



Local Government briefing

Hon Nanaia Mahuta
Minister of Local Government

Title: **Exit Plan: Tauranga City Council**

Date: 11 February 2022

Key issues	
<p>In December 2020, you exercised your powers under Part 10 of the Local Government Act 2002 to intervene at the Tauranga City Council (the Council) and appointed four Commissioners to the Council with effect from 8 February 2021.</p> <p>The Commission's term of appointment is due to end in October 2022. The Commission has presented you with an Exit Plan and a recommendation that you retain a Commission at the Council until October 2023.</p>	
Action sought	Timeframe
<p>Agree that there is a significant problem at Tauranga City Council that warrants your intervention under Part 10 of the Local Government Act 2002.</p> <p>Indicate your preferred approach to the governance arrangements at Tauranga City Council beyond October 2022:</p> <ul style="list-style-type: none"> • return to full elected representation with no further intervention; OR • appoint a Commission for a further period beyond October 2022 and postpone the 2022 elections for Tauranga City Council; OR • appoint a Crown Manager to support elected representatives following the election in October 2022. 	17 February 2022

Contact for telephone discussions (if required)

Name	Position	Direct phone line	Suggested 1 st contact
Richard Hardie	Manager Operational Policy	027 540 6014	✓
Jodie Cayford	Senior Policy Analyst	[REDACTED]	
Return electronic document to:	Jodie Cayford, level 7, 45 Pipitea Street. [REDACTED]		
Cohesion reference	3W2DU3RAJ5R2-1262629392-260		
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- ongoing active review of opportunities to re-purpose/sell council owned land as well as acquire land to enable urban transformation;
 - a Transport System Plan for the delivery of dedicated public transport lanes, increased freight capacity, a network of safe routes for walking and cycling and more reliable travel times;
 - securing of alternative funding and financing sources to enable growth and infrastructure investment;
 - investment in and review of the Civic Precinct Masterplan to provide permanent office space for staff and community facilities in one central location;
 - a Community Facilities Investment Plan for the provision of pools, indoor courts, libraries etc;
 - the appointment of tangata whenua voting members to council committees and a Right of First Refusal policy developed with mana whenua for surplus Council land;
 - positive, effective working relationships with partner councils; and
 - a significant programme of change to the culture within the Council.
17. The Commission has made significant progress in delivering against the tasks set out in the ToR, including the completion of some workstreams. There are, however, some programmes of work that in order to be delivered or beaded in sufficiently beyond October 2022 will require commitment to the strategic fiscal direction established through the 2021-31 LTP.
18. The Commission has analysed its achievements and believes there is real risk that the work programme may be undermined by the return of elected councillors, who have historically tended to support conservative rate increases leading to an inability to fund new growth.
19. In particular, the Commission believes that under a return to elected democracy, a change in strategic direction may jeopardise relationships the Commission has established with public and private funding contributors. This would result in an inability to deliver on planned projects both within Tauranga city and across the wider region.
20. The Department also notes that further intervention through the retention of a Commission is strongly supported by local iwi and business leaders within the Tauranga region. The Department is aware of a number of Ministerials from members of the Tauranga community noting their support for the decision to appoint Commissioners and requesting that a Commission is retained at the Council beyond October 2022. Anecdotally, the Department has also received positive feedback from other individuals such as Bay of Plenty Regional Council staff and private individuals in the Tauranga community.
21. The major work programme risks associated with returning to full democracy as identified by the Commission, are set out in **Table 1**.