

24 November 2023

Tauranga City Council Needs To Delay It's Long Term Plan

Sustainable Bay of Plenty Trust is calling on Tauranga City Council to delay its 2024 Long Term Plan (LTP), which is currently undertaking public consultation.

"TCC has rushed its plan, consulting on it at least four months earlier than normal, at the same time that Western BOP District Council has delayed its LTP by three months." said Executive Director Glen Crowther.

"Most NZ councils are heading in the opposite direction to TCC, with good reason." Crowther said. "We support Western Bay Council's decision and its rationale, which is the "significant uncertainty and implications" regarding three waters reforms and transportation funding following the general election."

Sustainable BOP says "Tauranga City Council is obsessed with its city centre projects and is rushing its plan to try to lock in funding for those expensive projects. In light of the election result, the lack of clarity about three waters, and the delay in central government and regional transport plans, that's a stupid decision and TCC needs to reverse it."

Sustainable BOP says the city's debt has already tripled over the past six years and is forecast to increase to \$1.3 billion by June 2025. "If ratepayers are still responsible for funding three waters infrastructure, total ratepayer debt will hit \$2.5 billion* by the end of this decade and TCC will have breached its debt limit!"

"Tauranga has a genuine debt crisis and it needs to slow this plan down to address it. Tauranga ratepayers owe over \$17,000 a head, nearly double Christchurch's debt per ratepayer." said Crowther.

Yet while Christchurch's mayor says the city has "[serious financial issues](#)" and needs to sell assets and slash spending, TCC's Commissioners are planning to double ratepayer debt over the next five years, despite selling parking buildings and other public assets!"

"That level of debt is unsustainable. Worse, it is being spent on expensive 'nice to have' projects, such as an international exhibition centre, rather than on essential infrastructure." The

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Council itself [states](#) that “it is cost-prohibitive to deliver all necessary initiatives [sic] within the upcoming 10 year timeframe” for essential three waters and transport infrastructure.

Sustainable BOP believes there are more important priorities, including fixing our roads, investing in better public transport facilities, reopening a transfer station on the western side of the city, sorting out the industrial pollution at the Mount, helping to enable affordable housing, building more community facilities, and keeping a tighter control of debt.

It says despite all the rates increases and extra debt, the result has been worse congestion, higher carbon emissions, gridlock from unnecessary roadworks, and a lack of understanding from council of what most residents want.

"There's been no buy-in to the growth strategy that has driven the huge increases in debt in recent years. TCC admits that ratepayers are funding growth, so it should change its approach to deliver a more sustainable plan."

Sustainable BOP says TCC needs to delay its LTP, in line with Western BOP Council. It can then assess the funding landscape after New Year and come up with a better plan.

“That plan needs to invest in essential infrastructure, meet the needs of local residents, protect our natural environment, and keeps the city’s debt to a more manageable level.”

Contact:

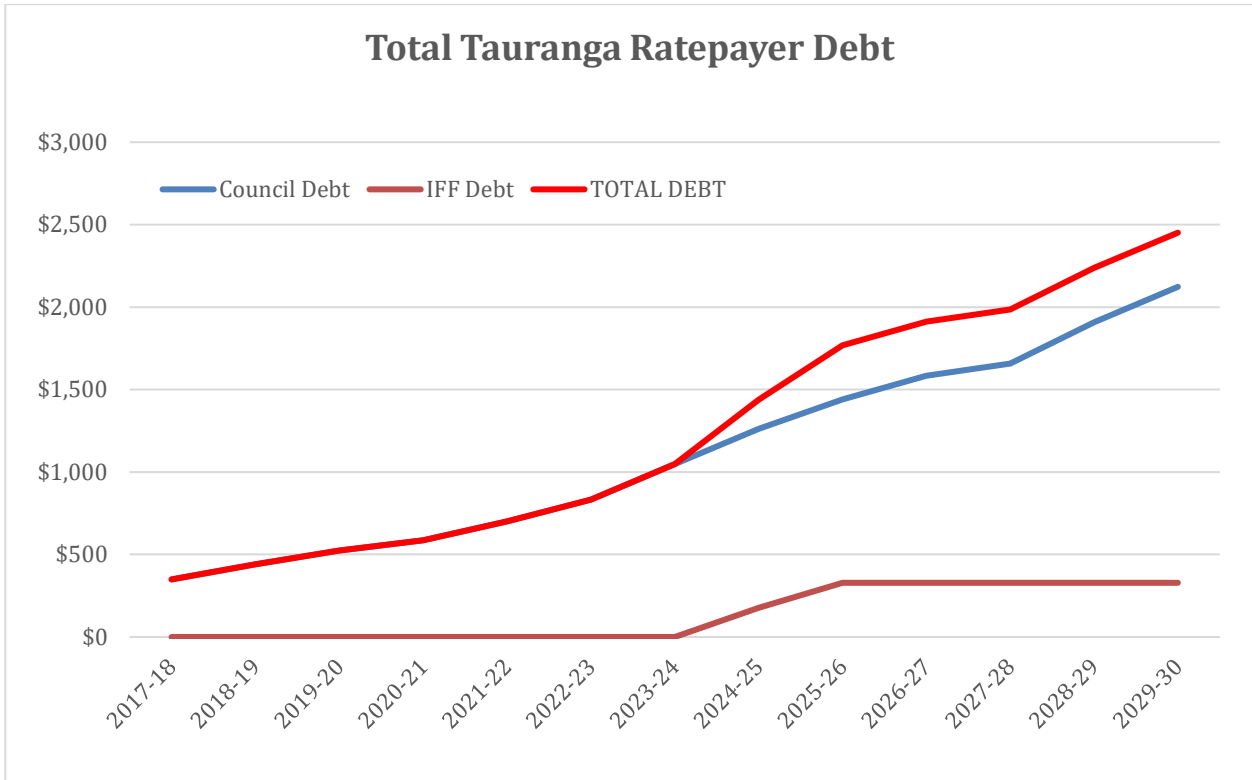
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* \$2.5 billion total ratepayer debt as per following table and graph:

Ratepayer Debt	2021-22	2022-23	2023-24	2024-25	2025-26	2026-27	2027-28	2028-29	2029-30
Council Debt	\$701	\$833	\$1,049	\$1,262	\$1,440	\$1,584	\$1,657	\$1,909	\$2,123
IFF Debt	\$0	\$0	\$0	\$177	\$329	\$329	\$329	\$329	\$329
TOTAL	\$701	\$833	\$1,049	\$1,439	\$1,769	\$1,913	\$1,986	\$2,238	\$2,452



Source: Sustainable BOP Trust, using information from TCC Draft 2024 Long Term Plan