revenue	General rates and revenue + grants	Low	High
Environmental Policy	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.	This activity is a high public good because it sets the overall framework for development within the District.	Fees and charges	N/A	General rates and revenue + borrowings	N/A	Low	High

Cemeteries	Mana Tangata	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service	Users are charged for these service but not the full cost in recognition of the public benefit.	Individuals receive a high public health benefit from provision of this service although it also has a reserve function and useful historic value.	Fees and charges + bequests	Fees and charges + borrowings + financial contributions + bequests	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Medium
Coastal Structures (Access-ways only)	Mana Tangata	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	Local people and visitors who want to access the sea and the coast	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals receive high benefit from the provision of the service and there are social benefits to the community through access to beaches and the sea.	General rates and revenue	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings	Low	High
Heritage (Museum)	Mana Mauri	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Museum users can be identified and could be charged, but the Council feels there is a high public benefit in making entry freely available.	There are the wider benefits of education, retention of heritage and community identity, while individuals benefit from the displays and information.	Fees and charges + general rates and revenue + grants	N/A	General rates and revenue	Borrowings + reserves	Low	High
LibraryPlus	Mana Mauri	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals receive high benefit from the use of this service and its availability has a wider social benefit to the community.	Fees and charges + general rates and revenue	Grants + bequests + borrowings	General rates and revenue + investment income	Reserves + borrowings + general rates and revenue	Low	High
Public Toilets	Mana Tangata	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service	The costs of charging users would greatly exceed the revenue collected and there is a public benefit in providing toilets	Individuals receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for sanitary reasons.	General rates and revenue	General rates and revenue + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Medium	High

Recreation Centres - Halls	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	While the users of this service can be identified and are charged, there is some public benefit from its provision	Individuals receive high benefit from the use of the service; however, there are social benefits to the community in the availability of these facilities.	Fees and charges + general rates and revenue	Grants + Surpluses from Rentals + Donations + Borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Low	High
Recreation Centres - TSB Hub	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	While the users of this service can be identified and are charged, there is some public benefit from its provision	Individuals receive high benefit from the provision of the service and there are social and economic benefits to the community.	Fees and charges + general rates and revenue + grants and sponsorship	Grants + surpluses from rentals + donations + borrowings	General rates and revenue + grants	Borrowings + reserves + grants + investment	Low	High
Swimming Pools - Aquatic Centre	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	Users are charged for this service but not the full cost in recognition of the public benefit.	Individuals receive high benefit from the use of the service and there is a wider community benefit in its availability for social reasons. The Aquatic Centre provides a higher level of service, which is partly recovered by fees and charges.	Fees and charges + general rates and revenue + grants	Grants + surpluses from rentals + donations + borrowings	General rates and revenue + interest	Borrowings + reserves + grants + investment	Low to Medium	High
Swimming Pools - Rural Pools	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided	Users of the service	Users are not charged for this service in recognition of the public benefit of providing swimming pools in our smaller communities.	Individuals receive benefit from the use of the service and there is a wider benefit to the community in the free availability of this service for recreational purposes.	General rates and revenue	Grants	General rates and revenue	General rates and revenue + borrowings + reserves	Low to Medium	High

Audit and Risk, Customer Services, Information Services, People and Capability	Mana Mauri, Mana Tangata, Mana Oranga, Mana Taiao	Users of the services, the whole community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding of this activity is not practicable and there is an equal benefit to all ratepayers and residents.	The public good component of this activity reflects that it contributes to the open, transparent and accountable democratic process of local government.	Overhead recoveries	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings	Low	High
Democracy and Leadership	Mana Mauri, Mana Tangata, Mana Oranga, Mana Taiao	Whole Community	Benefit occurs in the year the funding is provided and on-going	N/A	Separate funding for this activity is not practicable and there is an equal benefit to all ratepayers and residents.	The public good component of this activity reflects that it contributes to the open, transparent and accountable democratic process of local government and supports elected members to be effective decision-makers.	N/A	N/A	General rates and revenue. + Interest and dividends. + Reserves. + Fees and charges.	General rates and revenue. + Interest and dividends. + Borrowings and reserves.	High	Low
Community Support	Mana Tangata	The whole community	Benefit occurs in the year the funding is provided	N/A	Separate funding of these activities is not practicable and there is an equal benefit to all ratepayers and residents.	The public good component of this activity recognises the contribution made by organisations and groups within the community and offers a helping hand in appreciation of this voluntary contribution in the way of grants. The civil ceremonies and recognition awards contribute to the social and cultural well-being of the community.	N/A	N/A	General rates and revenue + reserves	General rates and revenue + borrowings + reserves	Low	High

Holiday Parks	Mana Tangata	Users	Benefit occurs in the year the funding is provided and on-going	Visitors to the District	Users are charged for these service but not the full cost in recognition of the public benefit.	Individual visitors receive high benefit from the provision of the service and there are economic benefits to the community.	Fees and charges	Grants + surpluses from rentals	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Low to Medium
Parks, Reserves, Sports-grounds and Public Spaces	Mana Tangata	Whole community, sports-ground users	Benefit occurs in the year the funding is provided	N/A, sportsground users	Separate funding of this activity is not practicable and there is an equal opportunity for all ratepayers and residents to benefit.	Individuals have a private benefit from the availability of parks, reserves, sportsgrounds and public spaces. There is also a significant public benefit in the availability of these services.	Fees and charges + general rates and revenue	General rates and revenue + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Low	High
Animal Services	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided	Community members that do not comply with bylaws and other controls	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	Within the activity there is a high degree of public benefit, but the costs are influenced by the people who create the need for the service.	Fees and charges	Fees and charges + borrowings + reserves	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Medium

Building Control	Mana Tangata, Mana Taiao	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Users of the service - applicants for building consents and those doing building work	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	There is a high level of private benefit to the applicant and some public benefit.	Fees and charges	N/A	General rates and revenue	Borrowings + reserves	Medium to High	Low to Medium
Environmental Health - Licensing, Alcohol and Gambling	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided	Users and providers of these activities and services, Government	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	These activities have a high public good through the protection of public health and well-being.	Fees and charges	N/A	General rates and revenue	N/A	Low to Medium	Medium to High
Nuisance Control (Noise)	Mana Tangata, Mana Taiao	The whole community	Benefit occurs in the year the funding is provided	Community members that do not comply with bylaws and other controls	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	This activity has a high public good through public protection.	Fees and charges	N/A	General rates and revenue	N/A	Low	High
Planning	Mana Tangata, Mana Taiao	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Users of the service - applicants for resource consents and developers	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	There is a high level of private benefit to the applicant and some public benefit from sustainable development.	Fees and charges	N/A	General rates and revenue	Borrowings + reserves	Low to Medium	Medium to High

Parking Control	Mana Tangata, Mana Taiao	The whole community, CBD retailers	Benefit occurs in the year the funding is provided	Community members that do not comply with bylaws and other controls	Users are charged for these services but the full costs are not recovered in recognition of the fact that some public benefit is derived from each activity.	This activity has a high public good by creating the availability of carparks. There are some benefits for retailers within the CBDs, but the costs are influenced by the people who create the need for the service.	Fees and charges	N/A	General rates and revenue	Borrowings + reserves	High	Low
Regional Road Safety	Mana Oranga	Whole community	Benefit occurs in the year the funding is provided and on-going	Road users	User charges for these activities are not practicable and there is an equal benefit to all ratepayers and residents.	Road safety is mostly for the greater public good. Training and events are provided and negative effects can result if these events are not attended by key audiences.	Fees and charges + general rates and revenue	Fees and charges + general rates and revenue	General rates and revenue	General rates and revenue	Low	High
Roading - Subsidised via NZTA	Mana Oranga	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going - the service is available for current and future generations	Users of the service	User charges for these activities are not practicable and there is an equal benefit to all ratepayers and residents.	Individuals benefit directly from the use of the service and the community benefits from the provision of the service.	Grants/ subsidies + targeted rates (differential) + fees and charges + financial contributions + other contributions	Grants/ subsidies + targeted rates (differential) + fees and charges + financial contributions + other contributions	Targeted rates (differential) + investment income + general rates and revenue + reserves	General rates and revenue + targeted rates (differential) + borrowings + reserves	High	High

Roading - Non-Subsidised	Mana Oranga	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going - the service is available for current and future generations	Users of the service	User charges for these activities are not practicable and there is an equal benefit to all ratepayers and residents.	Individuals benefit directly from the use of the service and the community benefits from the provision of the service.	Targeted rates (differential) + fees and charges + financial contributions + other contributions	Targeted rates (differential) + fees and charges + financial contributions + other contributions	Targeted rates (differential) + general rates and revenue + reserves	Targeted rates (differential) + general rates and revenue + borrowings + reserves	High	High
Waste Management -Disposal	Mana Taiao	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going	Users of the service who generate waste	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	This activity benefits individuals, but there is also a higher public interest to provide this service as it contributes to long term sustainability.	Fees and charges + general rates and revenue + targeted rates (differential)	Fees and charges + targeted rates (differential) + borrowings + reserves + external contributions	General rates and revenue + targeted rates	General rates and revenue + targeted rates + borrowings + reserves	Medium to High	Low to Medium
Waste Management - Kerbside Collection	Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided	Users of the service who generate waste	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	This activity benefits individuals; however, it is also in the public interest to provide this service.	Fees and charges + targeted rates (differential)	N/A	General rates and revenue + targeted rates	N/A	High	Low
Arts	Mana Mauri	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Users of the service	While the users of this service could potentially be identified and charged, the costs would outweigh the public benefits.	The community receives the benefit of this activity together with individuals who are able to enhance their skills through this process.	Fees and charges + general rates and revenue	N/A	General rates and revenue	N/A	Low	High

Corporate Property	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of this service	Users are charged for this service but some are not charged the full cost in recognition of the public benefit.	Individuals receive high benefit from the use of sundry Council properties. This activity also manages a small number of properties used for community good by not-for-profit organisations.	Fees and charges + general rates and revenue	General rates and revenue + borrowings	General rates and revenue	General rates and revenue + borrowings + asset sales + reserves	High	Low
Economic Development	Mana Oranga	Users of the service, the whole community	Benefit occurs in the year the funding is provided and on-going	People wishing to establish or expand businesses, and local residents	While the users of these services could be identified and charged, it would be counter-productive to do so, as the Council wants to encourage economic development, tourism and events for the benefit of the District.	Individuals benefit directly from the use of the service and the community indirectly benefits because of the positive economic impacts.	Fees and charges + targeted rates	N/A	General rates and revenue + targeted rates (differential) + reserves	Borrowings + reserves	Low	High
Hāwera Cinema	Mana Tangata	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	Users are charged for these service but not the full cost in recognition of the public benefit.	Individuals receive high benefit from the provision of the service, which also contributes to the social and leisure fabric of the community.	Fees and charges + general rates and revenue	Grants + borrowings	General rates and revenue	General rates and revenue + borrowings + reserves	Medium	Medium
Housing for the Elderly	Mana Tangata	Users of the service, whole community	Benefit occurs in the year the funding is provided and on-going - current and future tenancies	Users of the service	Users are charged for these service but not the full cost in recognition of the public benefit.	Selected individuals receive the greatest benefit from this activity. There is a social benefit to the wider	Fees and charges + general rates and revenue	Grants + borrowings + reserves + asset sales	General rates and revenue	General rates and revenue + borrowings + reserves	Medium to High	Low

Tourism and Events	Mana Oranga	Users of the service, the whole community	Benefit occurs in the year the funding is provided	Visitors, local residents	While the users of these services could be identified and charged, it would be counter-productive to do so, as the Council wants to encourage economic development, tourism and events for the benefit of the District.	Individuals benefit directly from the use of the service and attending events and the wider community benefits from the vibrancy that events bring. The community benefits indirectly through the positive economic impacts.	Fees and charges + general rates and revenue	Borrowings	General rates and revenue + reserves	General rates and revenue + borrowings + reserves	Low	High
Water Services (ring-fenced)												
Eltham Drainage	Mana Mauri, Mana Tangata , Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	The users of this service can be identified and are charged the full cost of its provision.	The landowners in the Eltham Drainage Area are the only people who benefit from this service.	Targeted rates	Targeted rates	NA	NA	High	Nil
Wastewater	Mana Mauri, Mana Tangata , Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	Individuals receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for public health reasons.	Fees and charges + general rates and revenue + targeted rates (differential)	Fees and charges + targeted rates (differential) + borrowings + reserves + external contributions	General rates and revenue + targeted rates	General rates and revenue + targeted rates + borrowings + reserves	High	Low

Water supply - Urban and rural	Mana Mauri, Mana Tangata, Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	While the users of these services can be identified and are charged, the full cost is not recovered as there is some public benefit from their provision.	Individuals receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for public health reasons.	Fees and charges + general rates and revenue + targeted rates (differential)	Fees and charges + targeted rates (differential) + borrowings + reserves + external contributions	General rates and revenue + targeted rates	General rates and revenue + targeted rates + borrowings + reserves	High	Low
Stormwater	Mana Mauri, Mana Tangata, Mana Oranga, Mana Taiao	Users of the service	Benefit occurs in the year the funding is provided and on-going	Users of the service	Separate funding of this activity is not practicable and there is an equal opportunity for ratepayers and residents in areas served by stormwater to benefit.	Individuals in areas served by our stormwater network receive high benefit from the use of the service and there is a wider benefit to the community in the availability of this service for public health and safety reasons.	General rates and revenue	General rates and revenue + borrowings + reserves	General rates and revenue	General rates and revenue + borrowings + reserves	High	Low

Pūrongo
Report

6

To	Policy and Strategy Committee
From	Kaitātari Tūrawa -Ture / Property Officer – Legal, Elizabeth Albert
Date	9 November 2026
Subject	**Surplus Property Report**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. This report proposes that the Council declares three vacant fee-simple sections as surplus. The properties are at Tuke Street, Normanby, 91 Bridge Street, Eltham and 10 Norfolk Street, Pātea. The report requests that the Council authorises the Chief Executive to dispose of the properties in the most appropriate and cost-effective method, in accordance with the Council's Property Acquisition and Disposal Policy.

2. The Council's Property Acquisition and Disposal Policy states that when a property is no longer required for its original or intended purpose, a review of all options for the future of the property, including alternative use is to be completed. If the Council declares it as surplus, a first right of refusal offer is made to the relevant Iwi at market value. If Iwi show no interest in purchasing the land, the property will be sold in an open market.

Taunakitanga / Recommendations

THAT the Policy and Strategy Committee recommends that the Council:

a) **Agrees** to declare Tuke Street, Normanby (Lot 217 Deposited Plan 4); 91 Bridge Street, Eltham (Lot 1-3 Deposited Plan 2244); and 10 Norfolk Street, Pātea (Eastern moiety [half] of Section 13 Block XXV Town of Pātea) as Surplus.

b) **Notes** that a Right of First Refusal process will be undertaken in line with the Council's Property Acquisition and Disposal Policy; and

c) **Authorises** the Chief Executive to complete negotiations to enter into a Sale and Purchase Agreement for each property.

Kupu Whakamārama / Background

Tuke Street, Normanby

3. This property was purchased by the Hāwera County Council from the Public Trustee in 1978 for the purchase price of $7,000. In 1989 the original dwelling was demolished by the Hāwera District Council and has been an open green space since then.

4. This 1366m^2 fee simple section is currently vacant and is being maintained under the greenspace contract.

91 Bridge Street, Eltham

5. This property was originally owned by Lion Nathan Limited. In 1993, Lion Nathan offered the section to the Council in lieu of rating changes occurring at that time. Contrary to Council policy to accept unwanted land, it was acknowledged that the Council had been acting as the landowner for many years by maintaining the property. The Eltham Community Board made a recommendation to the Council to accept the offer and in 1994, the property was transferred to the Council for a nominal fee.

6. This is a 555m^2 vacant section that has generally been used as carparking by the occupants of the rear property.

7. The capital value for the section has been low up until 2021, at $27,000. However, it has recently jumped to $88,000 for the 2026/2027 year.

10 Norfolk Street, Pātea

8. In 1994, the property was offered to the Council as a gift in lieu of unpaid rates. The Council accepted the offer, and the property has remained in its ownership since then. The property is a 506m^2 vacant, residential section and the immediate neighbours are known to mow the land and park vehicles on it occasionally.

9. All three properties in this report have been considered by other Council activities and waived for alternative use.

Ngā Kōwhiringa / Options – Identification and analysis

Options

10. Option One: Declare all three properties as surplus with the intention to dispose of them in accordance with the Property Acquisition and Disposal Policy. The respective Iwi for each property would be offered the first right of purchase at market rate. If they choose to decline, the properties would be offered for sale on the open market. This is the preferred option.

11. Option Two: Declare only one or two properties as surplus and retain the remaining section(s).

12. Option Three: Decline the proposal to declare these properties as surplus.

Risks

13. There is a risk that there will be no interest or very little interest in purchasing one or more of the properties.

14. There is a risk that the Council will need to take a lesser value than market value to sell or continue to meet the ongoing costs of rates and maintenance until the sections are sold.

Whaiwhakaaro me ngā aromatawai / Considerations and Assessments

Local Government Purpose

The purpose of local government is to: (a) enable democratic local decision-making and action by, and on behalf of, communities; and (b) meet the current and future needs of communities for good-quality, cost-effective, and local— (i) infrastructure; and (ii) public services; and (iii) performance of regulatory functions; and (c) support local economic growth and development by fulfilling the purpose set out in paragraph (b).

15. The recommended action will declare surplus land assets that do not contribute to the Council's core service delivery objectives, enable the Council to optimise its asset portfolio, reduce outgoing expenditure, and realise capital value. This supports a greater emphasis on the cost-effective provision of core local government services and prudent stewardship of public resources.

Assessment of Significance and Engagement

16. The level of significance of this matter has been determined by considering the following criteria and levels of engagement:

Criteria	Measure	Assessment
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.	The affected parties are primarily adjacent landowners and local hapū/Iwi.
LOS	The achievement of, or ability to achieve, the stated levels of service set out in the Long Term Plan.	A decision to declare land as surplus will not affect the Council's ability to meet its stated levels of service. Efficient management of the property portfolio helps ensure the effective use of Council resources and rates funding.
Decision	Whether this type of decision, proposal or issue has generated wide public interest in South Taranaki.	The properties in this report have had no history of significant value or benefit to the community, and their disposal is unlikely to generate wide public interest.

Criteria	Measure	Assessment
Financial	The impact of the decision or proposal on the Council's overall budget or its inclusion in an approved Long Term Plan and the ability to carry out existing or proposed functions and activities now and in the future.	The sale of these properties will remove the ongoing costs to hold and maintain the vacant land. It will also generate income for the Council.
Reversible	The degree to which the decision or proposal is reversible.	If a decision is made to declare the land as surplus, and an agreement has been reached, the decision to sell cannot be reversed, unless the agreement falls through.
Environment	The degree of impact the decision will have on the environment.	This decision would have no direct impact on the environment

17. In terms of the Council's Significance and Engagement Policy this matter is of low significance.

18. The level to which the Council needs to engage, if the recommended option is supported, would be to inform the directly adjacent landowners who maintain or use the vacant land of the decision, and to undertake the first right of refusal process with the relevant Iwi.

Legislative Considerations

19. If the Council agrees with the recommended option, a formal resolution to declare the property surplus is required.

20. There are no further statutory obligations to meet prior to the sale of the properties in this report.

Financial/Budget Considerations

21. The cost of selling each individual section consists of sale and marketing costs, and legal fees, which have not been included in the current Annual Plan.

22. In accordance with the Property Acquisition and Disposal Policy, the sale proceeds are to be paid into the relevant Ward Property Reserve to be used for the purchase or development of Council owned properties within that Ward.

23. Disposal of these properties would remove ongoing expenditure obligations and release capital that could be reinvested, reducing pressure on ratepayer funding.

Land	Capital Rating Value	Rates & Maintenance
Tuke Street, Normanby	$146,000	$4,675.23 pa
91 Bridge Street, Eltham	$88,000	$3,119.45 pa
10 Norfolk Street, Pātea	$70,000	$2,033.19 pa

Consistency with Plans/Policies

24. This report is consistent with the Council's Property Acquisition and Disposal Policy.

Consideration of Iwi/Māori

25. The Council's Property Acquisition and Disposal Policy provides the appropriate iwi with the first right of refusal for surplus property. If the Council declares the properties surplus, officers will approach the appropriate iwi in accordance with the Policy.

Affected Parties Consultation

26. Parties that may be affected by the sale of the properties will be informed following the Council's decision. This may include those currently using or otherwise affected by the vacant land.

Whakakapia / Conclusion

27. The three properties identified in this report have no identified Council use and provide no current community benefit. Declaring these properties surplus will remove ongoing holding costs and enable Council resources to be directed to core services and community outcomes within their respective wards.



Elizabeth Albert
Kaitātari Tūrawa -Ture /
Property Officer – Legal



[Seen by]
Andrew Ritson
Kaihautū Ture me te Rironga/
Legal and Procurement Manager

Appendix: Maps of Properties to be Declared Surplus

Tuke Street, Normanby



91 Bridge Street, Eltham



10 Norfolk Street, Pātea



Pūrongo
Report

6

To	Policy and Strategy Committee
From	Pouhautū Rautaki me te Whaitikanga / Head of Strategy and Governance, Becky Wolland
Date	9 November 2026
Subject	**Review of Procurement Thresholds**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Council's procurement thresholds have not been substantively reviewed for more than ten years. Over this time, increases in the cost of goods, services and construction have reduced the practical value of the existing thresholds and increased the level of procurement process required for some routine Council expenditure.

2. A review of the thresholds has been undertaken to ensure the Council's procurement requirements remain proportionate to the value and nature of the procurement, while continuing to support value for money, transparency and appropriate competition. The review also considered benchmarking with other councils and opportunities to simplify the current procurement requirements.

3. This report presents two options for revised procurement thresholds, together with the ability for the Council to determine alternative thresholds if it considers these more appropriate. Both options also propose replacing the current three-quote requirement for lower-value procurement with a more proportionate approach and replacing the term "contract value" with "procurement value".

4. The Policy and Strategy Committee is asked to consider the options and recommend its preferred procurement thresholds to the Council for approval.

Taunakitanga / Recommendation(s)

THAT the Policy and Strategy Committee recommend the Council:

a) Approves Option 2 for the Council's procurement thresholds:

- under $30,000: preferred supplier/direct appointment, with reasonable pricing;
- $30,000 to $100,000: minimum of two competitive quotes;
- $100,000 to $250,000: closed RFx; and
- over $250,000: public RFx.

b) Approves replacing the term “contract value” with “procurement value” within the procurement requirements; and

c) Notes that the approved changes will be incorporated into the Council’s procurement documentation.

Kupu Whakamārama / Background

5. The Council’s current procurement thresholds have been in place for a considerable period and have not been substantively reviewed for more than ten years. Over this time, inflation and increases in construction and service costs have reduced the practical value of the existing thresholds, with routine infrastructure and maintenance contracts increasingly exceeding the current limits.

6. The Council’s current procurement thresholds require procurement under $25,000 to follow a preferred supplier or direct appointment process, with three quotes required; procurement between $25,000 and $100,000 to follow a closed RFx process; and procurement over $100,000 to follow a public RFx process unless otherwise approved by the Chief Executive.

7. The Procurement Policy and Manual were considered by the Policy Development Committee in March 2016, when the Committee recommended their adoption by the Council. As part of a wider review of the Procurement Policy and Manual, officers have reviewed the financial thresholds to ensure procurement requirements remain proportionate to the value and nature of the procurement being undertaken.

8. The review included benchmarking against Stratford District Council and a number of similarly sized councils. This identified a range of approaches and confirmed that the Council’s current $100,000 open-tender threshold is consistent with some councils but lower than several comparable councils.

9. Since 2016, local government costs have increased by approximately 48.4% on average based on the BERL Local Government Cost Index. If the Council’s existing procurement thresholds had increased at the same rate, the current $25,000 threshold would now be approximately $37,000, and the $100,000 threshold approximately $148,000.

10. The review has resulted in two options for revised procurement thresholds, which seek to reduce unnecessary administrative requirements while continuing to support value for money, transparency and appropriate competitive opportunities for suppliers.

11. The purpose of this report is to present the options arising from the review and seek the Council’s approval for any changes to the current procurement thresholds.

Ngā Kōwhiringa / Options – Identification and analysis

12. In addition to the proposed changes to the financial thresholds, the review identified a number of changes to improve the terminology and clarity of the procurement requirements. These changes include replacing the term “contract value” with “procurement value”.

13. The current requirement for three quotes for procurement under $25,000 would also be replaced with a more proportionate approach. Under both options, procurement under $30,000 would allow for a preferred supplier or direct appointment where reasonable pricing can be demonstrated, while procurement above $30,000 would introduce a minimum requirement for two competitive quotes before the closed RFx threshold applies.

14. These changes are intended to simplify the procurement requirements and ensure the level of process undertaken is proportionate to the value of the procurement, while maintaining appropriate consideration of value for money and competition.

Options

15. Option One:

Procurement value	Proposed procurement process
Under $30,000	Preferred supplier/direct appointment, with reasonable pricing
$30,000 to $100,000	Minimum of two competitive quotes
$100,000 to $200,000	Closed RFx
Over $200,000	Public RFx

16. Option Two:

Procurement value	Proposed procurement process
Under $30,000	Preferred supplier/direct appointment, with reasonable pricing
$30,000 to $100,000	Minimum of two competitive quotes
$100,000 to $250,000	Closed RFx
Over $250,000	Public RFx

17. Option Three: The Council may determine alternative procurement thresholds to those presented in Options 1 and 2, should it consider different thresholds to be more appropriate.

Risks

18. There are no major risks associated with the decisions in this report. Increasing the procurement thresholds may result in some higher-value procurement being undertaken with a reduced level of competitive market testing. This risk is mitigated by retaining competitive procurement requirements at appropriate thresholds and the Council's wider procurement controls and approval processes.

19. Retaining the current thresholds also carries a risk of procurement processes being disproportionate to the value of the procurement, resulting in additional administration, cost and delays. The review identified that inflation and construction cost increases have reduced the practical value of the existing thresholds, with routine infrastructure and maintenance contracts increasingly exceeding them.

Whaiwhakaaro me ngā aromatawai / Considerations and Assessments

Local Government Purpose

The purpose of local government is to: (a) enable democratic local decision-making and action by, and on behalf of, communities; and (b) meet the current and future needs of communities for good-quality, cost-effective, and local— (i) infrastructure; and (ii) public services; and (iii) performance of regulatory functions; and (c) support local economic growth and development by fulfilling the purpose set out in paragraph (b).

20. The decisions in this report are consistent with the purpose of local government under section 10 of the Local Government Act 2002. Reviewing the Council's procurement thresholds supports the cost-effective delivery of local infrastructure, public services and regulatory functions by ensuring procurement requirements are proportionate to the value of the procurement. The proposed changes seek to reduce unnecessary administrative requirements while retaining appropriate competitive processes and supporting value for money.

Assessment of Significance and Engagement

21. The level of significance of this matter has been determined by considering the following criteria and levels of engagement:

Criteria	Measure	Assessment
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.	Medium: The Council's procurement activities ultimately affect all residents and ratepayers however, changes to the procurement thresholds relate primarily to how the Council undertakes procurement and are expected to have minimal community impact.
LOS	The achievement of, or ability to achieve, the stated levels of service set out in the Long Term Plan.	Low: Changing the procurement thresholds will not affect the Council's stated levels of service and is intended to simplify procurement requirements and improve the efficiency of the process.
Decision	Whether this type of decision, proposal or issue has generated wide public interest in South Taranaki.	Low: There is no evidence that decisions of this nature have generated widespread public interest.
Financial	The impact of the decision or proposal on the Council's overall budget or its inclusion in an approved Long Term Plan and the ability to carry out existing or	Low: There are no direct financial implications arising from this report. The proposed changes relate to the process used to procure goods and

Criteria	Measure	Assessment
	proposed functions and activities now and in the future.	services and do not authorise additional expenditure.
Reversible	The degree to which the decision or proposal is reversible.	Low: The Council can consider and amend the Procurement Policy at any time.
Environment	The degree of impact the decision will have on the environment.	Low: There is no impact on the environment as a result of this decision.

22. In terms of the Council's Significance and Engagement Policy, this matter is of low significance and the appropriate level of engagement is to inform. The Council's decision will be communicated through the published Council minutes.

Legislative Considerations

23. There are no specific legislative requirements prescribing the Council's procurement thresholds. The Government Procurement Rules provide good-practice guidance for public sector procurement, which local government agencies are encouraged to have regard to when undertaking procurement.

Financial/Budget Considerations

24. There are no direct financial or budget implications arising from this report. The proposed changes relate to the procurement processes applied to Council expenditure and do not increase budgets or provide approval for additional expenditure. The changes are intended to provide a more proportionate procurement process while maintaining a focus on achieving value for money.

Consistency with Plans/Policies

25. The proposed changes are consistent with the Council's existing plans and policies. Any procurement thresholds approved by the Council will be incorporated into the Procurement Policy and associated procurement documentation.

Consideration of Iwi/Māori

26. The proposed changes to the procurement thresholds do not have any specific or differential impacts on Māori. The changes relate to the Council's internal procurement processes and do not alter opportunities for Māori businesses and suppliers to participate in Council procurement.

Affected Parties Consultation

27. The parties most directly affected are the Council's approved contractors, suppliers and service providers. While the proposed changes alter the procurement processes that apply at different values, they do not prevent suppliers from participating in Council procurement opportunities.

Whakakapia / Conclusion

28. The proposed changes provide an opportunity to update and simplify the Council's procurement requirements so they are more proportionate to current procurement values while retaining appropriate competition and a focus on value for money. The Policy and Strategy Committee is asked to consider the options and recommend its preferred approach to the Council.



Becky Wolland
Pouhautū Rautaki me te Whaitikanga /
Head of Strategy and Governance



[Seen by]
Fiona Aitken
Tumu Whakahaere
Chief Executive

Pūrongo Report

6

To	Policy and Strategy Committee
From	Pouhautū Rautaki me te Whaitikanga / Head of Strategy and Governance, Becky Wolland
Date	9 November 2026
Subject	**He Pou Tikanga Ngā iwi o te Tai Whakarunga – Council Partnership Strategy Review**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. He Pou Tikanga is the strategic framework for the partnership between Ngā Iwi and the Council. The He Pou Tikanga Strategy (the Strategy) provides for a three-yearly review alongside the 2027–2037 Long Term Plan (LTP) and has been reviewed by Ngā Iwi and the Council to reflect how the partnership has developed since its adoption in 2023.

2. The review identified opportunities to strengthen early engagement, communication, governance and the way Ngā Iwi and the Council work together. While the Council supported many of the principles raised through the iwi review, it considered that much of the proposed detail was operational rather than strategic. The revised Strategy therefore incorporates the strategic elements of the feedback, with operational matters to be addressed through supporting processes and He Tikanga Mahi Tahi.

3. The revised He Pou Tikanga is attached as Appendix 1, with proposed changes arising from the review highlighted in yellow.

4. The Policy and Strategy Committee is asked to consider the proposed changes and recommend to the Council that the revised He Pou Tikanga be adopted, either as presented or with any further changes considered appropriate. The Strategy will then support the LTP process.

Taunakitanga / Recommendation(s)

THAT The Policy and Strategy Committee recommends the Council adopt the draft He Pou Tikanga Iwi-Council Partnership Strategy with or without changes.

Kupu Whakamārama / Background

5. He Pou Tikanga was developed through a partnership co-design process between South Taranaki District Council and the four iwi of Taranaki ki te Tonga. The formal co-design was

undertaken from June to August 2022, with the resulting He Pou Tikanga Iwi-Council Partnership Strategy adopted by the Council in December 2023.

6. He Pou Tikanga is a strategic and aspirational document that sets out how the Council and Ngā Iwi will work together as partners. It is supported by He Tikanga Mahi Tahi – Partnership Operations Guide, which provides the operational framework for iwi and Council staff to work towards the priorities established through the Strategy.

7. He Pou Tikanga provides for a three-yearly review alongside development of the LTP. The review provided opportunities for both Ngā Iwi and the Council to reflect on the Strategy and the development of the partnership, including through a Council workshop in June, a Ngā Iwi workshop in September followed by a collective workshop in September. The feedback received through this process has informed the proposed updates to He Pou Tikanga.

8. The review focused on how the partnership has developed since He Pou Tikanga was originally co-designed and how the Strategy can provide clearer direction for the relationship going forward.

Iwi Review of He Pou Tikanga

9. Following the collective iwi workshop on 7 September 2026, Te Rūnanga o Ngāti Ruanui compiled the workshop feedback on behalf of Ngā Iwi and has been incorporated into the draft Strategy attached as Appendix 1.

10. Ngā Iwi feedback focused on making He Pou Tikanga more practical, including earlier involvement in Council work, clearer engagement and decision-making processes, co-design, appropriate resourcing, protection of cultural information, and clearer accountability. Ngā Iwi also sought clearer recognition of their roles as mana whenua and iwi authorities, including determining who should be involved in Council engagement. Other suggestions included annual governance hui and action planning, regular review of progress, clearer ways to resolve issues, and exploring greater joint decision-making over time.

11. Appendix 2 is the discussion paper presented by Ngā Iwi.

Council's Review of He Pou Tikanga

12. The Council's review recognised that relationships between Ngā Iwi and the Council had strengthened over time, with improved trust, mutual respect and willingness to engage, and identified examples of successful collaboration and co-design on specific projects and policies. The Council also identified opportunities to build on this progress through more consistent engagement across the Council, clearer communication and feedback pathways, earlier iwi involvement in relevant matters, and greater opportunities for Ngā Iwi and the wider Council to connect. Greater clarity around respective governance and operational roles, and how the partnership is given effect in practice, was also identified as an area for further development.

13. Ngā Iwi proposed 14 commitments to strengthen He Pou Tikanga across a range of partnership, governance and implementation matters. The Council supported many of the underlying principles but considered much of the proposed detail to be operational rather

than strategic. The revised Strategy therefore incorporates the strategic elements of the feedback, with operational matters to be addressed through supporting processes.

14. The report was presented to Te Kāhui Matauraura on 4 November 2026. Feedback received from Te Kāhui Matauraura will be provided verbally to the Policy and Strategy Committee.

15. The proposed commitments and the Council's response are summarised below.

No.	Strategic commitment	How the Strategy gives effect to it	Council's consideration
1	**Establish He Pou Tikanga as the enduring framework for the Council–Ngā Iwi partnership.** It will direct Council conduct, priorities, decisions and accountability.	The Introduction gives the Strategy practical authority across Council behaviour, decision-making, annual planning and accountability.	The Council supports the intent of this commitment. The Council considers that "behaviour" should be replaced with "practices" and that the framework should reflect the reciprocal nature of the partnership by applying to both Council and Ngā Iwi. Council also notes that each party will continue to act within its respective roles, responsibilities and statutory settings.
2	**Affirm the status and authority of Ngā Iwi.** Ngā Iwi are recognised as mana whenua, iwi authorities, Treaty partners and kaitiaki within their respective takiwā—not as stakeholders.	The Introduction records the enduring authority and responsibilities of Ngā Iwi for their takiwā, settlement interests, hapū, marae and cultural landscapes.	The Council supports the intent of recognising the status, authority and responsibilities of Ngā Iwi. The Council considers that this recognition should remain at a strategic level, with the specific processes for engagement with iwi, hapū, marae and whānau addressed through supporting operational guidance. This commitment could be combined with point 11.
3	**Make early partnership engagement the default.** Ngā Iwi participation will begin while issues, scope and options can still be shaped.	Mana Mauri requires iwi involvement in relevant policies, plans, projects and decisions before a Council position is formed.	The Council supports the intent of early engagement on relevant policies, plans, projects and decisions, so that iwi perspectives can help inform matters while they are being developed. The Council considers that the Strategy should establish this high-level expectation without prescribing the particular

			engagement process. This commitment could be combined with point 4 and reflected alongside point 5.
4	**Make iwi influence visible in Council decisions.** Decision-making will demonstrate how iwi advice affected the analysis, options and outcome.	The Partnership Framework establishes decision gates requiring reports to show how Ngā Iwi advice shaped options, recommendations and final decisions.	The Council supports early, meaningful engagement so iwi perspectives can help inform decision-making. Prescribed decision gates and reporting requirements are considered to be operational matters by the Council and should not sit within He Pou Tikanga. This commitment could be combined with point 3 under a broader commitment to early and meaningful involvement.
5	**Shift from consultation to co-design where the kaupapa warrants it.** Partnership methods will be matched to the significance and effect of the matter.	Mana Mauri provides for joint scoping, shared workshops, draft review and agreed work programmes as practical co-design mechanisms.	The Council supports using collaborative approaches where these are appropriate to the nature and significance of the kaupapa and can be achieved within the parties' respective roles and statutory settings. The Council considers that specific mechanisms, such as joint scoping, workshops, draft reviews and work programmes, should sit within the supporting operational guidance rather than the Strategy.
6	**Maintain governance stewardship of the partnership.** Ngā Iwi and Council governors will jointly oversee direction, priorities, performance and strategic risk.	Mana Tangata establishes an annual governance hui and a pathway for matters requiring governance direction.	The Council supports the annual governance hui as an opportunity for the Council and Ngā Iwi representatives to share their respective plans and priorities, discuss matters of mutual interest and identify opportunities to work together.
7	**Translate strategic priorities into an accountable annual programme.** Shared	The Operations section requires a jointly approved annual action plan and work plan specifying leads,	The Council supports identifying shared priorities and opportunities for action through the annual

	priorities will have clear ownership, resources, milestones and reporting expectations.	timeframes, resources, deliverables, reporting dates and escalation pathways.	governance hui. The Council does not consider that He Pou Tikanga should prescribe a jointly approved annual action plan with specified leads, resources, milestones, reporting dates and escalation pathways. Detailed work planning should instead be managed through He Tikanga Mahi Tahi and the relevant operational work programmes.
8	**Measure the quality and impact of the partnership—not activity alone.** Monitoring will test whether commitments are delivered and iwi participation changes decisions and outcomes.	The Operations section requires agreed measures covering delivery, early involvement, iwi influence, resourcing, information protection, hapū and marae engagement, issue resolution and review.	The Council supports appropriate accountability for agreed commitments but considers that the quality of a relationship is difficult to capture through detailed performance measures alone. The Strategy should provide for regular reflection on progress and the effectiveness of the partnership, with any detailed monitoring arrangements agreed through the annual work programme.
9	**Resource equitable participation.** Council will match the time, capacity and expertise sought from Ngā Iwi with appropriate and transparent support.	Mana Oranga applies this commitment to hui, technical and cultural advice, mapping, hapū and marae engagement, hearings, working groups and co-designed projects.	The Council recognises that meaningful Ngā Iwi participation may require resourcing in some circumstances. The nature and level of participation and any associated resourcing would need to be considered and agreed early in relation to the particular kaupapa, rather than creating a general resourcing commitment through He Pou Tikanga.
10	**Uphold iwi authority over cultural knowledge and information.** Ngā Iwi will retain control over access, use, sharing and disclosure of sensitive iwi	Mana Taiao requires agreed protocols for mātauranga, wāhi tapu information, cultural narratives, spatial data and related collection, storage, publication, retention and disposal.	The Council supports recognising and respecting Ngā Iwi interests in mātauranga and culturally sensitive information. The Council considers that the Strategy should express this

	information.		commitment at a high level, while detailed information-management protocols should sit in supporting operational arrangements. Information held by the Council must also be managed in accordance with applicable statutory requirements, including LGOIMA.
11	**Respect iwi-determined representation and engagement.** Each iwi will decide when and how its hapū, marae, kaumātua, technical experts and whānau participate.	Mana Mauri embeds iwi-determined engagement pathways for relevant kaupapa.	The Council supports the principle that each iwi determines its preferred pathway for engaging its hapū, marae, kaumātua, technical experts and whānau. The Council considers that the Strategy should recognise this principle at a high level, with specific engagement pathways managed operationally. This commitment could be combined with point 2.
12	**Progress the partnership towards shared authority.** Within legislative settings, the parties will identify opportunities for stronger joint decision-making, joint governance and iwi-led pathways.	Mana Whakahaere links this direction to shared recommendations, co-designed advice, participation agreements, spatial planning and future planning reform.	The Council supports continuing to strengthen the partnership and exploring opportunities for greater collaboration and shared approaches to matters of mutual interest. This must be considered within the respective roles, responsibilities and statutory powers of the parties. The Council considers that this commitment overlaps with points 3, 4 and 5 and could be incorporated into a broader strategic commitment to early involvement and appropriate collaboration.
13	**Protect the integrity of commitments through timely resolution.** Unmet or disputed	The Operations section establishes staged escalation and requires the issue, agreed response, responsible lead	The Council supports including a high-level commitment that concerns about the implementation of

	commitments will be addressed at the appropriate operational, senior leadership or governance level.	and resolution timeframe to be recorded.	He Pou Tikanga will be addressed constructively, transparently and at the appropriate level. The Strategy should not prescribe a staged escalation or complaints process. Relevant Council policies and processes, including those relating to conduct and conflicts of interest, will apply where appropriate.
14	**Embed continuous joint learning and renewal.** Annual review will test implementation, resolve gaps and reset priorities, while informing longer-term strategic review.	The Strategy Review section links annual findings and agreed priorities to the three-year Long Term Plan review.	The Council supports an annual joint review. The annual review should inform the priorities and actions for the following year, with the outcomes and learning informing the three-year review of He Pou Tikanga undertaken as part of the LTP process. Detailed review measures and procedures should be addressed through the annual work programme.

16. Appendix 1 contains the revised He Pou Tikanga Strategy, with changes arising from the review process highlighted in yellow.

Ngā Kōwhiringa / Options – Identification and analysis

Options

Option 1: Recommend the revised He Pou Tikanga as proposed
The Policy and Strategy Committee recommends that the revised He Pou Tikanga, incorporating the feedback received from Ngā Iwi and the Council through the review process, be presented to the Council for consideration and adoption.

Option 2: Recommend the revised He Pou Tikanga subject to further changes
The Policy and Strategy Committee identifies any further changes it considers should be made to the revised He Pou Tikanga and recommends that the amended Strategy be presented to the Council for consideration and adoption.

Option 3: Retain the current He Pou Tikanga
The Policy and Strategy Committee does not recommend the proposed changes and recommends that the existing He Pou Tikanga adopted in 2023 remain unchanged.

Risks

17. There are no significant risks associated with the recommendations. The key risk is ensuring He Pou Tikanga is finalised in time to support LTP consultation, alongside the other background information required for the LTP.

Whaiwhakaaro me ngā aromatawai / Considerations and Assessments

Local Government Purpose

The purpose of local government is to:
(a) enable democratic local decision-making and action by, and on behalf of, communities; and
(b) meet the current and future needs of communities for good-quality, cost-effective, and local—
(i) infrastructure; and
(ii) public services; and
(iii) performance of regulatory functions; and
(c) support local economic growth and development by fulfilling the purpose set out in paragraph (b).

18. The review of He Pou Tikanga aligns with the purpose of local government by supporting democratic local decision-making and providing a framework for Ngā Iwi and the Council to engage on matters relevant to their respective roles and responsibilities. The proposed changes seek to strengthen pathways for early engagement, communication and the sharing of priorities, while recognising that Council decision-making continues to operate within its statutory responsibilities.

Assessment of Significance and Engagement

19. The level of significance of this matter has been determined by considering the following criteria and levels of engagement:

Criteria	Measure	Assessment
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.	Low: The proposed changes are not expected to have a significant direct impact on residents or ratepayers, as He Pou Tikanga is a strategic framework for the relationship between Ngā Iwi and the Council.
LOS	The achievement of, or ability to achieve, the stated levels of service set out in the Long Term Plan.	Low: There would be no impact on the levels of service as set out in the LTP.
Decision	Whether this type of decision, proposal or issue has generated wide public interest in South Taranaki.	Medium: He Pou Tikanga may generate public interest, however, the document will be presented alongside the LTP for consultation and feedback can be submitted at this time.

Criteria	Measure	Assessment
Financial	The impact of the decision or proposal on the Council's overall budget or its inclusion in an approved Long Term Plan and the ability to carry out existing or proposed functions and activities now and in the future.	Medium: He Pou Tikanga is not expected to have a significant impact on the Council's overall budget. However, some funding will be required to implement the Strategy, which will be considered through the LTP budget process.
Reversible	The degree to which the decision or proposal is reversible.	Low: He Pou Tikanga will form part of the LTP. While minor amendments may be made, any significant changes would need to be considered through an LTP amendment process, including consultation.
Environment	The degree of impact the decision will have on the environment.	Low: The proposed changes to He Pou Tikanga will not have any direct environmental impacts. The Strategy provides a framework for Ngā Iwi and the Council to work together on relevant matters, including environmental matters where appropriate.

20. In terms of the Council's Significance and Engagement Policy this matter is of low significance, however, the Council acknowledges the importance of He Pou Tikanga and what it signifies for Iwi and the Council to strengthen our relationship. He Pou Tikanga will be consulted on as part of the Council's 2027-2037 LTP.

Legislative Considerations

21. The Local Government Act 2002 requires councils to provide opportunities for Māori to contribute to decision-making and to consider how Māori capacity to participate in those processes can be developed. He Pou Tikanga supports these requirements by providing a framework for ongoing engagement between Ngā Iwi and the Council.

Financial/Budget Considerations

22. There are no direct additional costs associated with the review or adoption of the revised He Pou Tikanga Strategy. Any future resourcing requirements arising will be considered through the LTP or annual plan budgeting processes.

Consistency with Plans/Policies

23. The review aligns with the current He Pou Tikanga Strategy, which requires it to be reviewed as part of the LTP process, and helps ensure the Strategy remains current.

Consideration of Iwi/Māori

24. This report directly relates to the Council's relationship with Ngā Iwi. The review of He Pou Tikanga has included opportunities for both Ngā Iwi and the Council to identify what is working well and where the partnership could be strengthened. The revised Strategy reflects feedback from both parties and seeks to strengthen ongoing engagement, relationships and opportunities for Ngā Iwi to contribute to relevant Council decision-making.

Affected Parties Consultation

25. The revised He Pou Tikanga Strategy will be included in the 2027–2037 LTP and will provide background and context for the LTP Consultation Document.

Whakakapia / Conclusion

26. The review of He Pou Tikanga reflects the continuing development of the partnership between Ngā Iwi and the Council. The revised Strategy builds on the progress made since its adoption and provides clearer strategic direction for how the partnership will continue to grow. The Policy and Strategy Committee is asked to consider the revised Strategy in Appendix 1 and recommend its adoption to the Council, with or without further changes.



Becky Wolland
Pouhautū Rautaki me te Whaitikanga /
Head of Strategy and Governance



[Seen by]
Fiona Aitken
Tumu Whakahaere
Chief Executive

Appendices:

Appendix 1 – Draft He Pou Tikanga Iwi-Council Partnership Strategy
Appendix 2 – Ngā Iwi Discussion Paper

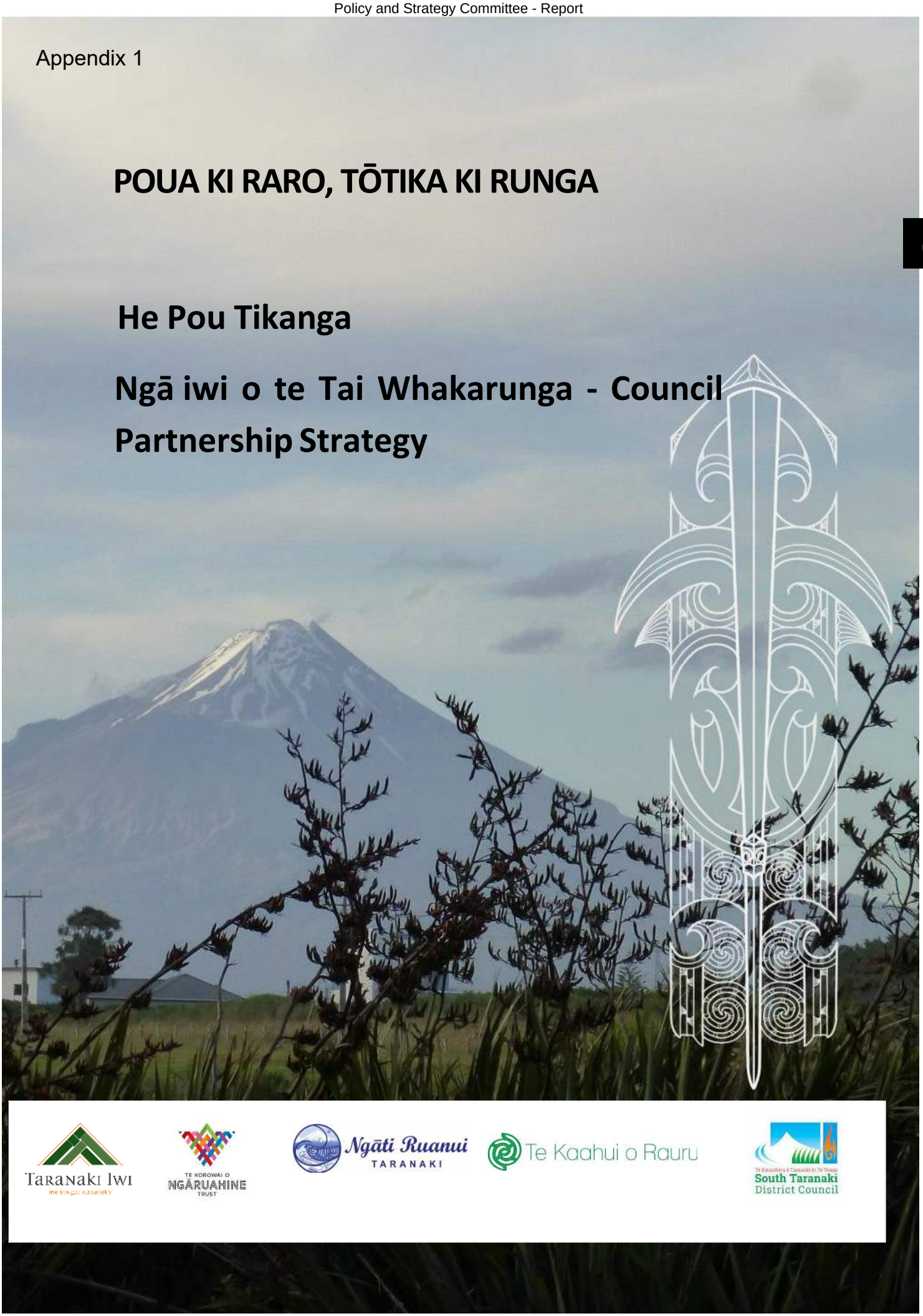
Appendix 1

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POUA KI RARO, TŌTIKA KI RUNGA

He Pou Tikanga

Ngā iwi o te Tai Whakarunga - Council Partnership Strategy



POUA KI RARO, TŌTIKA KI RUNGA refers to the pou whenua image, central to the He Pou Tikanga Partnership Framework developed during the iwi-council partnership codesign that contributed to the development of this Strategy. The pou is planted firmly into the ground, acknowledging mana whenua and upholding the agreed upon values, thereby symbolising the iwi and the South Taranaki District Council's commitment to genuine partnership. The pou looks out over current and future generations and the iwi-Council partnerships as they continue to develop, adapt to change and weather challenges - steadfast.

HE TĪMATANGA KŌRERO

Ko wai tērā mounga e tū mai rā? Koia ko te pou whakawhirinaki o ngā iwi kei ōna rekereke; te maru o ngā manene kua tau mai hoki.

I te tau 2022, i mahi ngātahi ngā kaiurungi, ngā ringaringa, waewae hoki o ngā Rōpū Whakataunga ā ngā iwi e whā o Taranaki ki te Tonga, rātou ko te Koromatua, ko te Kaunihera o Taranaki ki te Tonga, rātou ko te hunga kaimahi hoki o te Kaunihera o Taranaki ki te Tonga. I whiria e rātou ngā here o te whakawhanaungatanga, i whai whakaaro hoki ki ngā tikanga, ngā tukanga, me ngā ritenga o tēnā, o tēnā, kia whakatūria ai he pou tikanga, e tūtohu ana i tētehi ara puta ki te whai ao, ki te ao mārama kia mahi tahi ai hei hoa haere kōtui.

Who is that mountain? 'Tis the support pillar of the iwi settled at his feet; the shelter of newcomers landing here also.

In 2022, leaders of the post settlement governance entities (PSGEs) of the four iwi of South Taranaki, along with the Mayor of South Taranaki District Council, the Council and senior leadership team of South Taranaki District Council participated in a partnership codesign. The parties built rapport; understanding of each other's tikanga, processes and protocols*, to establish a pou tikanga, a pillar of agreed upon values for working together as partners. This Strategy, He Pou Tikanga, and the accompanying He Tikanga Mahi Tahi Operations Guide are outcomes of the codesign and the discussions that followed.*

In September 2026, Ngā Iwi and the Council revisited this shared approach to strengthen how the partnership is expressed and applied. The resulting refinements carry the original intent of the 2022 co-design forward and are outlined in the Introduction.

Contents

HE TĪMATANGA KŌRERO 3

HE KŌRERO WHAKATAKI|INTRODUCTION 5

HE POU TIKANGA PARTNERSHIP FRAMEWORK 6

PARTNERSHIP VALUES 8

PARTNERSHIP TIKANGA 10

Mana Whakahaere 10

KEY PRIORITY AREAS 12

1. Mana Mauri / Cultural Well-being: 12
Early notification. Early involvement. 12
Whakawhanake Āheinga Ahurea | Cultural Capability Building 12

2. Mana Tangata / Social Well-being: 13
Whanaungatanga | Connectedness 13

3. Mana Oranga / Economic Well-being: 13
Resourcing iwi to advise South Taranaki District Council and Shared Resourcing 13

4. Mana Taiao / Environmental Well-being: 14
Te Taiao | Environment and sustainable living 14

PARTNERSHIP 16
Mana to Mana, Mahi to Mahi 16
Operations – Mahi to mahi 16
Strategy Review – Mana to mana 17
Appendix 1. Partnership Agreement Background 18
Appendix 2. 2022 Partnership Codesign Participants 21

HE KŌRERO WHAKATAKI | INTRODUCTION

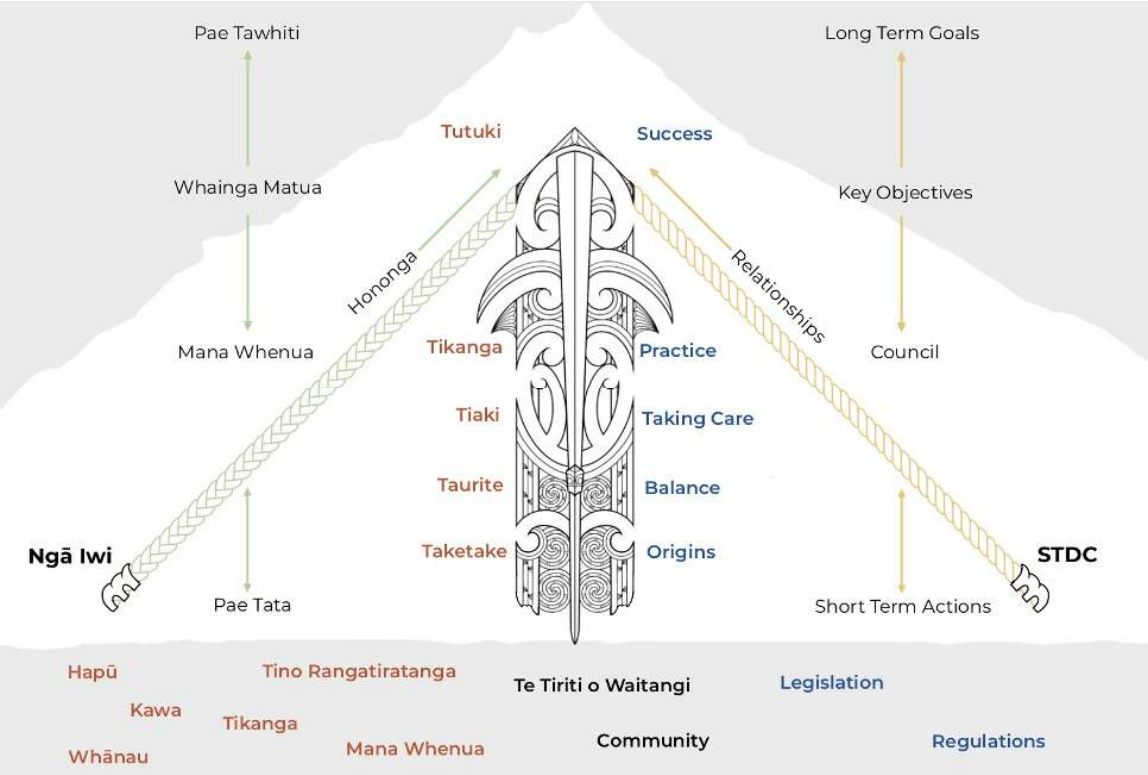
The inaugural He Pou Tikanga Partnership Strategy (2023) represents an evolutionary journey in iwi and South Taranaki District Council's relationships.

This Strategy is the outcome of a partnership co-design held from June to August 2022, between South Taranaki District Council (the Council) and representatives of Te Kaahui o Rauru, Te Rūnanga o Ngāti Ruanui, Te Korowai o Ngāruahine and Te Kāhui o Taranaki, the post-settlement governance entities (PSGEs) of Ngaa Rauru, Ngāti Ruanui, Ngāruahine and Taranaki Iwi (referred to as 'ngā iwi', 'the iwi', or 'iwi' in the document). The key viewpoints that emerged from the codesign are woven into the Strategy. The full summary is attached as appendix 1. The Strategy was reviewed in September 2026 through three workshops, one with Ngā Iwi, one with the Council, and a joint workshop bringing Ngā Iwi and the Council together.

There was a strong desire from both iwi and the Council to continue strengthening our relationships. The intent of this Strategy is to provide a framework whereby all parties better understand each other, deepen trust and strengthen relationships to work together more effectively.

As a practical partnership framework, He Pou Tikanga will guide Ngā Iwi and Council practices, decision-making, annual work planning and accountability with mana whenua. It expressly recognises Te Kaahui o Rauru, Te Rūnanga o Ngāti Ruanui, Te Korowai o Ngāruahine and Te Kāhui o Taranaki as Ngā Iwi: mana whenua, iwi authorities, Treaty partners and kaitiaki within their respective takiwā, with enduring relationships, interests and responsibilities in relation to statutory acknowledgements, settlement interests, hapū, marae, wāhi tapu, waterways, coastline, cultural landscapes and development aspirations.

HE POU TIKANGA PARTNERSHIP FRAMEWORK



The Pou Tikanga Partnership Framework was developed during the iwi-Council partnership codesign in 20221. The Framework is based on a pou whenua, a pillar implanted in a prominent place that represents permanence of existence and status of people in relation to the whenua. An example of such a pou can be seen at Te Ngutu o Te Manu, Ōkaiawa.

The pou is implanted in the whenua (land). Its foundations include instruments such as legislation and tikanga, and Te Tiriti o Waitangi. The wider community is also part of the foundation for iwi-Council relationships also. The partners hold tightly to ropes that keep the pou straight through good tension. This tension enables each side to hold to their commitment to values that the pou represents and remain firm for the benefit of all.

The framework supports early and meaningful involvement with the appropriate Iwi, during the development of relevant proposals, policies, and projects so that perspectives can help shape thinking, options and outcomes from the outset.

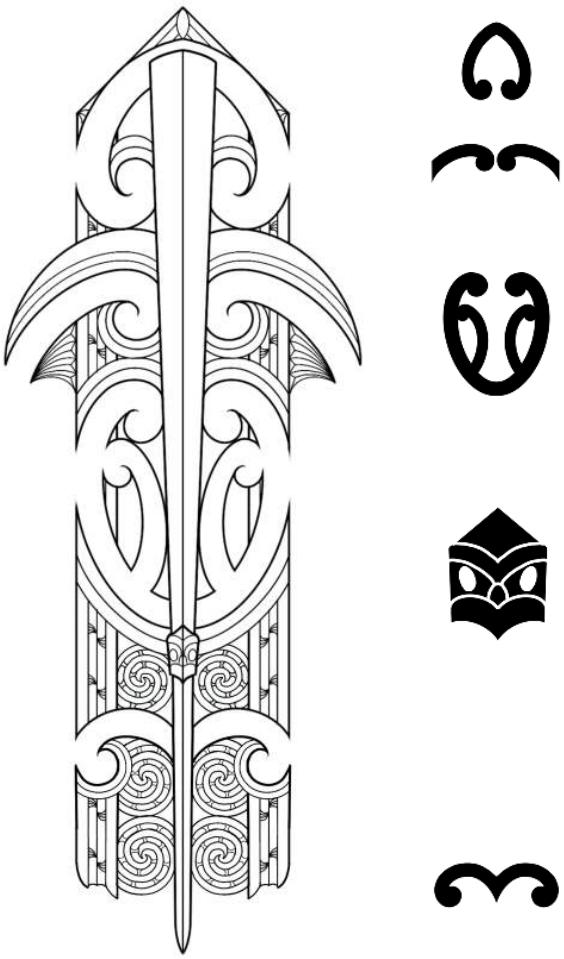
[1] The framework was inspired by a pou tikanga framework developed by AATEA Solutions for NPDC and the mana whenua reference group of the NPDC Heritage Strategy (2012).

While Council will provide reasonable opportunities and timeframes for Ngā Iwi to contribute, it is recognised that Council must also continue to progress its agreed work programme to meet statutory, financial and delivery requirements and community expectations.

Taranaki Maunga stands in the background of the framework, unifying all of Taranaki including iwi PSGEs and South Taranaki District Council.

PARTNERSHIP VALUES

This partnership is underpinned by five values, depicted in the pou whenua within the framework. The partnership values are read from the bottom, from Taketake and ascending to the top of the pou. This represents us further developing our partnership from the ground up:



Tutuki/Success – Recognising milestones as iwi and Council partnerships mature.

Tikanga/Practice – upholding the values of the pou and our agreed-upon practices as we work together.

Tiaki/Taking care – taking care of ourselves, and showing care and having regard for each other. Together, caring for te taiao - our natural environment.

Taurite/Balance – each partner knows their own people and priorities and has their own strategic planning and activities. Partners know aspects of the other's mahi, programmes, cycles etc., so can plan how and when to contribute to the other's work/initiatives. Each partner takes responsibility for their own upskilling and learning.

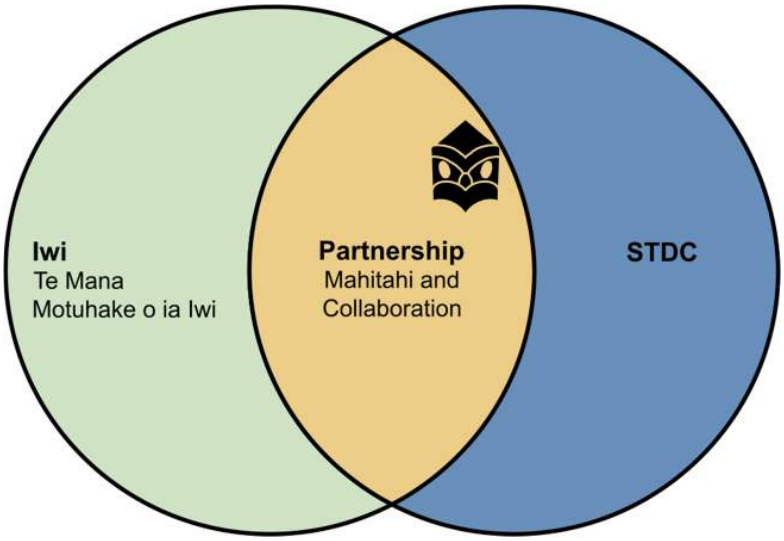
Taketake/Acknowledging mana whenua – recognises the four iwi as mana whenua with Indigenous and Tiriti rights. Iwi are acknowledged as partners, not just stakeholders of Council. Within this, the PSGEs operate on behalf of iwi membership. This acknowledgement is the basis of genuine whanaungatanga and partnership between the four iwi PSGEs and the South Taranaki District Council. The Council derives its mandate from its communities, which include Māori ratepayers and Māori communities, and its powers and responsibilities from legislation. These origins of the respective partners

9

stabilise and provide the foundation for the pou whenua.

6

PARTNERSHIP TIKANGA



Mana Whakahaere |iwi-STDC Partnership Parameters

Mana Whakahaere

The above diagram depicts a space for mahitahi/collaboration between the iwi PSGEs and Council.

Iwi PSGEs have legal duties defined by their Te Tiriti o Waitangi Settlement legislation[2] and are also in service to their hapū through tikanga Māori that do not involve the Council.

The Council is required by legislation, Local Government Act 2002 and Resource Management Act 1991 specifically, to take into account Māori values and principles of Te Tiriti o Waitangi, maintaining and providing opportunities for Māori, and facilitating participation of Māori in local government. Therefore there are requirements for the Council to involve iwi in its activities and protect iwi and hapū rights according Te Tiriti o Waitangi and Crown Treaty principles.

Both parties will determine collaboration opportunities with the other partner based on each other's priorities and resources available.

[2] Treaty settlement agreements can be located on each of the PSGEs' websites.

Ngā Iwi and Council will continue to strengthen their partnership and explore opportunities for greater collaboration and shared approaches to matters of mutual interest, where appropriate and within the respective roles, responsibilities and statutory powers of each partner. He Pou Tikanga will also provide the foundation for Ngā Iwi involvement in significant future developments affecting South Taranaki, including iwi participation agreements, spatial planning, changes in local government structural arrangements and any new planning frameworks.

Some activities that are currently undertaken independently by the Council, should involve iwi and move to the collaborative space as decision-making is shared with iwi and working together becomes more commonplace. There are benefits in iwi working collaboratively with Council including more robust outcomes and mutual benefit for iwi and the wider community. Iwi and STDC desire a 'balance' between iwi-led and Council-led delivery of services where the other partner/s play a supporting role. This Strategy does not negate the unique relationships between individual iwi and the Council. Those relationships will continue to develop, along with partnership agreements. Whilst there will often be common ground, individual iwi may have their unique standpoints, which can be included in individual partnership agreements.

KEY PRIORITY AREAS

This Strategy sets our priorities that contribute to the Pou Tikanga Partnership Framework and aligns with the South Taranaki District Council's community outcomes outlined in the 2024-2034 Long Term Plan; Mana Mauri, Mana Tangata, Mana Oranga, and Mana Taiao.

1. Mana Mauri / Cultural Well-being:

Early notification. Early involvement.

The South Taranaki District Council has a genuine desire to respect mana whenua, listen to their viewpoints and advance genuine partnership collaborations with the iwi in South Taranaki.

It is important that iwi PSGEs, as representatives of mana whenua, are involved from the outset of Council policy development that are of importance to iwi (including plans that set levels of service). Better outcomes are achieved and relationships enhanced as risks that could damage relationships through takahi mana - negating the mana of other partner/s, can be mitigated. Iwi and the Council planning together can save time and resources.

In cases where a kaupapa is location specific, the affected hapū should also be involved at the earliest opportunity.

Te Kāhui Matauraura will provide a regular forum for Ngā Iwi and Council to discuss upcoming policies, plans, projects and decisions, identify matters of particular significance or interest to Ngā Iwi, and consider the appropriate approach to engagement.

Whakawhanake Āheinga Ahurea | Cultural Capability Building

Building cultural capability across the Council at both governance and operational levels is pivotal to growing strong partnerships with iwi, and Council fulfilling its obligations. The Council will provide ongoing training for all elected members and staff on:

- cultural responsiveness;
- the Council's obligations to take into account Te Tiriti o Waitangi principles ;
- the history of the region including the effects of colonisation on local iwi and hapū;
- iwi and hapū developments in the post-settlement times;
- eliminating cultural biases within Council;
- Te reo Māori proficiency.

Building cultural capability also includes increased awareness of the other organisations' internal processes. The Council will continue to pursue opportunities for learning iwi

processes through holding more Council meetings and initiatives at local marae.

2. Mana Tangata / Social Well-being:

Whanaungatanga | Connectedness

Increased opportunities to connect both formally (at events, joint ventures etc.) and informally (outside of projects) is important to both iwi and Council. The intended outcome is that all parties better understand each other, deepen trust, and strengthen relationships to work more effectively together.

An annual governance hui between South Taranaki District Council and representatives of Ngā Iwi will provide an opportunity to share respective plans and priorities, strengthen understanding of matters important to each party, and identify areas of shared interest and opportunities to work together.

3. Mana Oranga / Economic Well-being:

Resourcing iwi to advise South Taranaki District Council and Shared Resourcing

Iwi and Council acknowledge that resourcing is an important equity issue in the context of each iwi-Council collaboration and in their wider partnerships.

Resourcing iwi participation in partnership initiatives is a key consideration to ensure an equitable approach. It should be noted that resources' iwi gained from Treaty settlements are for reestablishing their own cultural and socio-economic bases.

Iwi often provide expertise that Council does not have, to kaupapa that is the shared responsibility of Council and iwi. Further, many kaupapa including the Council's governance and operational work plan and RMA-related kaupapa, require iwi consultation by law. Iwi are not resourced for the expertise they provide and this creates considerable strain on iwi resourcing. Iwi and Council are committed to addressing this inequity.

Iwi input into Council mahi is not solely to offer cultural perspectives but to enable a full participatory role as prioritised by iwi. Resourcing is needed for iwi to fully participate in decision making as an equal partner.

As partners to Council, iwi must have a participatory role in development of agreed relevant Council policy, service delivery, special projects and decision making. More resourcing from

the Council and other avenues is needed for iwi to engage and this resourcing needs to be explicit.

The nature and level of involvement, including any resourcing requirements will be identified and agreed early as part of the relevant work programme.

The deepening relationships between iwi and Council must engender greater reciprocity, balancing of contribution and mutual benefit. Iwi involvement in the delivery of services and sharing of spaces can reduce consultation time and produce robust outcomes that honour mana whenua.

All parties acknowledge that the Council can be in a position where they have no resourcing for unplanned consultations on legislation and participation in other central government initiatives.

4. Mana Taiao / Environmental Well-being:

Te Taiao | Environment and sustainable living

Iwi and the Council will continue to work closely to mitigate risks of local environmental issues and wider environmental issues, such as climate change. Together we will advocate strongly for sustainable communities and industries.

This partnership Strategy strengthens the parties' commitment to reducing negative impacts on te taiao and communities of South Taranaki. Iwi and the Council will work together to identify environmental issues and strategies, which may be reflected through statutory and non-statutory plans.

Ngā Iwi retain their interests in and authority over mātauranga and culturally sensitive information shared with Council. Council will respect and protect that information, with expectations regarding its use, management and disclosure understood between the parties when information is shared. Any information held by Council will remain subject to Council's statutory obligations, including under the Local Government Official Information and Meetings Act 1987 (LGOIMA).

On agreed local and national environmental policies, the Council and iwi will work in partnership as they formulate their positions, before they publicly announce them.

15

6

PARTNERSHIP

Mana to Mana, Mahi to Mahi

The principle of Mana to Mana, Mahi to Mahi upholds that iwi and Council personnel interact at the equivalent governance or operational leadership level.

- Mana to Mana refers to the governance leadership, those who hold the mana for their organisation: the governors: the mayor, councillors, the chair of iwi boards and board members, and on location-specific kaupapa, hapū chairs and marae chairs may be direct contacts with the Council. Iwi and Council leaders are committed to working together.
- Mahi to Mahi refers to the operational staff in the respective organisations. Council and iwi commit to building relationships with their counterparts in the other organisations and understanding the priorities of the other organisation/s. Iwi entities (PSGEs) have limited resources to engage with the Council. The Council has more resources and obligations under the Local Government Act to support iwi to develop their capacity. Therefore, the Council will be responsible and proactive to uphold the tikanga of iwi.
- ~~There have been challenges where the mana of iwi has not been appropriately respected~~. The Council is committed to ensuring its elected members and staff at all levels are trained to ensure the mana of iwi is appropriately respected.

If this principle can not be upheld in a given circumstance, each party will let the other/s know in advance.

Operations – Mahi to mahi

As part of the partnership co-design, He Tikanga Mahi Tahi – Partnership Operations Guide was developed. The Guide identifies new partnership approaches and short-term and long-term goals to support iwi and Council staff to work towards the key priorities set out in this Strategy.

Iwi and Council staff will work on developing the goals and actions each year as part of the annual planning cycle and undertake a review at the end of each financial year (in line with the annual reporting cycle). This will be reflected through the Council's democracy and leadership activity.

Regular Chief Executive-to-Chief Executive hui provide an operational touchpoint between Ngā Iwi and Council. They provide an opportunity to discuss emerging matters, seek advice, address issues and provide direction to support staff in giving effect to He Pou Tikanga.

Strategy Review – Mana to mana

The key plans and priority areas will be reviewed annually as part of the annual Governance hui. He Pou Tikanga (the Strategy) will be reviewed every three years during the development of the Long Term Plan (Council's 10year plan). The parameters of the review will be jointly decided by iwi and Council at least six months prior to the start of the review.

Appendix 1. Partnership Agreement Background

2026 Review

In September 2026, Ngā Iwi and South Taranaki District Council reviewed He Pou Tikanga to consider how the partnership had developed since the Strategy was originally co-designed and how it could provide clearer direction for the relationship going forward. The review included workshops between the Council and each iwi, followed by a collective iwi workshop. Feedback from both Ngā Iwi and the Council was considered in refining the Strategy, including the combined outcomes provided by Ngā Iwi and Council's feedback on ensuring the Strategy remained appropriately focused on strategic and governance matters while providing clear links to implementation.

As a result, He Pou Tikanga has been updated across the relevant sections rather than through a separate action plan. The changes provide greater clarity around engagement and decision-making pathways, governance and operational relationships, resourcing, annual planning and review, and the respective roles of Ngā Iwi and the Council. This maintains He Pou Tikanga as the overarching framework for the partnership while providing clearer direction for how it is given effect in practice.

2022 Development

The Partnership Agreement is the outcome of a partnership codesign between STDC and the four iwi which took place from X to X 2022. The partnership codesign was to determine how the iwi and STDC will work together to:

- meet the needs of Māori in South Taranaki
- provide opportunities for Māori to contribute to decision-making in the South Taranaki District.

Early in the codesign process iwi and STDC identified that to achieve true partnership more time and relationship building were required than the proposed time frame. It was therefore agreed that, the codesign focus on two primary activities:

1. **Whakawhanaungatanga** - the various parties getting to know each other better, develop greater trust, have open and frank conversations about what has not been working, understand each others' priorities and tikanga - ways of operating, and identifying where their own organisations can be better partners.

2. Developing a **work plan** for iwi and Council that identified key activities to progress working as partners with a celebration of progress at Puanga 2023.

3. During the codesign process, it was agreed that a **partnership framework** would be

beneficial for both iwi and STDC to navigate how they work together using services and projects identified in the work plan to test the framework.

The intention is that by Puanga 2023 (in June 2023) a review of learnings, outcomes achieved, new approaches to partnering, and future steps will be reflected upon and affirmed by iwi and STDC at a Puanga celebration.

The codesign process was intended to bring a subset of both iwi and STDC governors and officers together to design each element of the process, however, it was deemed more desirable to have more engagements with all participants in each party to provide broad perspectives to contribute to the process.

A desired outcome of the codesign was to develop a workplan that was not dependent on consultants to deliver, but could grow the capacity of ngā iwi and STDC to find common ground and mutually agreed, equitable outcomes. It was noted that to achieve this would require some capacity building in all the organisations but also with some shared learning of STDC systems and legislation that could facilitate stronger relationships and shared authorising settings.

Note: Due to an extreme weather event in February 2023, and the resources required by all parties to review the Strategy, the Pou Tikanga Partnership Framework was not signed off in time for Puanga 2023.

Key viewpoints that emerged in the codesign included:

- Iwi are more than stakeholders of STDC. The four iwi represented by PSGEs are mana whenua, and Tiriti partners with Kāwanatanga, and therefore with STDC, which exists and works within government legislation.
- STDC has a genuine desire to respect mana whenua, listen to their viewpoints and advance genuine partnership collaborations with the iwi in South Taranaki.
- Understanding each other was a prerequisite of genuine and mutually beneficial relationships. This builds trust and trustworthiness.
- All parties highly valued ongoing whakawhanaungatanga between STDC and iwi at operational and governance levels. The codesign process had demonstrated many benefits of whakawhanaungatanga including greater sense of ease and familiarity with their other partner/s, building trust, understanding different perspectives, creating space to envision, to debate and to problem solve.
- The four iwi continue to have a pivotal role in South Taranaki.
- The PSGEs are not the iwi but are instruments of the four iwi.

- All four iwi and STDC have their own activities. Iwi, in particular, have mana Motuhake-independent jurisdiction whereas, STDC works with iwi and hapū collectives as partners, and also serves uri of these collectives, as South Taranaki ratepayers and residents.
- All parties recognise that better outcomes are possible with iwi involvement in Council decision-making. Working in partnership on specific kaupapa could result in more robust and resilient outcomes for all parties involved.
- There was a range of knowledge levels at the Council table and across STDC staff about the historical context of the relationships between STDC and local iwi, how Te Tiriti o Waitangi informs the iwi-STDC relationship, and how to engage appropriately. with iwi and hapū as partners. More capability building is needed at STDC including: cultural and iwi-local government partnership capability building, understanding of local historical contexts and intergenerational impacts of colonisation on iwi and hapū.
- Māori wards did not guarantee iwi perspectives at the Council table as the appointees were elected by Māori at large rather than by iwi.
- Regular meetings of the four iwi PSGE's at governance or management level regarding shared interests in South Taranaki would provide opportunities to grow strength and collective impact.
- The Council is already working with the iwi individually and the health of those relationships are trending up generally.
- Working in partnership could result in resource savings.
- Partnership between the four iwi and STDC will strengthen when shared values are upheld with vision and pragmatism rather than potentially superficial and expedient activities that are devoid of an overarching vision of co-governance and delivery of services for iwi. Identifying partnership win-wins for delivery of services and projects in a wider context is optimal.
- There is an opportunity for the four iwi to strengthen their collective impact by meeting regularly to discuss shared priorities.

Appendix 2. 2022 Partnership Codesign Participants

Council representatives:

Mayor Phil Nixon

Deputy Mayor Rob Northcott (Pātea) Steffy MacKay (Eltham-Kaponga) Mark Bellringer (Eltham-Kaponga) Aarun Langton (Taranaki Coastal) Bryan Roach (Taranaki Coastal) Chris Young (Taranaki Coastal) Diana Reid (Te Hāwera)

Andy Beccard (Te Hāwera) Celine Filbee (Te Hāwera) Gary Brown (Te Hāwera) Brian Rook (Pātea)

Council Officers:

Waid Crockett (Chief Executive)* Replaced by Fiona Aitken in November 2022 Reg Korau (iwi Liaison Advisor)

Fiona Aitken (Group Manager Community & Infrastructure Services) Becky Wolland (Policy & Governance Manager)

Marianne Archibald (Group Manager Corporate Services) Sam Greenhill (Governance and Support Officer)

Liam Dagg (Group Manager Environmental Services) Cath Sheard (Libraries and Cultural Services Manager)

Te Kaahui o Rauru:

Te Pahunga Marty Davis (Te Kāhui Matauraura representative) Paul Sullivan (Te Kāhui Matauraura representative - to July 2022) Hinewai Katene (Te Kāhui Matauraura representative - from July 2022)

Te Rūnanga o Ngāti Ruanui:

Sandy Parata (Te Kāhui Matauraura representative)

Ngapari Nui (Te Kāhui Matauraura representative & Deputy Tumu W'akarae) Graham Young (Strategy and Policy Advisor)

Te Korowai o Ngāruahine Trust:

John Hooker (Te Kāhui Matauraura representative/Board Member)

Ferinica Hawe-Foreman (Te Kāhui Matauraura representative/Board Member) Sarah Mako (Board member)

Te Aroha Hohaia (Board member and incoming South Taranaki District Councillor) Te Aorangi Dillon (Tumu Whakarae)

Phil Nuku, Kaihautū

Dion Luke, Pouuruhi Taiao - Environmental Lead

Te Kāhui o Taranaki Iwi Trust:

Leanne Horo (Te Kāhui Matauraura representative/Board Member) Wharehoka Wano (CEO)

Aatea Solutions Codesign and Agreement Facilitation Team

Hinerangi Edwards, co-director Patina Edwards

Jude Cornelius Maakere Edwards

Rāhiri Mākuini Edwards-Hammond (online facilitator) Ceara McAuliffe Bickerton

Kiwa Hammond, co-director Karoro Edwards-Hammond

Appendix 2

Te Kaahui o Rauru, Te Rūnanga o Ngāti Ruanui, Te Korowai o Ngāruahine and Te Kāhui o Taranaki

Collective Iwi Workshop Outcomes

Strengthening He Pou Tikanga: Ngā Iwi Position for an Empowered Iwi Version

This briefing identifies key areas where South Taranaki District Council's He Pou Tikanga could be strengthened through the current review. The purpose is to move the document beyond general partnership language and create a more empowered iwi version that recognises Te Kaahui o Rauru, Te Rūnanga o Ngāti Ruanui, Te Korowai o Ngāruahine and Te Kāhui o Taranaki (collectively, Ngā Iwi) as mana whenua, iwi authorities, Treaty partners and kaitiaki within their respective takiwā.

Following the collective iwi workshop held on 7 September 2026, Te Rūnanga o Ngāti Ruanui took responsibility for compiling the workshop outcomes and reporting them back to South Taranaki District Council on behalf of Ngā Iwi.

For Ngā Iwi, a stronger He Pou Tikanga should not be limited to consultation, engagement or cultural awareness. It should create clear decision-making pathways, early involvement, resourcing commitments, cultural information protections, measurable accountability and practical influence over Council planning, resource management, infrastructure, community wellbeing and local government reform decisions.

Key Areas to Strengthen

Area	Current risk or limitation	What should be strengthened for Ngā Iwi
Recognition of mana whenua	He Pou Tikanga may acknowledge iwi partnership but not always distinguish the specific authority and takiwā of each iwi.	Include explicit recognition of Ngā Iwi as mana whenua and iwi authorities within their respective rohe, including their statutory acknowledgements, settlement interests, marae, hapū, waterways, coastline, wāhi tapu, cultural landscapes and development aspirations.
Decision-making influence	Partnership language can remain advisory if it does not require Council to involve iwi before decisions are shaped.	Create decision gates requiring early Ngā Iwi involvement before Council decisions proceed on matters affecting Ngā Iwi, including district planning, resource consents, infrastructure, spatial planning, local government reform,

		environmental management and cultural heritage matters.
From consultation to co-design	Consultation after Council positions are formed limits iwi influence.	Require co-design at the beginning of policy, planning and project development, including shared work programmes, joint scoping workshops, draft review opportunities and written responses explaining how Ngā Iwi input has been incorporated.
Resourcing iwi participation	Iwi participation can be constrained if Council expectations are not matched by funding, timeframes and technical support.	Commit Council to appropriate resourcing for iwi participation, including technical advice, cultural input, hui, mapping, engagement with hapū and marae, commissioner training and participation in hearings or working groups.
Cultural information and data sovereignty	Cultural values can be reduced to generic layers or publicly mapped without appropriate iwi control.	Include clear protocols confirming that Ngā Iwi retain authority over mātauranga, cultural narratives, spatial information, wāhi tapu data, images, names, monitoring data and any sensitive information provided to Council.
Implementation and accountability	High-level principles may not translate into changed Council practice.	Require an annual governance hui between South Taranaki District Council and Ngā Iwi, supported by an agreed annual action plan and work plan. The action plan should identify priority kaupapa, responsible leads, timeframes, resourcing requirements, deliverables, reporting dates and escalation pathways where commitments are not progressing.
Hapū, marae and whānau voice	Engagement can become centralised and miss local hapū and marae perspectives.	Recognise that Ngā Iwi may each determine the appropriate internal pathway for engagement, including when hapū, marae, kaumātua, technical experts or whānau voice must be included.
Future planning reform	New planning legislation and local government reform may weaken existing iwi influence if He Pou Tikanga is too general.	Require He Pou Tikanga to operate as a foundation for future iwi participation agreements, spatial planning, local government transition arrangements and any new planning framework affecting South Taranaki.

Recommended Ngā Iwi Position

Ngā Iwi support a reviewed He Pou Tikanga that is stronger, more practical and more empowering for iwi. The document should recognise that Ngā Iwi are not simply interested stakeholders, but Treaty partners, mana whenua and iwi authorities with enduring responsibilities to whenua, wai, moana, wāhi tapu, marae, hapū, uri and future generations. The

reviewed document should therefore provide clear pathways for Ngā Iwi to influence decisions before they are made, not only respond after Council options have already been developed.

The key improvement sought is a shift from relationship principles to enforceable practice. He Pou Tikanga should include agreed decision points, resourcing commitments, cultural information protections, annual governance reporting, escalation pathways and specific recognition of Ngā Iwi priorities. A formal annual governance meeting should be required, with Council and Ngā Iwi jointly approving an annual action plan that enables a practical work plan to be developed, monitored and reported on throughout the year. This would give the document greater value for Council and Ngā Iwi by making partnership visible in everyday decisions, work programmes, planning processes and community outcomes.

Ngā Iwi also seek a future-focused discussion with Council on how joint decision-making can be progressively strengthened within the limits of current legislation. While Council must continue to meet its statutory responsibilities and cannot delegate every decision, He Pou Tikanga should signal a shared intention to identify areas where joint governance, shared recommendations, co-designed advice, early agreement on options, and iwi-led decision pathways can be appropriately developed. This would allow the parties to build a more mature partnership over time, while recognising the legal framework Council must operate within.

Ngā Iwi 14 Point Action Plan for Strengthening He Pou Tikanga

No.	Area of He Pou Tikanga	Proposed amendment	Reason / intended effect
1	Purpose and status of the document	Amend the purpose statement so He Pou Tikanga is framed as a practical partnership framework that guides Council behaviour, decision-making, work planning and accountability with mana whenua.	Strengthens the document from a general relationship guide into a tool that influences how Council acts.
2	Recognition of Ngā Iwi	Insert explicit recognition of Ngā Iwi as mana whenua, iwi authorities, Treaty partners and kaitiaki within their respective takiwā, including recognition of statutory acknowledgements, settlement interests, hapū, marae, wāhi tapu, waterways, coastline and cultural landscapes.	Ensures Ngā Iwi are not treated as generic stakeholders and that their distinct authorities are clearly recognised.
3	Early engagement requirements	Add a requirement for Council to engage Ngā Iwi at the scoping and options-development stage of relevant policies, plans, projects and decisions.	Allows iwi views to shape proposals before Council positions are already formed.
4	Decision-making pathways	Include decision gates requiring confirmation that Ngā Iwi have been engaged, iwi advice has been considered, and Council reports explain how iwi input affected the recommendation.	Creates visibility and accountability for iwi influence in Council decision-making.

5	Co-design and shared work programmes	Replace passive consultation language with stronger wording supporting co-design, joint scoping, shared workshops, draft review opportunities and agreed work programmes.	Moves the relationship from consultation to active partnership practice.
6	Annual governance hui	Insert a requirement for an annual governance hui between South Taranaki District Council and representatives of Ngā Iwi.	Ensures the relationship is monitored at governance level and not left only to operational engagement.
7	Annual action plan and work plan	Require Council and Ngā Iwi to jointly approve an annual action plan that identifies priorities, leads, timeframes, resources, deliverables, reporting dates and escalation pathways.	Turns He Pou Tikanga into a practical work programme with clear responsibilities and measurable delivery.
8	Monitoring metrics	Add metrics to monitor action plan delivery, early iwi involvement, decision-making influence, resourcing, cultural information protection, hapū and marae engagement, issue resolution and annual review.	Provides a measurable way to track whether the partnership is improving outcomes.
9	Resourcing commitments	Include a commitment that Council will provide appropriate resourcing for iwi participation, including hui, technical advice, cultural input, mapping, engagement processes and participation in hearings or working groups.	Recognises that meaningful iwi participation requires time, capacity and resources.
10	Cultural information and data sovereignty	Insert protocols confirming that Ngā Iwi retain authority over mātauranga, wāhi tapu information, cultural narratives, spatial data, images, names, monitoring data and any sensitive iwi information provided to Council.	Protects iwi knowledge and prevents inappropriate use, disclosure or public mapping of sensitive information.
11	Hapū, marae and whānau voice	Clarify that each of Ngā Iwi will determine the appropriate internal engagement pathway, including when hapū, marae, kaumātua, technical experts or whānau voice should be included.	Ensures Council engagement reflects the tikanga and local decision pathways of Ngā Iwi.
12	Joint decision-making intent	Add future-focused wording confirming both parties will explore stronger joint decision-making, joint governance, shared recommendations and iwi-led pathways where appropriate and within legislative constraints.	Signals a more mature partnership direction while recognising Council's statutory responsibilities.

13	Escalation and issue resolution	Add a clear process for escalating unresolved issues from operational staff to senior management and then to governance representatives where required.	Provides a practical mechanism to resolve issues when commitments are delayed or not being met.
14	Annual review	Require an annual joint review of He Pou Tikanga implementation, including lessons learned and agreement on the next year's priorities.	Keeps the document active, current and capable of continuous improvement.

Discussion Paper Status

This document is provided as a discussion paper only. It is intended to support further kōrero, review and refinement, and should not be taken as an approved Ngā Iwi policy position unless and until it has been formally considered and endorsed through the appropriate governance processes of Te Kaahui o Rauru, Te Rūnanga o Ngāti Ruanui, Te Korowai o Ngāruahine and Te Kāhui o Taranaki.

Pūrongo
Report

6

To	Policy and Strategy Committee
From	Pouhautū Rautaki me te Whaitikanga / Head of Strategy and Governance, Becky Wolland
Date	9 November 2026
Subject	**System Improvements Act – Voting Rights for Appointed Members**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. The Local Government (System Improvements) Amendment Act 2026 (the Amendment Act) introduces new restrictions on the voting rights of appointed members of Council committees, which take effect from 19 March 2027.

2. The legislation provides a mechanism for exceptions to be made by Order in Council on the recommendation of the Minister. Councils have been asked to submit applications for any exceptions they wish to seek by 18 November 2026.

3. This report outlines the Council's affected committee arrangements and seeks direction on whether the Council wishes to apply for an exception for any of these. Officers have identified the Risk and Assurance Committee because of the specialist expertise provided by its independent appointed Chair. The Council may, however, determine that exceptions should be sought for other affected committees, all affected committees, or none.

Taunakitanga / Recommendation(s)

THAT the Policy and Strategy Committee:

a) Moves into decision making mode due to the timeframe to submit exceptions to the Minister.

b) Agrees to submit an application seeking an exception for the appointed independent Risk and Assurance Committee Chairperson;

c) Authorises the Chief Executive to finalise and submit the application to the Minister by 18 November 2026.

d) Moves out of decision making mode.

Kupu Whakamārama / Background

4. The Amendment Act 2026 received Royal assent on 18 September 2026 and makes a number of changes to the Local Government Act 2002 (LGA), including changes to the participation of non-elected members on council committees. A full assessment of the changes arising from the Amendment Act, together with an action plan for implementation, will be presented to the Council in December 2026. This will include any consequential reviews of the Council's governance arrangements, including committee terms of reference.

5. The Amendment Act introduces new provisions restricting the voting rights of non-elected members appointed to council committees and sub-committees. These provisions take effect from 19 March 2027.

6. There are a number of statutory exceptions to these restrictions, including where committees are constituted or appointments are made under other legislation or to give effect to Treaty settlements. For the Council, appointments to the Environment and Hearings Committee when undertaking functions under the Resource Management Act 1991, and the District Licensing Committee established under the Sale and Supply of Alcohol Act 2012, are already provided for through statutory exceptions.

7. Legal advice has been obtained on the status of the Eltham Drainage Committee. The advice concludes that the Committee and its appointed members are likely to fall within an existing statutory exception, as the Committee is required to be maintained under the Local Government (Taranaki Region) Reorganisation Order 1989. On this basis, the new restrictions on voting and quorum are unlikely to apply to its appointed members.

8. There is some uncertainty because the legislation expressly identifies the Raupo Drainage Committee as exempt, despite it being established under comparable statutory arrangements, but does not specifically identify the Eltham Drainage Committee. The legal advice nevertheless considers that the better interpretation is that the Eltham Drainage Committee is already covered by the general statutory exception

9. The Amendment Act also provides a mechanism for further exceptions to be made. Under section 260A of the LGA 2002, the Governor-General may, by Order in Council on the recommendation of the Minister, specify an exception for a particular committee, a class or type of committee, or a class or type of non-elected member. An exception may apply indefinitely or for a specified period and may be subject to conditions.

10. Councils have been given an opportunity to identify existing governance arrangements for which they consider an exception should apply. Councils have been asked to submit applications for consideration by 18 November 2026. Officers have identified the Risk and Assurance Committee as having a strong rationale for an exception, given the specialist expertise provided by its independent appointed member, who currently serves as Chair.

11. Officers recommend that an exception be sought for the Risk and Assurance Committee. The Council may also consider whether there is sufficient justification to seek exceptions for the Water Services Committee, Te Kāhui Matauraura, or Pātea Harbour Endowment Sub-Committee.

Ngā Kōwhiringa / Options – Identification and analysis

Option 1: Seek an exception for the Risk and Assurance Committee Chair (recommended option)
The Council agrees to submit an application for an exception for the Risk and Assurance Committee. This would seek to retain the Chairperson's voting rights and ability to count towards quorum once the new provisions take effect. Officers recommend this option given the governance role of the independent Chairperson and the Committee's responsibilities for oversight of audit, risk management, borrowing and the Council's Long Term Investment Fund.

Option 2: Seek exceptions for other/all committees
The Council could identify any other committee where it considers there is sufficient justification for appointed members to retain voting rights and direct officers to include these in an application for an exception.

Option 3: Seek no exceptions
The Council could decide not to seek any exceptions and allow the new legislative provisions to apply to affected committees. Appointed members could continue to contribute their knowledge, expertise and perspectives but would no longer exercise voting rights or count towards quorum where the legislative restrictions apply.

Risks

12. There are no major risks associated with this proposal. However, any exception is ultimately a matter for the Minister to consider and there is no certainty that an application will be approved. If exceptions are sought for all affected committees, there is a risk that the applications could all be declined.

13. In determining whether to seek an exception, the Council should consider the particular rationale for retaining voting rights for appointed members and the officer work required to prepare and support each application. Officers have identified the Risk and Assurance Committee as having a potentially strong rationale for consideration, given the specialist expertise provided by its independent appointed member and their role as Chair. Other committees may have different circumstances and rationales which would need to be considered when determining whether an application should be made.

Whaiwhakaaro me ngā aromatawai / Considerations and Assessments

Local Government Purpose

The purpose of local government is to: (a) enable democratic local decision-making and action by, and on behalf of, communities; and (b) meet the current and future needs of communities for good-quality, cost-effective, and local— (i) infrastructure; and (ii) public services; and (iii) performance of regulatory functions; and (c) support local economic growth and development by fulfilling the purpose set out in paragraph (b).

14. The options in this report align with the purpose of local government by supporting democratic local decision-making and enabling the Council to determine the governance arrangements it considers appropriate within the new legislative framework.

Assessment of Significance and Engagement

15. The level of significance of this matter has been determined by considering the following criteria and levels of engagement:

Criteria	Measure	Assessment
Degree	The number of residents and ratepayers affected and the degree to which they are affected by the decision or proposal.	Low: The options in this report relate to the voting rights of appointed non-elected committee members and do not significantly alter the Council's overall political structure. The impact on residents and ratepayers is considered to be low.
LOS	The achievement of, or ability to achieve, the stated levels of service set out in the Long Term Plan.	Low: The options in this report will not impact the Council's ability to achieve its stated levels of service.
Decision	Whether this type of decision, proposal or issue has generated wide public interest in South Taranaki.	Low: There is no evidence that appointments to Council committees have generated wide public interest in South Taranaki.
Financial	The impact of the decision or proposal on the Council's overall budget or its inclusion in an approved Long Term Plan and the ability to carry out existing or proposed functions and activities now and in the future.	Low: The preparation of an exception can be prepared within the Council's existing budgets.
Reversible	The degree to which the decision or proposal is reversible.	Medium: Once an application is submitted, the decision on whether an exception is granted rests with the Minister.
Environment	The degree of impact the decision will have on the environment.	Low: Preparing an exception will have a minimal impact on the environment.

16. In terms of the Council's Significance and Engagement Policy, this matter is of low significance and the appropriate level of engagement is to inform. The Council's decision will be communicated through the published Council minutes.

Legislative Considerations

17. The Amendment Act 2026 amends the LGA 2002 to introduce new restrictions on the participation of non-elected members in Council committees. Section 44 of the Amendment Act amends Schedule 7 of the LGA 2002, including the provisions relating to quorum and voting rights for non-elected members.

18. In particular, section 44(24) of the Amendment Act inserts new clause 31A into Schedule 7. Clause 31A(1) provides that a non-elected member must not vote at a meeting of, or on a decision made by, a specified committee to which they have been appointed. Section 44 also amends the quorum provisions in Schedule 7, with non-elected members unable to be counted when determining the number of members required for a quorum or whether a quorum exists.

19. Section 38 of the Amendment Act inserts new section 260A into the LGA 2002. This enables the Governor-General, by Order in Council made on the recommendation of the Minister, to specify exceptions to the non-elected member provisions. An exception can apply to a class or type of committee, a particular committee, or a class or type of non-elected member, and may apply indefinitely or for a specified period and may be subject to conditions.

20. The options presented in this report provide the Council with the opportunity to determine whether it wishes to seek an exception under this framework for any of its affected committee arrangements. Any application would seek consideration by the Minister under the section 260A process.

Financial/Budget Considerations

21. There are no significant financial implications associated with preparing an application for an exception, as the work can be undertaken within existing budgets and will primarily involve officer time.

Consistency with Plans/Policies

22. The options presented in this report are consistent with the Council's existing plans, policies and governance framework.

Consideration of Iwi/Māori

23. The changes to voting rights for non-elected members will affect iwi-appointed members on a number of Council committees. While the legislation changes the voting rights available to these members unless an exception applies, it does not prevent their continued appointment or participation. The Council's commitment to working in partnership with Ngā Iwi through He Pou Tikanga remains unchanged. The Council will continue to provide opportunities for iwi participation and representation and to uphold the commitments within He Pou Tikanga, while operating within its legislative requirements

Whakakapia / Conclusion

24. The Amendment Act changes the voting and quorum arrangements for appointed non-elected members from 19 March 2027. While appointed members can continue to participate in Council committees, voting rights will no longer apply unless an existing statutory exception applies or a further exception is provided.

25. The Council can determine whether there are any committee arrangements for which it wishes to seek an exception. Any applications arising from the Council's decision will need to be progressed for submission by 18 November 2026.



Becky Wolland
Pouhautū Rautaki me te Whaitikanga /
Head of Strategy and Governance



[Seen by]
Fiona Aitken
Tumu Whakahaere
Chief Executive

Pūrongo-Whakamārama
Information Report

To	Policy and Strategy Committee
From	Tumu Whakahaere / Chief Executive, Fiona Aitken
Date	9 November 2026
Subject	**Chief Executive's Quarterly Report**

(This report shall not be construed as policy until adopted by full Council)

Whakarāpopoto Kāhui Kahika / Executive Summary

1. This report provides an overview of major policy, legislative, strategic, and operational activities underway across the Council, ensuring elected members are informed of key progress with Council activities.

Taunakitanga / Recommendation

THAT the Policy and Strategy Committee receives the Chief Executive's Quarterly Report.

Whakawhiti Kōrero / Discussion

Legislative Reform

2. The Local Government (System Improvements) Amendment Act 2026 received Royal Assent on 18 September 2026 and introduces a range of changes to the Local Government Act 2002. The reforms include a revised purpose of local government focused on the cost-effective provision of good quality local infrastructure, public services and regulatory functions, alongside supporting local economic growth and development. The Act also introduces a stronger focus on core services and makes changes across areas including financial management, governance, accountability and transparency, development contributions and performance reporting.

3. The changes have a number of implications for the Council's governance, planning, financial and policy activities. An information report will be presented to the Council providing a more detailed overview of the legislative changes, their implications for the Council, and any consequential changes required to Council policies, processes and governance arrangements.

4. The Government has announced that it will take additional time to consider the proposals submitted through the Head Start process for Simplifying Local Government. Further work is required before decisions are made on which proposals will progress to detailed design, with Cabinet consideration now expected in early 2027. The Government has indicated that further analysis is required, particularly in relation to fair and effective representation,

streamlined governance, and the transfer and delivery of regional functions. In the meantime, the Council will continue to monitor developments and consider the implications of the wider reform programme for its forward work programme.

5. The Planning Act 2026 and Natural Environment Act 2026 received Royal Assent on 30 September 2026. As such, Central Government has shifted its focus toward implementation of the new planning system. This includes development of the first package of National Policy Direction (NPD), national standards for Regional Spatial Plans, environmental limits and standardised planning content. The Government has indicated that the NPD will be a key mechanism for delivering national priorities relating to housing, infrastructure, natural hazards, environmental management and economic development. Further guidance, standards and implementation support are expected to be progressively released through 2027 and 2028 as regional spatial planning arrangements are established and councils prepare for the transition to the new system.

6. Additional to the enactment of the Planning Act 2026 and Natural Environment Act 2026, the legislation confirms that existing and initiated Mana Whakahono ā Rohe (MWAR) arrangements will not transfer into the new planning system. Instead, the legislation establishes iwi participation agreements as the replacement mechanism. These agreements provide a framework for councils and iwi authorities to record how iwi will participate in statutory planning processes and how relevant Treaty settlement obligations will be given effect under the new system. The legislation provides the framework for these agreements, however further detail is expected through regulations and implementation guidance from the Ministry for Cities, Environment, Regions and Transport (MCERT).

7. The transition to the new planning system will occur progressively through to approximately 2030. While many of the major planning reforms will be implemented over several years, the first practical change for councils occurs on 30 October 2026 through the introduction of transitional consenting provisions. Over the next 12 to 24 months, the Council's primary focus will be implementing these consenting changes, contributing to development of the Regional Spatial Plan, engaging with emerging NPD and national standards, reviewing District Plan implications, and ensuring the Council's data, systems and capability are prepared for future phases of implementation.

8. The Taranaki Resource Management Reform Steering Group has now met four times. Recent discussions have focused on governance and resourcing arrangements, establishment of a regional spatial planning secretariat, iwi participation arrangements, and development of a process agreement that will guide how councils work together on spatial planning. The Steering Group has also continued development of the regional evidence base, considering transport and connectivity, air quality, land and freshwater management, coastal environments, climate change, natural hazards, biodiversity, growth and community wellbeing issues that may influence future regional planning decisions.

9. The Emergency Management Act 2026 has now been enacted (3 September 2026), replacing the Civil Defence Emergency Management Act 2002 and establishing a new legal framework for emergency management in New Zealand. The Act strengthens the role of councils in emergency management, places greater emphasis on community resilience and preparedness, and introduces clearer responsibilities across local, regional, and national levels. Of particular relevance to local government is the requirement to better integrate

emergency management considerations into Council planning and decision-making processes, including Long Term Plans. Officers are assessing the implementation requirements, including any implications for levels of service, performance measures, future work programmes, and funding priorities.

Policy and Strategy

12. Ngā Iwi and the Council are continuing the review of *He Pou Tikanga – Ngā iwi o te Tai Whakarunga – Council Partnership Strategy* to ensure it remains fit for purpose and continues to support meaningful iwi–Council partnerships in practice. The review is being undertaken collaboratively and remains aligned with development of the 2027–2037 Long Term Plan. Following an iwi-only workshop held on 7 September 2026, Ngā Iwi provided the Council with a discussion paper and a revised version of the Strategy outlining areas where they consider the partnership framework could be strengthened. The Council has reviewed the proposed amendments and discussed feedback directly with iwi representatives. These conversations have assisted in refining the proposed changes and identifying how agreed themes can be incorporated throughout the Strategy.

10. Consultation on the review of the Council's Class 4 Gambling Venues Policy and TAB Venues Policy closed on 19 October 2026, with 50 responses received. Of those who responded, 44% supported the introduction of a sinking lid policy for gambling machines in the District, while 83% supported retaining the Council's existing approach of not allowing stand-alone TAB venues. All feedback received will be considered at a Hearing on 4 November 2026, before the Council makes a final decision on the policies at its meeting on 2 December 2026.

Long Term Plan

11. The Significance and Engagement Policy was considered by Te Kāhui Matauraura at its August meeting and by the Policy and Strategy Committee in September. The Revenue and Financing Policy was considered by Te Kāhui Matauraura on 23 September and the Risk and Assurance Committee at its October meeting and is scheduled for adoption by the Policy and Strategy Committee in November. Reviews of several financial policies, including the Rates Discount and Rates Remission Policies, are also underway.

12. Officers have been developing their activity budgets and reviewing Fees and Charges for the next three years. The outcomes of this work will inform the LTP Budget Outcomes workshop with councillors in December, which will focus on the financial implications of the service levels discussed during earlier workshops.

Representation Review

13. The Council decided that First Past the Post (FPP) will be the voting system that the District will use for the 2028 and 2031 local authority elections. The decision was ratified at the Council meeting on 9 September and a public notice regarding this decision was uploaded to the Council website ahead of the legislative deadline of 12 September 2026.

14. The Council remains legally required to undertake a representation review and adopt an initial proposal by 31 July 2027, which will then be subject to formal public consultation. Given the wider uncertainty associated with local government reform, including Head Start,

it is proposed that the initial phase of the review focus on assessing whether the Council's existing representation arrangements continue to provide fair and effective representation and remain appropriate for the District. If that assessment does not identify a clear need for change, the Council could take a proportionate approach and proceed without a separate preliminary community engagement process, noting that preliminary consultation is encouraged rather than part of the formal statutory consultation process. This would enable the Council to meet its obligations under the Local Electoral Act 2001 while avoiding unnecessary expenditure of staff time and resources at a time when the future shape and structure of local government remains uncertain.

Te Hāwera Community Board By-Election

15. Te Hāwera Community Board by-election closed at Midday 7 October 2026 with 2,863 voting documents returned, representing 31.55% of the 9,075 eligible voters. Stephen Corrigan was elected to Te Hāwera Community Board, with his official welcome at the Ordinary Council meeting on 21 October 2026 and he attended his first Community Board meeting on 27 October 2026.

Technology

16. The Digital Transformation programme continues with the second phase of the Enterprise Resource Planning (ERP) system replacement project to upgrade the Property and Rating system within the new cloud environment underway. As part of the Property and Rating upgrade the Council has introduced Enterprise Cash Receipting (ECR), which will enable customers to make payments for multiple Council services through a single transaction while improving payment allocation and tracking. ECR went live in August.

17. The Project Team are currently testing Request Management (RM) and the Digital Experience Platform (DxP) for their implementation at the end of October. RM and DxP will make it easier for customers to interact with the Council, track their requests, and they will support a more consistent, transparent approach to managing and delivering services to our community.

18. The Chart of Accounts are also being restructured which will enable real-time, consolidated reporting, reduce complexity when compiling financial reports, and simplify the audit process. The restructured Chart of Accounts is currently being used to budget for the 2027-2037 Long Term Plan. The new, full Chart of Accounts will be ready to manage Actuals for the Financial Year beginning 1 July 2027.

19. AI functionality has been introduced into the ERP system with imbedded AI for some functions as well as an Agentic AI module called Plus which enables staff to gather insights from our data to guide more informed decisions, manage processes, and take actions. The functionality is being thoroughly tested and validated before being enabled.

Infrastructure Projects

20. The Council's transition to an In-House Water Services Business Unit (IBU) continues to progress well and remains aligned with full establishment from 1 July 2027. The programme

has moved from high-level design into detailed implementation, refinement and assurance, with governance arrangements and the new organisational structure in place.

21. The July to September 2026 quarterly monitoring report for the Water Services Delivery Plan has been finalised for submission to MCERT. Work has continued across a range of implementation activities, including development of the Water Services Strategy, financial ring-fencing, service level agreements, communications planning, and standalone financial reporting arrangements. The Water Services Committee is now fully operational and continues to provide governance oversight of water services, while additional work is progressing on financial systems, charging methodologies, cashflow management, treasury arrangements, and organisational readiness in advance of the full implementation of the IBU model on 1 July 2027.

22. Financial ring-fencing work has advanced, including development of standalone financial structures for three waters, separation of revenue and expenditure, establishment of a separate bank account, and work on debt, treasury, cashflow, assets and liabilities. PwC has also provided a draft discussion document to support the next stage of water services debt ring-fencing.

23. Service Level Agreements and internal charging arrangements are being refined with Group Managers and service leads. Current work is focused on finalising charging structures, rates and cost-recovery methodologies so responsibilities, performance expectations and the IBU's share of corporate and operational support costs are transparent and defensible.

24. Development of the Water Services Strategy continues to progress, with substantial drafting now completed across the strategic, regulatory, service delivery, monitoring and accountability components of the document. The Strategy outlines the Council's long term approach to delivering safe, reliable, resilient, compliant, and financially sustainable drinking water, wastewater, and stormwater services. It reflects feedback received through recent Long Term Plan workshops and incorporates the Council's strategic priorities, levels of service, performance measures, infrastructure needs, climate adaptation considerations, and long term investment challenges. Work is now focused on completing the remaining financial and implementation-related sections of the Strategy and preparing a Summary Document to support consultation alongside the 2027-37 Long Term Plan.

25. The Normanby Road watermain renewal was completed through the final shutdown and tie-in on 21 August, replacing approximately 2.6 kilometres of asbestos cement main.

26. The Pātea Water Treatment Plant upgrade is approximately 75% complete and remains on track for practical completion by the end of the first quarter of 2027. Major process tanks have been delivered and installed, with the new treatment processes designed to address ammonia, organics, suspended solids and metals and improve chlorine residual performance across the network.

27. The Council approved funding for the new water bore (Bore 7) at Pātea. Work will now progress with urgency to drill and establish the new bore, supporting the reliability and resilience of the water supply.

28. The Ōpunakē Water Treatment Plant optimisation and new reservoir project will deliver a new 1,800 m³ reservoir and treatment upgrades, including Biological Activated Carbon filtration. Tender evaluation and contract award have been completed, and construction is expected to begin in late October 2026.

29. The Waverley Water Treatment Plant programme includes a new 1,000 m³ potable water reservoir and associated building, pipework, mechanical, electrical and civil upgrades. Tender evaluation and contract award have been completed, and construction is expected to commence in late October 2026.

30. The wastewater treatment programme continues to use Wastewater Environmental Performance Standards and Best Practicable Option Assessments to inform future management and consent renewal strategies. Preliminary work is focused on Manaia, Ōpunakē and Kaponga, where treatment upgrades may be required to meet future discharge standards.

31. A comprehensive inflow and infiltration assessment is underway across the wastewater network, using smart sensors, ultrasonic flow monitoring and analytics to identify groundwater and stormwater ingress. Sensors have been deployed in Hāwera and Eltham to support targeted investigations, future remediation and informed investment decisions.

32. Permanent repair works of the Eltham Wastewater Treatment Plant overflow pond wall has commenced again after earlier delays were caused by difficulties sourcing suitable fill material as a result of weather conditions and soil saturation. Work is programmed for completion before Christmas. Taranaki Regional Council has been kept informed and the extension to the abatement notice timeframe provides for completion of the repair works.

Roading

33. The Council's Speed Management Plan was approved by New Zealand Transport Agency (NZTA) Waka Kotahi in early September. The plan includes permanent speed-limit changes on roads affected by urban and industrial growth, including Glover Road, Goodson Road, Larlin Drive, Fitzgerald Road, Houston Road, Kerry Road, Turuturu Road and Tawhiti Road. It also includes variable speed-limit treatments around marae and changes around rural schools. New signs for the approved speed changes have been ordered and a plan for installation is being developed.

34. The Roading operating expenditure, maintenance, renewals and capital investment are funded through a combination of rates, NZTA financial assistance, and other revenue. In early September the Council received confirmation that our funding assistance rate (FAR) for the 2027-30 National Land Transport Programme (NLTP) would remain at 65%.

35. The Council is replacing Bridge 128 over the Ōuri Stream on Ōpunakē-Stratford Road. The existing bridge was constructed in 1945. The replacement includes new piles, road realignment, approach earthworks and an InQuik modular bridge system designed to provide a longer, wider and more resilient crossing. As of early October, the piling rig had arrived for assembly, and the abutments had been delivered. The deck units are expected to be delivered before Christmas.

36. The wider bridge-renewal programme continued to be developed during the quarter. Design of the Maben Road bridge replacement is in its final stages, while an initial bridge maintenance programme covering 17 bridges is being prepared for pricing. A special inspection of Tāngāhoe Bridge was also planned under the Council's bridge professional-services programme.

37. Reconstruction of the northern section of Rangikura Road, between Peat Road and the northern end of the corridor, was completed. The completed works improve safety, capacity and resilience and provide an alternative route when a part of State Highway 3 is disrupted. A separate pavement-rehabilitation project has been designed for another section of Rangikura Road but will proceed only after higher-priority roads have been completed.

38. Eltham's Clifford Road rehabilitation project continued during the quarter. Footpath, kerb and channel work between Collingwood Street and the railway line was 90% complete, as well as pavement and drainage works between Collingwood Street and the railway line also being 70% complete. Work had been delayed by a Chorus cable but resumed after the line was disconnected. Works between the railway line and Stanners Street are 50% complete and the contractor will continue towards High Street. The roading and three waters teams are also looking at the possibility of incorporating additional water-related work at the High Street end to improve water maintenance access and reduce supply risks.

39. The Turuturu Road project includes road widening, a shared pathway, wider shoulders, drainage improvements and safety upgrades. The pathway from Ōhangai Road has been sealed, with some finishing work remaining, while the shoulder widening is progressing well. The project is expected to be completed by mid-November.

40. Work is approximately 80% completed on the 1.4-kilometre section of Karahaki Road between Kohi Road and Kōkako Road. The project widens the sealed pavement and includes formation, pavement construction, property-access and roadside-drainage improvements. Completion is expected to be mid-November.

41. An underslip on Waitōtara Valley Road required staged remediation including earthworks, drainage and road reinstatement, followed by rock armouring and willow planting to strengthen the embankment and improve long term erosion control. The first site was completed in early October, with works across the wider programme allocated to three contractors. Other work on Waitōtara Valley Road included pavement repairs and sealing. 2,581 square metres of sealing was completed on the road.

42. The next phase of the broader Mangamingi Saddle, Rāwhitiroa Road and Wingrove Road resilience/slope-stabilisation programme was advanced with the first stage of Wingrove Road awarded and work scheduled to begin in November.

43. By the start of October, approximately 40% of the overall road pavement-repair programme was complete. The forward programme includes Waitōtara Valley Road, Ngutuwera Road, Upper Ball Road, Egmont Street, Park Lane, Cemetery Lane and Collingwood Street.

44. The 2026/27 footpath renewal programme includes asphalt overlays on both sides of Kaipo Street and Ihupuku Street in Waitōtara and sections of Glover Road in Hāwera. Concrete replacement is planned on part of Ōturi Road in Waverley and the northern side of Karaka

Street in Hāwera. Tenders have closed and this project will be awarded by the end of October, with works due to start in early November.

Manaia Facility

45. Overall, the project has successfully transitioned from procurement into the design phase and continues to progress well. The Preliminary Design phase is well underway, with architectural plans, elevations, 3D renders and supporting engineering documentation received and under review. The project will soon move into Developed Design, where the preliminary concepts will be further refined and coordinated. The design identifies locations for cultural narrative and cultural expression elements that will be developed as stakeholder engagement continues.

46. Engagement with Ngāti Tū is underway to help inform the cultural expression and storytelling elements of the facility. The Council is working alongside mana whenua to ensure cultural narratives are meaningfully incorporated into the development, with identified opportunities for cultural expression to be considered and refined through the next stages of the design process.

47. Engagement with the Manaia Community Services Group is also progressing positively. The group has established a dedicated subcommittee focused on the project, and the Council is working with both the subcommittee and other community representatives to create a coordinated approach to community input. This engagement will help ensure community aspirations and feedback are considered as the design continues to develop.

Manaia Domain Footbridge Replacement

48. Work is progressing well on the replacement of the Waiokura Stream footbridge within Manaia Domain. The project commenced in late September, with contractors undertaking site establishment, vegetation clearance and preparatory works ahead of bridge installation. To minimise disruption, the existing bridge has remained operational throughout much of the construction period while the new structure is assembled and installed.

49. The existing bridge, originally installed by the Manaia Lions Club, has reached the end of its serviceable life and is being replaced to ensure the continued safety and reliability of this important walkway connection. The footbridge forms part of the popular Manaia Walkway network, which traverses the Domain and adjoining golf course land, providing a valued recreational asset for both residents and visitors.

Te Puna Manawa Ora, Ōpunakē

50. Construction of Te Puna Manawa Ora continues to progress strongly, with many of the project's defining features now in place and the overall vision for the revitalised civic space becoming increasingly apparent.

51. A significant milestone during the reporting period was the installation of the two cultural feature rocks, named Ōmata ki tai and Ōmata ki uta, following a karakia with local hapū. These elements strengthen the connection between the development, local cultural narratives and the surrounding whenua, maunga and moana.

52. Major landscape features have also advanced, including completion of the corten steel feature wall, reconstruction of the stone leaner wall using material salvaged from the original site, and completion of exposed aggregate paving at the library entrance. Feature paving, timber seating, playful elements and other public realm features are now being installed, bringing the space to life and providing a stronger sense of the final outcome.

Stark Park Redevelopment, Eltham

53. Construction activity at Stark Park has continued to build momentum, with significant groundwork and infrastructure improvements completed during the reporting period. Earthworks are well advanced, including site levelling, removal of the former concrete stage and preparation for the installation of underground services. Survey pegging, subgrade preparation and electrical ducting works have been completed, allowing the project to transition into the next phase of construction.

54. Several elements are now taking shape, including the installation of concrete garden bed plinths and integrated seating, providing a clear indication of the future layout and functionality of the redeveloped space. Contractors continue to carefully manage construction activities around existing underground infrastructure and remnants of historic services encountered during excavation.

55. Site connectivity has also improved through boundary fencing upgrades and improved pedestrian linkages between the town centre and Bridger Park. As construction progresses, the transformation of Stark Park is becoming increasingly evident, with the project continuing to track positively toward delivery of an attractive, accessible and welcoming community space.

Ārangirangi Pātea Salt Marsh Lookout

56. A significant milestone was achieved during August and September with the official opening of the Ārangirangi Pātea Salt Marsh Lookout, marking the completion of one of the key projects within the Pātea Revitalisation Programme.

57. The project has delivered a range of enhancements including a viewing platform, stairs, accessible ramp, bespoke seating, planting, lighting, feature rock placement and decorative concrete treatments. Together, these features provide improved access to one of Taranaki's most significant natural environments while creating an attractive and inclusive destination for residents and visitors.

58. The opening ceremony brought together iwi, councillors, community representatives, project partners and residents to celebrate the completion of the project and acknowledge the strong collaboration that underpinned its delivery.

59. Attention is now turning toward the next major phase of the Pātea Revitalisation Programme, being the Pātea South Development. This project is expected to deliver improved gateway treatments, enhanced pedestrian safety and accessibility, and flexible community spaces that support events, gatherings and cultural activities.

Waverley Town Belt Stage 2

60. Stage 2 of the Waverley Town Belt development has been successfully completed, delivering a range of infrastructure and environmental improvements that significantly enhance accessibility and connectivity throughout the reserve.

61. Works completed include a new car park, shared-use pathways, walkway formation, bridge approach improvements and strengthened pedestrian connections between key recreational destinations within the Town Belt. Native planting undertaken with students from Waitōtara School has further supported the environmental outcomes of the project and contributed to the reserve's long term ecological enhancement.

62. A blessing ceremony held in September formally marked the completion of Stage 2 and acknowledged the partnership between the community, iwi and the Council in delivering the project.

63. Planning is now focused on the final stage within the current funding programme, which will include improvements to Aotea Park and the design, fabrication and installation of gateway pou at key entrances to the Town Belt. These features will celebrate the area’s history and culture, providing a legacy for the community.

Environmental and Regulatory

Fastrack Application

64. Meridian’s Waiinu Energy Park project has progressed through the initial referral stage and its application is now with the Ministry as part of the Government's fast-track approvals process. It is anticipated that a substantive application process will commence shortly, representing the next significant step in assessing the proposal. Throughout this process, Meridian has maintained a close working relationship with the relevant South Taranaki District Council officers. Council staff are also working closely with Ngā Rauru, sharing information across a range of planning and land tenure aspects.

Kāpuni Green Hydrogen Project

65. The Kāpuni Green Hydrogen Project has now moved from planning into construction, with all required plans submitted to and approved by the Council. Concrete pours for the turbine platforms commenced during October and have been staged to avoid major disruption to landowners in the vicinity of the project. Procurement of the wind turbine is progressing, with the turbine expected to arrive in New Zealand towards the end of the year ahead of installation and commissioning in early 2027.

Hāwera Resource Recovery Centre

66. Final adjustments to the layout design are being completed to ensure the facility can accommodate future growth while making efficient use of available space. Building consent applications are anticipated to be submitted in the coming weeks, with ground-breaking expected to follow shortly thereafter

Regional Organic Waste Processing Facility Project

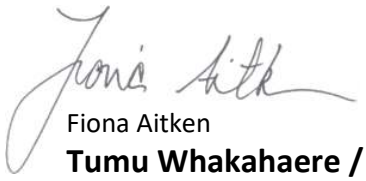
67. A follow-up report recommending a second Request for Proposals for organic processing facilities in Taranaki was presented to the Council. The recommendation will be considered by the Waste Services Joint Committee before being referred to Taranaki's district councils for endorsement.

Reforestation

68. The reforestation project at the Pātea Wastewater Treatment Plant is well underway with local iwi participating in officially blessing the site. The 2.2km walkway is frequently being used by locals and officers have received positive feedback from the community. Additional planting is currently underway at this site with an expected 15,000 plants being planted this year.

Whakakapia / Conclusion

69. This report provides a summary of key projects, policies and workstreams being undertaken. Overall, the organisation continues to deliver a substantial programme of work while managing the impacts of national reform and legislative requirements.



Fiona Aitken
Tumu Whakahaere /
Chief Executive

Pūrongo-Whakamārama
Information Report

To	Policy and Strategy Committee
From	Kaihautū Whakawhanake Pakihi / Business Development Manager, Scott Willson
Date	9 November 2026
Subject	**Quarterly Economic Development and Tourism Report to 30 September 2026**

Whakarāpopoto Kāhui Kahika / Executive Summary

1. This report provides a combined update of activities and highlights of the Economic Development and Tourism Units up to 30 September 2026.

Taunakitanga / Recommendation

THAT the Policy and Strategy Committee receives the Quarterly Economic Development and Tourism Report to 30 September 2026.

Whakawhanake Ohanga / Economic Development

South Taranaki Business Park (the Business Park)

2. Two packages of work are underway at the Business Park. The first covers earthworks, underground services and preparation of the road base for the Fitzgerald Road extension. The second covers improvements at the Fitzgerald Road and Glover Road intersection, including associated underground services.

3. The Business Park project team and the Council's infrastructure team jointly designed the watermain at the Glover Road and Fitzgerald Road intersection. The design aligns with the Council's wider upgrade of the Glover Road network. The work has gone out to tender, and construction is expected to begin by the end of the year.

4. A separate tender for sealing Fitzgerald Road will be undertaken over the next two months. This will be the final package of Business Park works, excluding any SH3 improvements.

5. The State Highway 3 designs are being updated in response to the latest advice from New Zealand Transport Agency road safety engineers. This updated guidance recommends removing the separate left-turn lanes because they can limit drivers' visibility and encourage vehicles to enter intersections at higher speeds. The change should also reduce the amount of land needed and significantly lower upgrade costs. Once the revised designs are approved, the project forecast will be updated with a new cost estimate.

6. At this stage, the overall completion of the Business Park infrastructure (excluding any State Highway 3 improvements) remains on track for 2027.

Mayor's Taskforce for Jobs (MTFJ)

7. Details of MTFJ funding, priority focus areas and programme targets were confirmed in September. The earlier uncertainty, combined with reduced referrals, contributed to a slower start to the year for the team.

8. Despite this, the team has achieved positive outcomes for clients, including employment prospects in civil construction and traffic management, as well as work experience with a local veterinary practice.

9. The team is working with a solid client base and has identified promising employment opportunities for the group. Clients are undertaking Site Safe, first aid and forklift training, while the team is also developing on-the-job training with a local business to build practical driving and machinery operation skills.

Bizlink Hāwera

10. Despite cold and windy conditions that kept some stallholders at home, Bizlink Hāwera's annual Winterfest was well attended. The town centre came alive with lighting displays, kapa haka, a live band and street performers, complemented by initiatives from local businesses and a range of food trucks.

11. Bizlink Hāwera hosted Bernard Powell for a Business Masterclass on 21 July, attended by more than 50 local businesspeople who explored mindset, sales systems and building a strong workplace culture. Several attendees have since undertaken more intensive one-to-one business advisory support, with positive results reported.

Industry Engagement

12. The Business Development Manager attended the Taranaki Alliance workshop in South Taranaki alongside local businesses interested in joining the Taranaki Alliance in July. Following confirmation of $3 million in government funding, the Alliance is moving into delivery and pursuing opportunities across the energy, aerospace, advanced manufacturing, infrastructure and civil sectors. More than 85 Taranaki organisations have signalled their intention to join, with members contributing through a tiered membership model.

13. The Council's Business Development and Environmental Sustainability Managers met with the Taranaki Applied Innovation Centre in August to discuss project progress and opportunities for South Taranaki. Part of the Tapuae Roa regional economic strategy, the Centre supports Taranaki's science and technology sector and recently launched BactiQuick, which detects bacteria in water within 15 minutes.

Events

14. The Business Development team supported two significant sporting events that are boosting the local economy. A four-day lower North Island basketball tournament at TSB Hub in August attracted more than 300 players across over 20 teams and filled

accommodation across Hāwera. The Hāwera BMX Club hosted the 2026 BMXNZ North Island Titles over Labour Weekend.

15. Other priorities for the Events Coordinator this quarter included preparing the spring school holidays programme, attracting stallholders for Arts in the Park, and booking entertainment for summer events, including Concerts in the Park in Hāwera and Sounds on the Sand in Ōpunake.

Te Puna Umanga - Whakatairanga Tāpoi me to Rohe / Venture Taranaki - Tourism and Regional Promotion

Travel Trade

16. Representing Taranaki in the KiwiNorthNZ delegation to the eastern seaboard of Australia, Venture Taranaki (VT) met and engaged with over 640 front line travel sellers and agents in August to educate them on bookable Taranaki experiences and highlight how our region enhances itineraries for our Australian visitors.

17. Building on this rapidly growing KiwiNorthNZ alliance, we attended a strategy session with 14 of our North Island counterparts to look at the next stage of this collective – focusing on growing the North Island's share of international tourism.

18. VT attended the Cruise NZ Conference in Auckland in August, alongside Port Taranaki. This provides a great opportunity to maintain relationships with cruise liners and ground handlers so that Taranaki is front of mind as the sector rebounds, as well as hearing the latest from the cruise industry.

19. In September, VT hosted two Pacific Destinations agents in the region so they could experience local accommodation and activities. Pacific Destinations is one of New Zealand's largest independently owned operators and is interested in sending more clients to Taranaki.

Industry support capability and connectivity

20. The Nature Investment Pathways project has entered the stakeholder engagement phase, with over 40 interviews already conducted across community, industry, and government to establish the regional opportunity for ecotourism and nature credit development.

21. VT's Q1 Visitor Industry Hui was co-hosted by the Tawa Group at Belt Road Seaside Holiday Park. Over 30 representatives from across our wider visitor sector attended, including events, hospitality and attractions.

Regional Promotions

22. Taranaki is part of three campaigns, as part of the Government's Regional Tourism Boost Fund Round Three. Collectively, the campaigns have secured $2.7 million to support multi-region marketing activity across North America, China, and Australia.

23. The three campaigns will be live from September – January, and include:

- A nationwide campaign targeting North America, designed to build demand for New Zealand and encourage visitors to explore beyond the main gateways and into the regions.
- A Kiwi North NZ campaign targeting China, positioning the North Island as a compelling multi-region journey and encouraging visitors to experience more of the island during their stay.

24. A new Food Trails Aotearoa campaign targeting Australia and the USA, showcasing regional food, producers and dining experiences as a reason to travel through New Zealand.

25. Through the Spring Festivals Collaboration, VT partnered with Garden Fest, the Arts Trail, Fringe Fest and Sustainable Trails to deliver a coordinated spring festival offering for the domestic market. The collaboration was promoted nationwide through a 16-page supplement distributed with 57,000 copies of the New Zealand Herald.

26. The online Highlights of Taranaki Spring Guide featured the Good Score Food Store and was supported by paid social media targeting key audiences in Auckland, Wellington, Waikato, Whanganui and Manawatū.

27. South Taranaki content published through the Taranaki Like No Other social media channels generated strong engagement, with the Eltham Cheese Bar post receiving 87,600 views and 860 interactions, Rotokare Scenic Reserve receiving 33,600 views and 257 interactions, and the South Taranaki winter post receiving 24,500 views and 632 interactions.



Scott Willson
Kaihautū Whakawhanake Pakihi /
Business Development Manager



[Seen by]
Rob Haveswood
Kaiarataki Ratonga Hapori /
Group Manager Community Services

Te Kaunihera ō Taranaki ki Te Tonga
South Taranaki District Council

Karakia

8. Karakia

Ruruku Whakakapi – Closing Prayer

Unuhia, unuhia	*Draw on, draw on,*
Unuhia ki te uru tapu nui	*Draw on the supreme sacredness*
Kia wātea, kia māmā te ngākau, te	*To clear, to free the heart, the body and the*
tinana, te wairua i te ara takatū	*spirit of mankind*
Kia wātea, ka wātea, āe rā, kua wātea	*To be clear, will be clear, yes is cleared.*
Rire rire hau pai marire!	*Deeply in peace!*