

Simplifying Local Government Consultation
Tauranga City Council

Via email: info@tauranga.govt.nz

1 July 2026

Re Local Government reorganisation under the Head Start pathway

To whom it may concern,

As you may know, Property Council is the leading not-for-profit advocate for New Zealand's most significant industry, property. Property is the Bay of Plenty's largest industry. There are around \$144.5 billion in property assets across the Bay of Plenty, with property providing a direct contribution to GDP of \$2 billion and employment for 13,700 Bay of Plenty residents. We connect property professionals and represent the interests of 81 Bay of Plenty companies (and their teams) across the private, public and charitable sectors.

As Tauranga continues to grow, administrative boundaries are increasingly misaligned with how communities, economies and infrastructure networks function in practice. Growth is spilling beyond city boundaries into neighbouring districts, creating complex cross-boundary planning and infrastructure challenges. While collaborative arrangements have improved coordination between councils (such as Smart Growth or Future Proof), they often lack the funding, delivery and implementation powers needed to effectively manage growth. This can result in duplication of functions, fragmented decision-making and increasing complexity around edge-of-city development, leading to delays, uncertainty and higher costs for developers. Strategic infrastructure and assets already serve communities across multiple local authority areas, highlighting the need to consider governance arrangements that better supports integrated planning, infrastructure delivery and investment decisions.

Property Council supports local government amalgamation and commends Tauranga City Council for considering options to reorganise under the Head Start pathway. In particular, Property Council supports reorganisation where it can enable efficient infrastructure delivery, integrated planning, economic growth and a consistent regulatory framework for the property sector to navigate. We have developed some principles which our members would like Council to consider in their decision-making process.

1. Reorganisation should support strategic regional planning and infrastructure delivery

Resource Management reform is imminent, and local authorities will be expected to develop and execute regional spatial plans in the next two years. This will require local authorities to work alongside infrastructure delivery agents and the property sector to

understand growth patterns, infrastructure needs, investment priorities and risks, and funding mechanisms. Governance boundaries should enable coordinated decision-making on housing, transport, water and growth infrastructure with a focus on delivery, implementation and realised efficiencies.

2. Governance arrangements should reflect how communities and economies function within a region

Local government arrangements should recognise modern patterns of population growth, employment, transport movements, infrastructure networks, and housing markets which often operate across multiple boundaries. Combined governance should ensure infrastructure/utility networks, transport corridors and growth all work in tandem to support the competitiveness of rural and urban economies within the region.

3. Planning and regulatory practice should be simple, consistent and predictable under new arrangements

The property sector benefits from clear and consistent planning frameworks, consenting processes, standards and development requirements. Any reorganisation should reduce unnecessary variation between neighbouring jurisdictions and improve regulatory certainty.

4. Reorganisation should reduce duplication and improve efficiency

Where multiple organisations perform similar functions, reorganisation should seek to reduce duplication, streamline decision-making and achieve economies of scale. Local authorities are required to maintain a significant number of policies, strategies, budgets and bylaws, many of which are developed independently despite addressing similar issues. Reorganisation presents an opportunity to create consistent regional frameworks, while combining resources and assets to run services and existing infrastructure more efficiently, identify processes and assets that may be surplus to requirements, and ensure better value for ratepayers and investors.

5. Reorganisation should improve certainty during implementation of wider government reforms

Property Council notes the scale of reform and change before local authorities and the property sector: RMA reform, development levies, rates capping, water services reform, building system reform and the upcoming Long Term Plan cycle. Governance arrangements should consider how these reforms can be most effectively implemented and communicated to constituents. The property sector's priority is not simply structural change, but ensuring these reforms are implemented consistently, efficiently, and predictably by the new local authorities.

6. Local input should be retained

While strategic planning and infrastructure delivery may benefit from larger governance structures, communities should continue to have meaningful opportunities to influence decisions affecting local places and priorities.

We thank you for the opportunity to submit on the simplifying local government consultation. Property Council supports the Bay of Plenty region to unlock opportunities for growth, urban development and productivity to improve Bay of Plenty's prosperity. Our Central Regional Committee is a growing voice within the region with a goal for "*A thriving and resilient region with effective, affordable and timely infrastructure that enables quality development, investment and growth.*" We encourage Council to get in touch with our regional committee to discuss any of these principles further.

For meeting enquiries please contact Sarah Rundstrom, Central Regional Manager, at sarah@propertynz.co.nz. Any other enquiries, please do not hesitate to contact Bella Leddy, Senior Advocacy Advisor, at bella@propertynz.co.nz or 0297786114.

Yours sincerely,



Morgan Jones
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