

# Agenda

**Notice is hereby given of  
an Open Workshop**

**Tuesday 27 January 2026**

**1:00pm**

Council Chamber  
Waimate District Council  
125 Queen Street  
Waimate

[www.waimatedc.govt.nz](http://www.waimatedc.govt.nz)

## **Order Of Business**

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Open workshops are an informal forum for staff to bring information items or presentations to Council which, if undertaken at a Council meeting, could take a significant amount of time, and therefore restrict other business from being transacted.

No decisions or resolutions will be made.

Brief agendas will be prepared and will be available on Council's website:  
<https://www.waimatedc.govt.nz/council/meetings/agendas-and-minutes> and brief notes will be taken.

There are no legal requirements relating to a quorum.

Standing Orders do not apply.

Members of the public are welcome to attend but do not have speaking rights.

## REPORTS

### 1 GENERAL BUSINESS

#### 1.1 COUNCIL RATES STATISTICS

**Author:** Tina Stevenson, Corporate Services Group Manager

**Authoriser:** Tina Stevenson, Corporate Services Group Manager

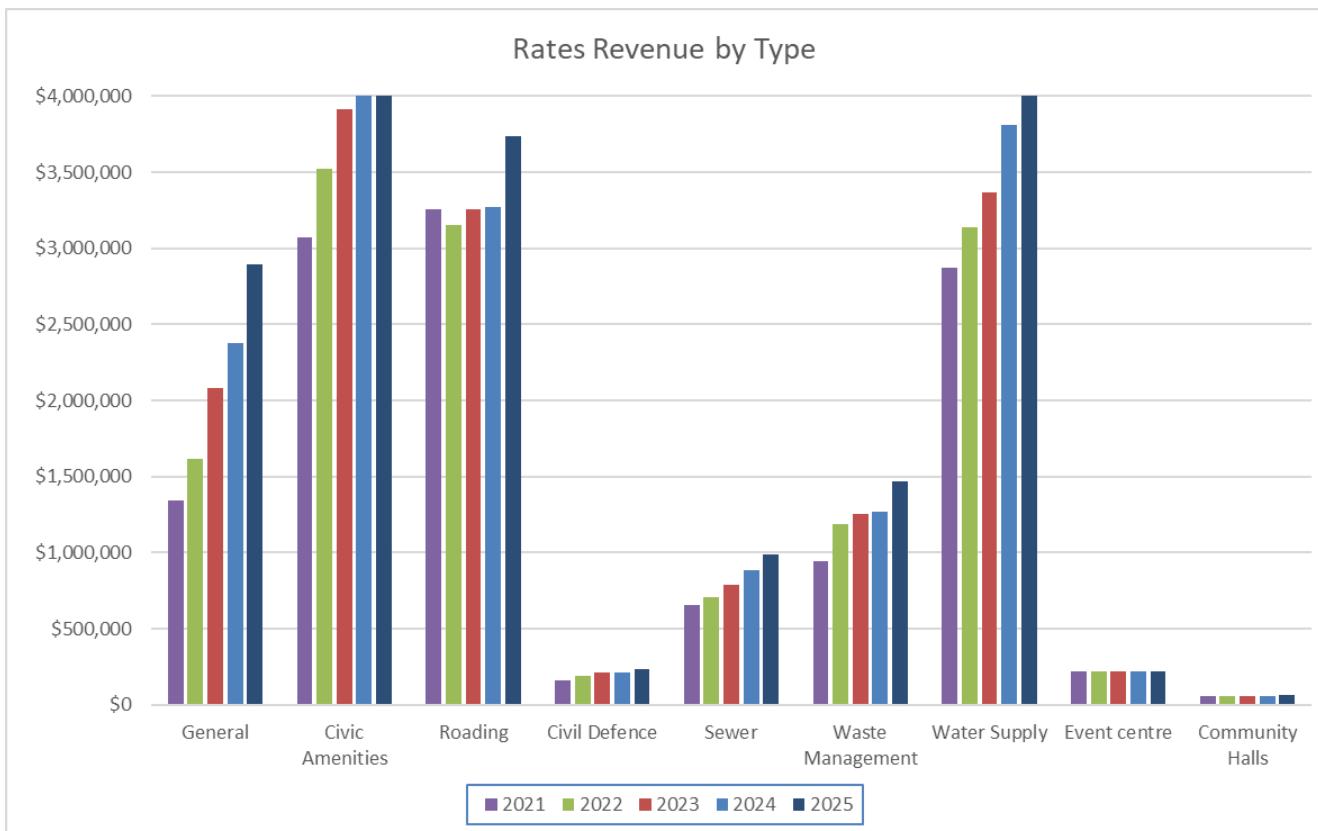
**Attachments:** Nil

#### PURPOSE

1. To provide Council with a variety of rates data for their information and consideration.

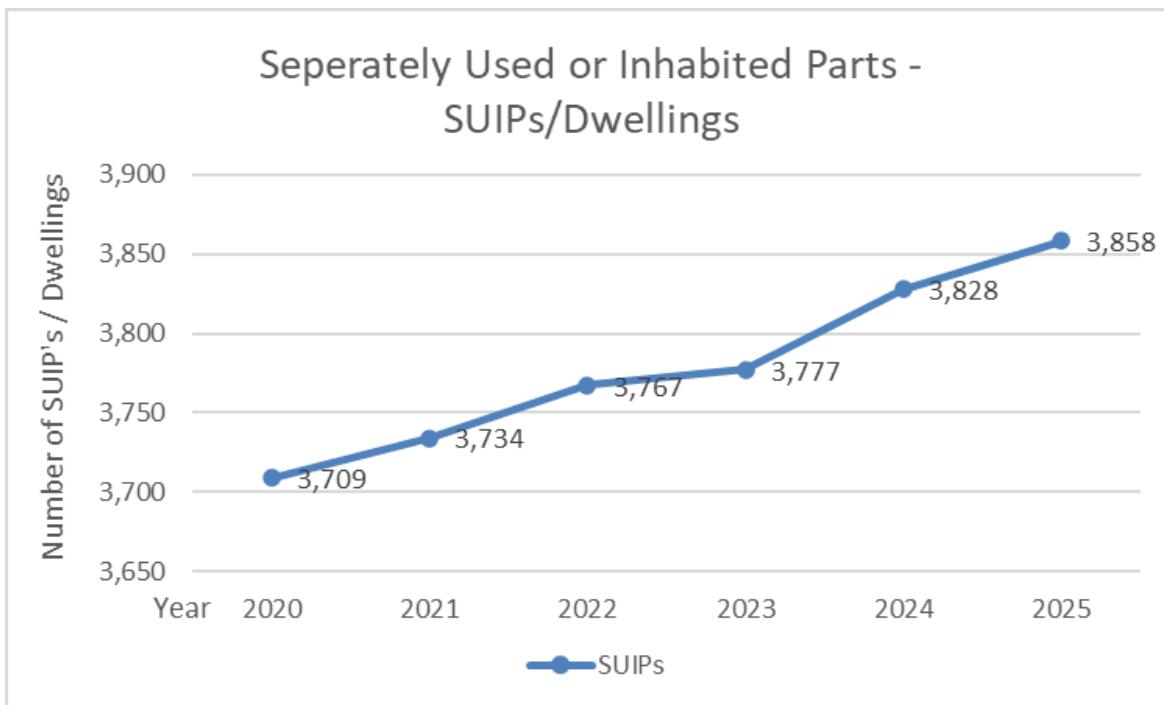
#### BACKGROUND

2. Council's largest source of income is rates, with almost \$18.5m including GST collected in the 2025 financial year.
3. The following information has been compiled to share rating related data, which we expect will be of interest to Elected Members.
4. Rates Revenue by Type:
  - a. We have included a graph to illustrate the value of rates collected by type of rate, to compare between rate types and show the movement over the past 5 years.
  - b. General observations include:
    - i. General Rates increases have been proportionately higher when compared to the movements in other rates types for the 5 year period at 116% i.e. more than double what was collected in general rates 5 years ago.
    - ii. Rate funded income for the roading activity is at the other end of the spectrum, increasing by 15% in the 5 year period.
    - iii. Civic Amenities, Civil Defence, Sewer, Waste Management and Water Supply rates have increased by about half, with percentage increases ranging between 44% and 56% in this period.
    - iv. The Event Centre rate for the repayment of the loan remains constant, while Community Halls have requested rates 12% more than the sum collected in 2020.



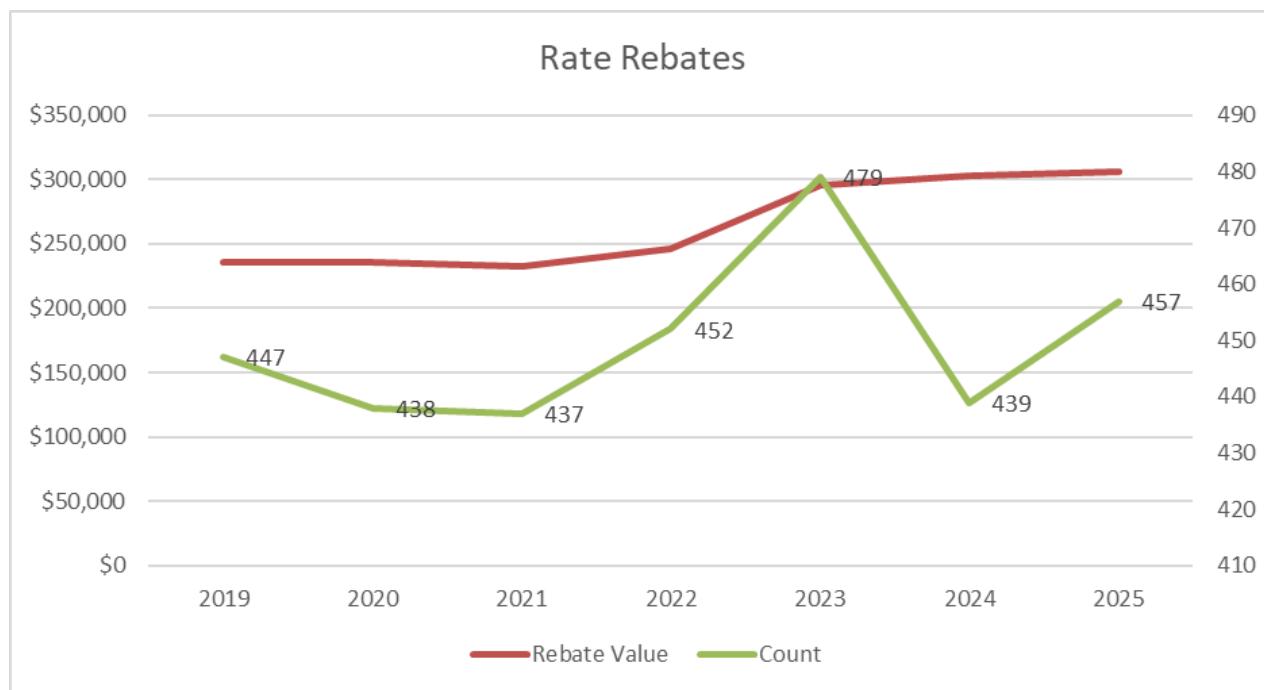
5. Separately Used or Inhabited Parts of a Rating Unit – SUIPs/Dwellings:

- The following graph illustrates the movement in rateable SUIPs (dwellings) in the rates database over the past 6 years.
- SUIPs are used as the basis to set the Urban, Rural 1 and Rural 2 Civic Amenities, Recycling Drop-off Service, Waimate Event Centre and Community Hall rates.
- Following a sizable jump of 51 in 2024, there was a further increase of 30 dwellings in 2025. 149 (net) additional dwellings were added to the Rates Database over 5 year period.
- Timing of 'sign-off' of Code of Compliance Certificates and the subsequent confirmation from QV to update our Rates Database influences this data.



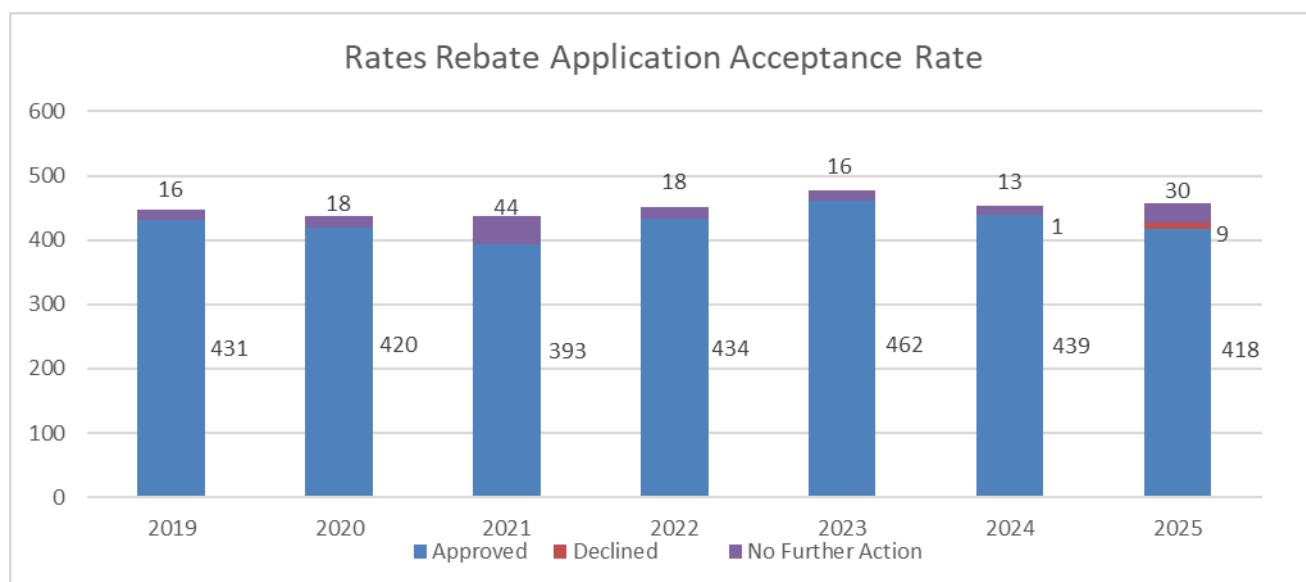
6. Rates Rebates:

- a. A rates rebate is a partial rebate for eligible, low-income ratepayers who pay rates on their home to the council.
- b. The following graph details the income received from Rates Rebates over each of the last 7 years, as a result of ratepayers' applications. In 2025, just over \$300,000 was received due to the rebate scheme.
- c. We have illustrated the quantity of applications for each year on the same graph for your information.
- d. The maximum value of a rates rebate in 2025 was \$790, with this increasing to \$805 in the current 2025-26 financial year.
- e. Rates rebates are paid to Council by the Department of Internal Affairs and credited to the relevant individual ratepayer account, thereby reducing the balance left to pay for the year.
- f. Applicants must reapply each year – the rebate year runs from 1 July to 30 June.
- g. The rebate calculation considers the income of the applicant and the cost of their rates in conjunction with other factors when assessing their entitlement.

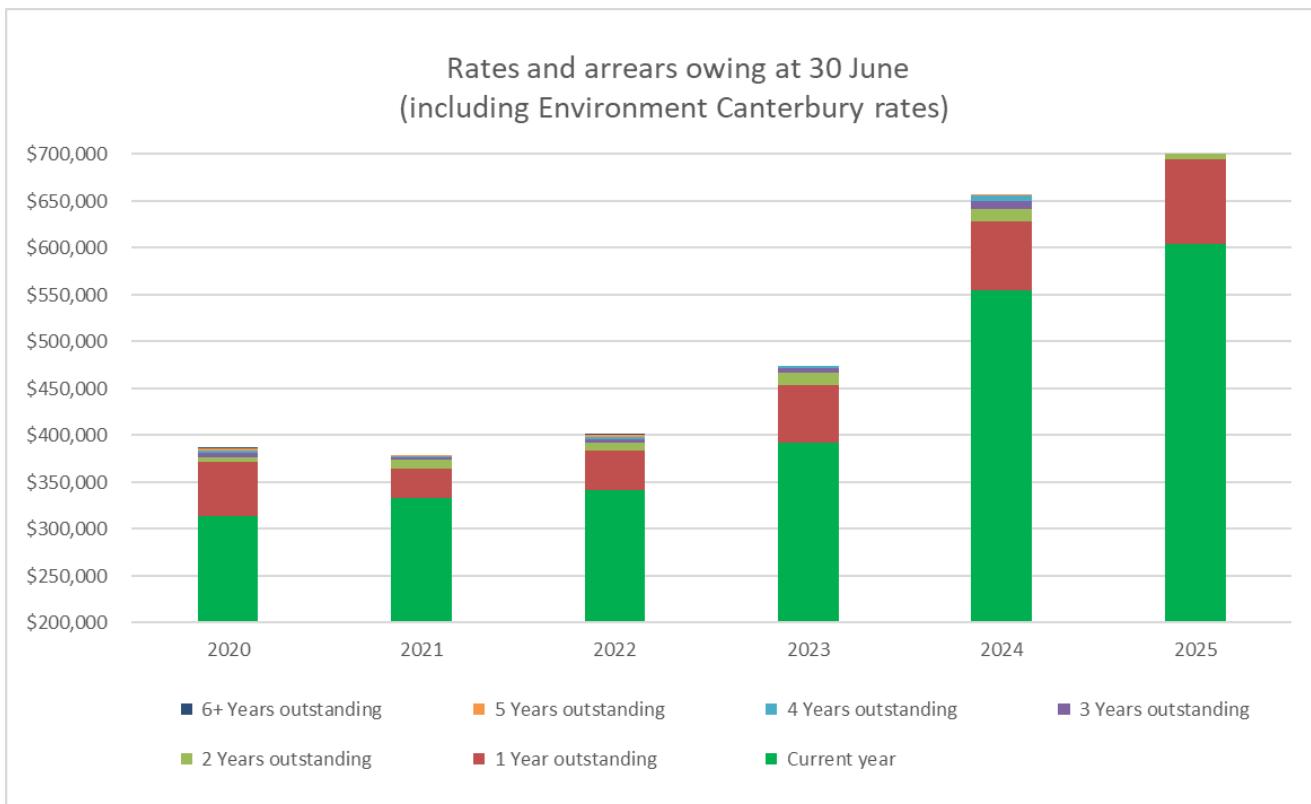


7. Rates Rebate Application Acceptance Rate:

- The following graph illustrates the quantity of Rates Rebate Applications received for the past 7 years, showing the quantity approved, declined applications (duplicates) and those where no further action resulted (essentially a decline).
- 2023 saw the highest number of applications over this period, though application numbers are consistent.
- Application forms are sent to ratepayers who qualified for a rate rebate in the previous year, and we have historically publicised the rates rebate scheme through a number of channels including, rates notice inserts sent with rates invoices (when applicable), the Trader, Newsline, the Council website and social media posts. Staff recognise there is always opportunity for increased promotion and encourage Elected Members to share.
- If a ratepayer has not applied for a rebate, staff will encourage them to apply, often as a result of staff's one-to-one communications with the customer.
- The main reason applications result in no further action is due to income being above the relevant threshold and/or the eligibility criteria is not met i.e. the property must be the place of residence on 1 July.

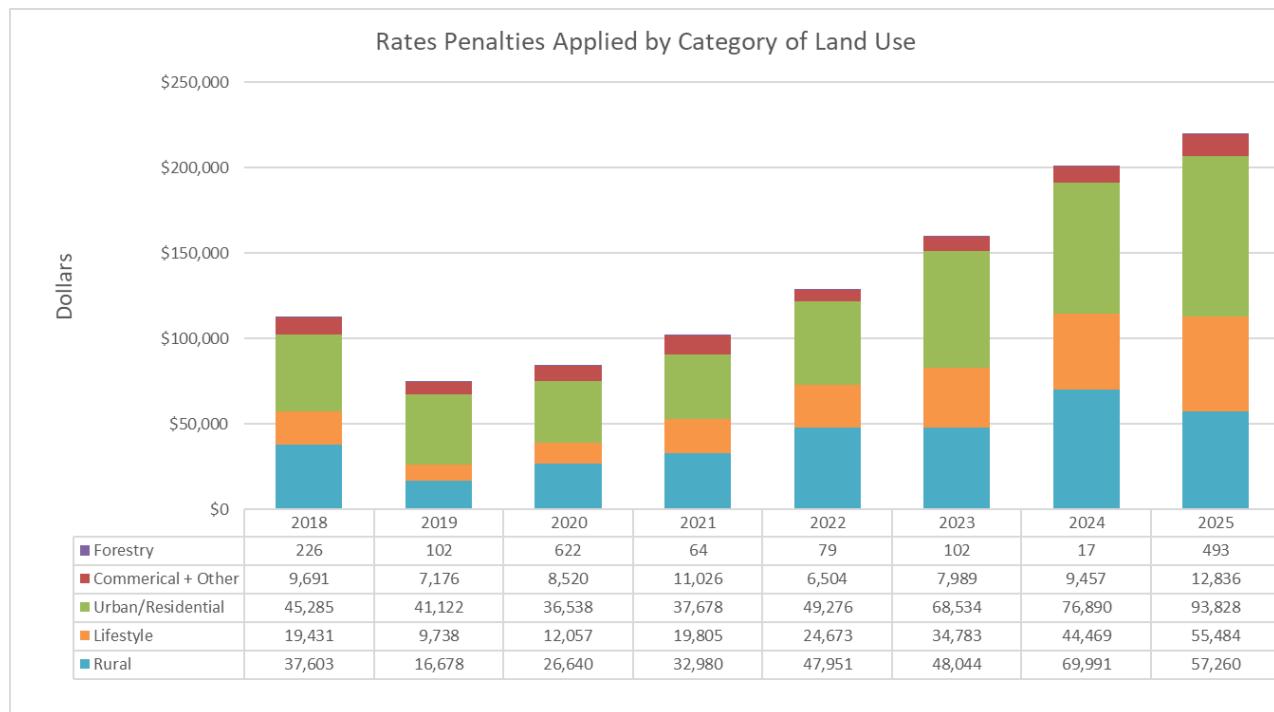


8. Rates Outstanding 30 June by Age of Debt:
  - a. The following graph details the rates outstanding as at 30 June each year for the past 6 years.
  - b. We have broken down the total debt by age to illustrate how much of the debt was current and the proportion that was overdue, by year.
  - c. While this is just a snapshot in time as at 30 June, the comparison between years illustrates overdue debt has increased from 2022, with a notable increase from 2023 to 2024 of just over \$183,000.
  - d. Council encourages any ratepayers having difficulty keeping on top of their rates payments to contact Council staff.
  - e. Ratepayers can often find these discussions difficult, with expectations beyond what staff are able to offer. Staff are bound by Council Policy and legislation, with no discretion to provide flexibility beyond this. Ratepayers are often emotive and can become abusive towards staff.
  - f. Agreed payment plans may be considered for ratepayers with significant arrears as a result of financial hardship or difficulties. An agreed repayment plan requires all rates to be paid within 18 months of the agreement commencement. Penalty remission may also be considered at the successful completion of the repayment plan, provided the terms have been adhered to.
  - g. Staff apply rating legislation for the collection of rates arrears and make referrals to debt collection agencies or banks who hold a mortgage over the property where ratepayers are non-communicative or have failed to fulfil payment obligations to the satisfaction of Council.
  - h. The momentum for the collection of rates has been disrupted with changes in staff in recent years but is now back on track.
  - i. Following the issuance of the 90-day notice and through ongoing communication with ratepayers, the outstanding debt has been reduced since 30 June 2025, with payment plans discussed where applicable.
  - j. Prioritising collection of rates remains a key focus for rates staff for 2026.



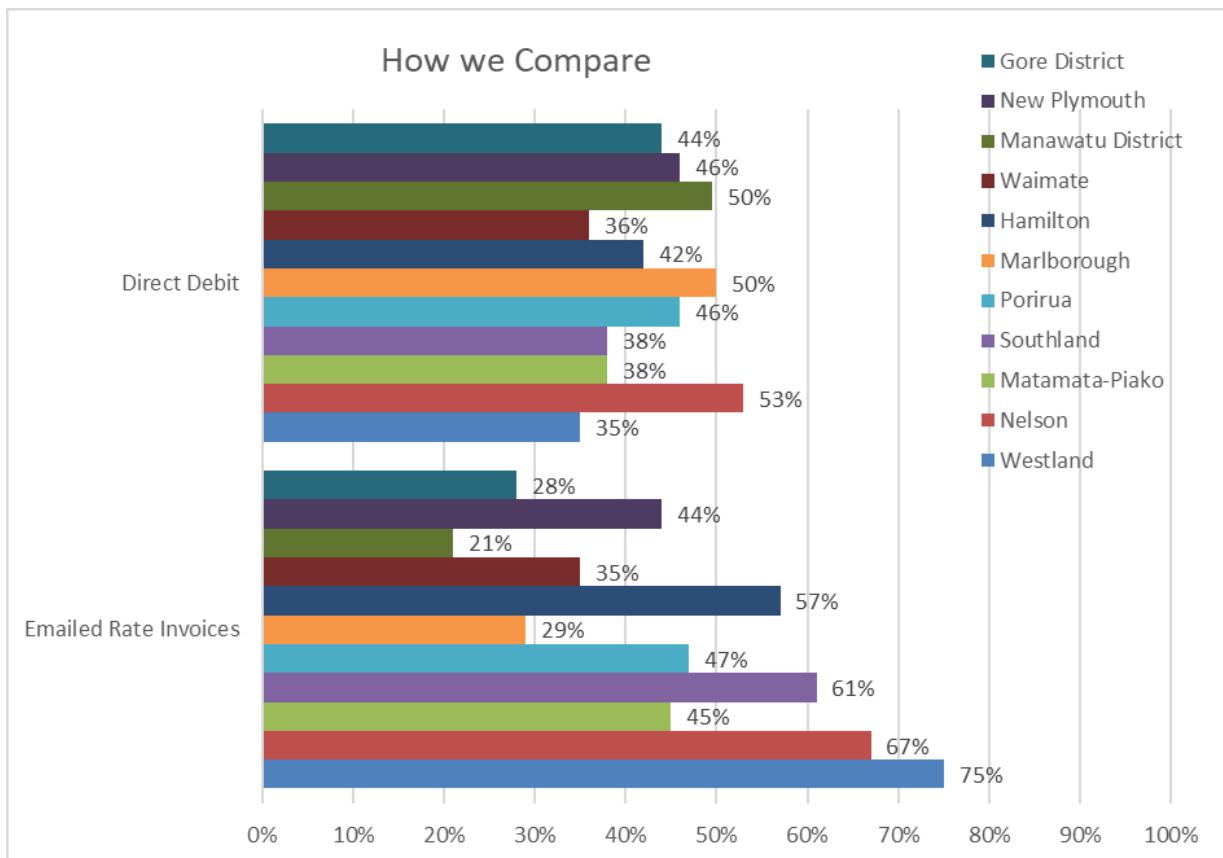
**9. Rates Penalties:**

- a. The following graph details the rates penalties applied by Council on overdue rates (Waimate District Council and Environment Canterbury), categorised by land use, covering the last 8 years.
- b. The percentage of the penalty has remained the same over this period (10%), however the values owed at the time of application of the penalty has increased, reflected in the increased penalty total.
- c. Rates penalties of almost \$220,000 were applied during the 2025 financial year, with \$187,000 relating to Waimate District Council rates.
- d. Reviews of the Rating Information Database over recent years has allowed us to more consistently apply penalties in line with policy, resulting in its fairer application.
- e. Increases in penalties could be interpreted as an indication of the ability to pay, and associated increased difficulty.
- f. Please note:
  - i. Urban/Residential includes Waimate, Glenavy, St Andrews etc.
  - ii. Rural includes Arable Land, Dairying, Horticulture, Pastoral Land and Specialist Farming Practices such as pig or deer farming.
  - iii. Commercial + Other includes Commercial, Utilities & others such as sports facilities and passive reserves.
  - iv. Penalty remissions (refunds) are excluded from the data presented.



10. How we Compare – Direct Debit & Emailed Rates Invoices:

- a. Lastly, we have included a comparison of Councils for:
  - i. the percentage of customers who pay their rates by Direct Debit.
  - ii. The percentage of customers who chose to receive their rates invoices by email.
- b. Direct Debits: 36% of Waimate ratepayers choose to pay their rates by our preferred payment method, Direct Debit:
  - i. We have been encouraging ratepayers to pay by direct debit for a number of years and historically through a number of channels including, rates notice inserts sent with rates invoices (when applicable), the Trader, Newsline, the Council website and social media posts.
  - ii. Paying by Direct Debit, or 'Rates EasyPay' is a convenient way to pay rates. It is a low-risk method of payment and will ensure that the customer does not incur late payment penalties.
  - iii. Payment frequency is chosen by the customer: weekly, fortnightly, monthly or quarterly.
- c. Emailed Rates Invoices: 35% of Waimate ratepayers choose to receive their rates notices by email:
  - i. Similarly, the option of having your rates invoices emailed has been promoted in recent years.
  - ii. We encourage this option to save paper, postage and the planet. With postage costs continuing to increase, there is potential for real savings with this simple change at the ratepayer's request.
  - iii. We believe we can improve the uptake of emailed rates notices, with rates staff investigating options to improve this statistic and realise savings for Council and ratepayers as a result.



## OUTCOME

11. That Elected Members are informed with rates related statistics and reflect on this information as part of future rates related discussion or considerations.

**1.2 DRAFT SUBMISSION - RATES CAPPING**

**Author:** Nicole Timney, Community Services and Strategy Group Manager

**Authoriser:** Stuart Duncan, Chief Executive

**Attachments:**

1. Presentation - Rates Capping [!\[\]\(7f8d804c6d199749d3dd53592a5ca12b\_img.jpg\)](#) [!\[\]\(716b1a53afbf6fc209efc5845a031677\_img.jpg\)](#)
2. WDC Submission - Rates Capping [!\[\]\(e412b572f2e2f1020cad5a122ec16bf4\_img.jpg\)](#) [!\[\]\(52846f31c5df4e255a9a9487d4074383\_img.jpg\)](#)
3. Example - Future Public Consultation [!\[\]\(d37b0a23f61d543d1db126dcb76141fa\_img.jpg\)](#) [!\[\]\(42d6b67a186546c8222d98544d7d5b70\_img.jpg\)](#)
4. Rates Capping - Questionnaire [!\[\]\(6cf95502e0c98c483b3a0cc71edb8937\_img.jpg\)](#) [!\[\]\(74fc771e9c999cd4c5ef3b47b30a596c\_img.jpg\)](#)
5. WDC Proposed Rates Cap Formula - December 2025 [!\[\]\(f5d6623cdb92d35b98f8eadab02c4984\_img.jpg\)](#) [!\[\]\(67a73ed851fecabe1e130c354864a237\_img.jpg\)](#)

**PURPOSE**

1. The purpose of the paper is to workshop with Elected Members the content of a submission to the Department of Internal Affairs on Rates Capping.

**BACKGROUND**

2. A finalised submission will be brought back to the open workshop on 10 February 2026 to Elected Members for confirmation before the submission date of 20 February 2026.
3. The final submission will be made available to the public via the Waimate District Council website newsletter.

**OUTCOME**

4. Direction on the content for submission on rates capping to the Department of Internal Affairs.



# Rates Capping

Submission Proposal – January 2026

# What is being proposed?

Introduction of legislation to limit local council rates increases to a target range of 2-4% annually, with the full regulatory model expected to be in effect by mid-2029.

## ***What does this mean?***

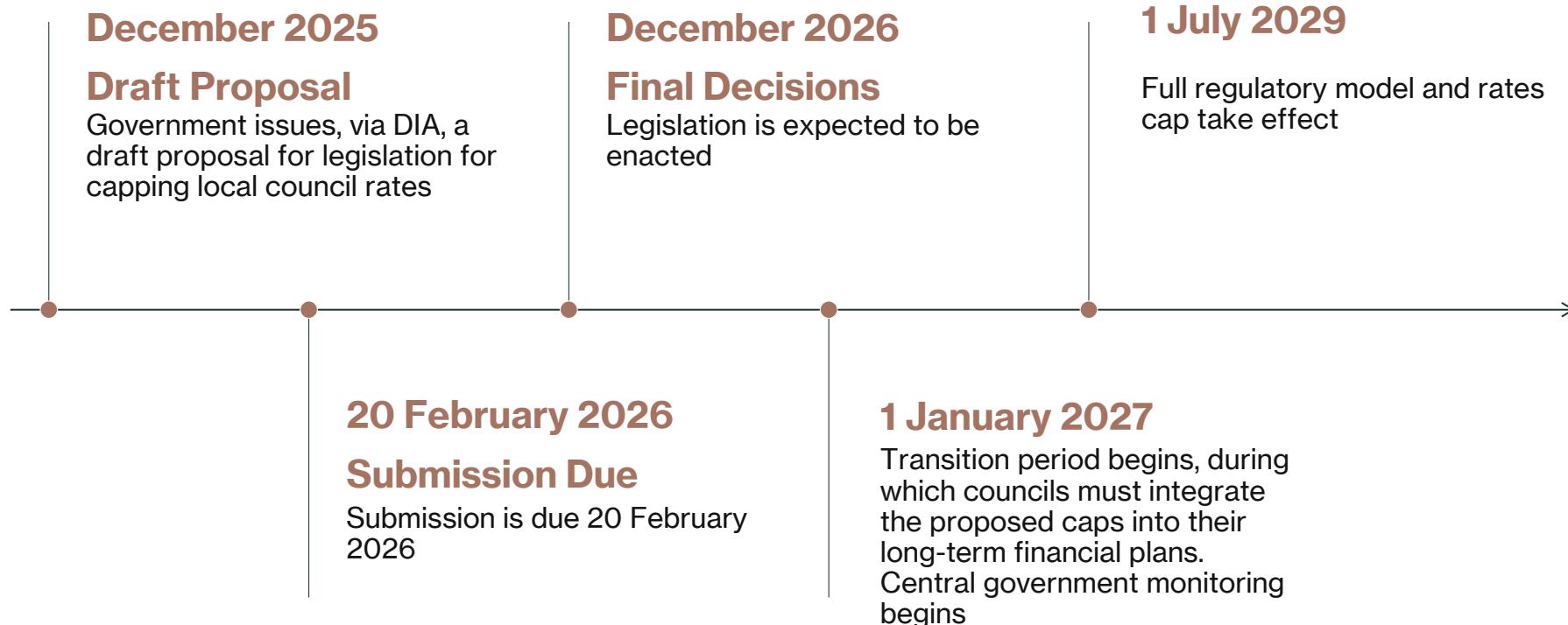
Target Range: The proposed range for annual rates increases is between 2% and 4% per capita (rating unit). Range is based on long term economic indicators like inflation and GDP growth.

- Can't set a rate below 2% - each year starting 1 July 2029 must be either 2%, 3% or 4% per annum unless requesting an exemption
- Cap rate will apply to all types of rates (general, targeted, and uniform annual charges)
- Excludes water charges and other non-rates revenue like fees and charges, development contributions or future development levies
- Only in exceptional circumstances will a council be allowed to exceed 4% cap, natural disaster or significant under investment in infrastructure. A new regulatory body will oversee any request for exceeding caps
- Build a pathway to implementation of 2-4% in year three of the LTP 2027-2037 but you will be monitored and government, via LGA 2002, will intervene if you try to hike the rates in years 1 and 2 of the LTP 2027-2037

## Cabinet has agreed:

- To a target range within which councils can raise rates.
- The minimum of the band should allow for maintenance of services and assets. The maximum should align with economic growth.
- The range will be anchored in long-run economic indicators, such as inflation at the lower end and nominal GDP at the higher end. Preliminary analysis suggests a rates target range of 2-4% per capita per year.
- Applies to all sources of rates (excluding water charges and water targeted rates, development contributions, fees-funded council services). Under the rates cap councils will have discretion to spend rates funding as they currently do.
- Variations to the target range will be allowed in certain circumstances.
- There will be regulatory oversight, initially from the Department of Internal Affairs.
- There will be a limited transition period between 2026 and 2029.

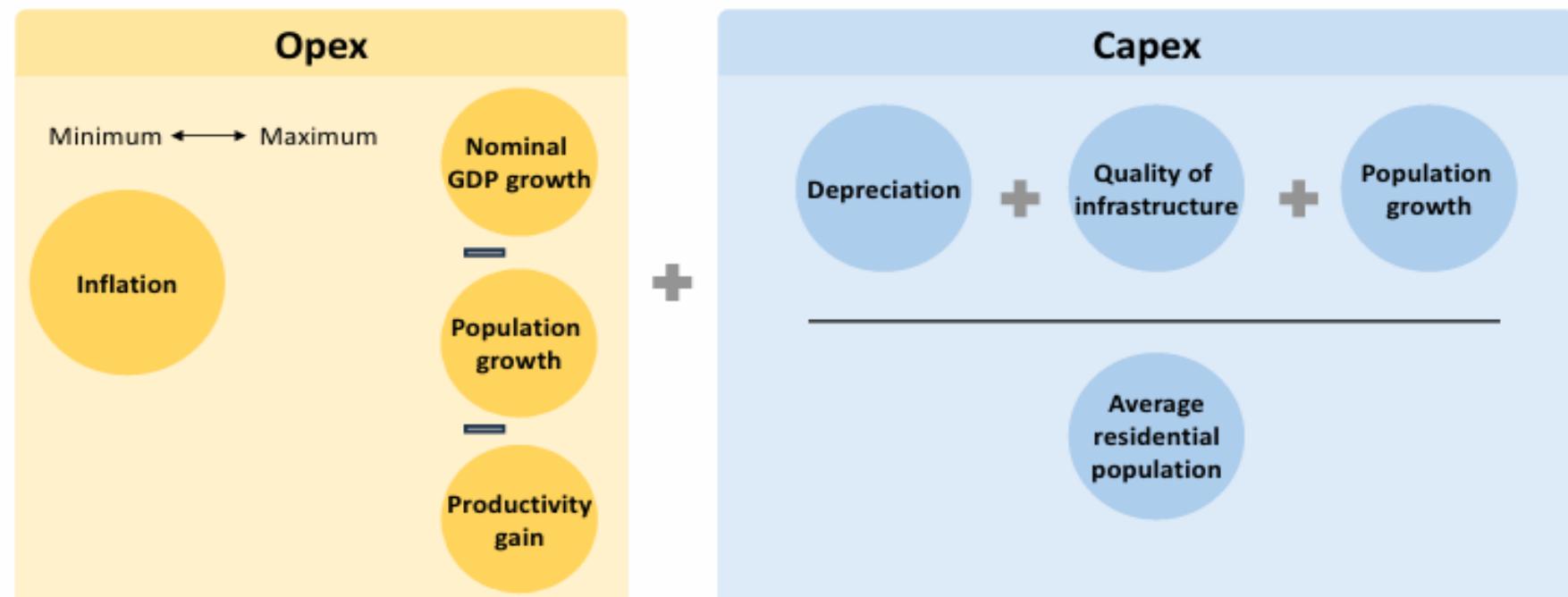
# Timeline



# What is being consulted on?

## Proposed formula

The proposed formula is based on a per capita, price basis for a fixed basket of council services



# Components of the formula

The range is defined by two specific economic benchmarks:

- **The Floor (2%):** Set at a midpoint of the Reserve Bank of New Zealand's inflation target to ensure councils maintain essential services
- **The Ceiling (4%):** Reflects "long-term economic growth," based on long-run GDP minus population growth
- **Per Capita Basis:** The cap applies to the **rate per person**. This means total council rates revenue can still grow by more than 4% if the local population increases, as more ratepayers are added to the tax base

## Variations

The rates target model includes two types of variations when councils may need to raise higher rates revenue than what the target range allows.

### Situation 1

- Only applies to the types of circumstances that are unpredictable, unforeseen, or extreme, at the discretion of the Minister.
- Circumstances that have not involved planned spending.
- The aim is to enable a fast and reactive response to emergency situations.
- Variations would be allowed without councils needing to justify variations.
- Councils will need to show how they intend to return to the target over an agreed timeframe.

### Situation 2

- Where councils need to raise revenue for particular projects outside extreme circumstances.
- Expected to be large-scale infrastructure projects, for example.
- If proposed rises are significant and sustained, regulator would need to give approval before LTP consultation. Councils would need to consult on the variation as part of their LTP process.
- Councils would need to justify variations and explain how they intend to return to the target.
- To justify, councils will need to show financial management principles have been met under the Local Government Act 2002.

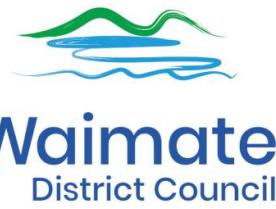
Please note that the policy detail regarding variations is still being developed.

## Consultation questions

1. **Do you agree with the proposed economic indicators to be included in a formula for setting a rates target?**
2. **If not, what economic indicators do you suggest be included and why?**
3. **Does setting the minimum of the target in line with inflation ensure that councils can maintain service standards? If not, why not?**
4. **Does the maximum of the target account for council spending on core services?**
5. **What council spending will not be able to take place under this target range? Why?**
6. **Are changes to the target needed to account for variations between regions and councils? What changes do you propose and why?**

Let's work through the questions...

Any other questions, comments, thoughts?



19 February 2026

Waimate District Council  
P O Box 122  
Waimate

Department of Internal Affairs

Contact Information  
Stuart Duncan  
Chief Executive Officer  
[stuart.duncan@waimatedc.govt.nz](mailto:stuart.duncan@waimatedc.govt.nz)

## Submission

Rates Capping Legislation

The Waimate District Council appreciates the opportunity to provide feedback on the proposed rates capping legislation but more precisely, the use of the proposed formula.

Waimate District Council as a small rural council, acknowledges the intent to provide greater predictability and fairness to ratepayers. However, we have several concerns about the suitability of the impact of the proposed formula in our context when combined with a rates cap.

**Why?** – We are a small rural area with a large roading network and an agriculture-driven economy which faces unique challenges. We have high infrastructure costs, a dispersed population, and economic vulnerability to external shocks. Council funding and service delivery must balance these realities and more so under the proposed restrictive capping regime.

- **Limited Revenue Flexibility** – Rural councils like ours rely heavily on rates as our primary funding source, with fewer alternative revenue streams. The use of this formula does not adequately reflect the local cost pressures – such as infrastructure renewal needs, population changes, or geographic challenges – risk constraining our ability to maintain essential services and infrastructure.
- **Infrastructure and Service Delivery Risks** – The use of the consumer price index (CPI) reflects urban spending patterns and therefore undervalues rural-specific cost increases.
- **Equity and Community Impact** – We are concerned that a “one size fits all” approach will disproportionately impact rural and low-growth communities like ours. This could result in higher user fees when we have, on average, lower income levels and reduced services which would affect vulnerable populations. We are a rural service town with an aging population surrounded by a large rural farming population.

- **Financial Stability and Debt** – We are a financially stable, low debt council. Whilst we have been prudent with our spending over many years, we have not been cheap. We all acknowledge that there has been an unprecedented increase across the board for all services whether that be domestic or commercial, the proposed indicators do not allow for sufficient rates growth to meet rising costs. Combine a rates cap with the simplification of local government and the recipe is smaller councils ceasing to exist and then fighting for relevance when coupled with a large urban council heavily indebted due to poor governance and overspend. Smaller council regions will find their rates limited to very basic servicing of core assets and a steady decline in the existence of facilities and amenities that form the basis of why people live in thriving rural towns.
- **Need for Local Flexibility** – We strongly recommend that the formula include mathematics for local adjustment. The process for seeking exemptions should be transparent, timely, and not overly burdensome for councils with limited administrative capacity.

## Introduction

The New Zealand government is introducing legislation to limit council rates increases to a target range of 2-4% annually, with the full regulatory model expected to be in effect by mid-2029.

We will address firstly the questions and then point out the range of potential negative outcomes.

1. *Do you agree with the proposed economic indicators to be included in a formula for setting a rates target?*

No, we do not support the proposed economic indicators for use within the formula. While we support the principle of using economic indicators to guide rates setting, we urge that the formula be flexible, responsive to rural realities, and include safeguards to prevent unintended negative impacts on essential services and community wellbeing.

2. *If not, what economic indicators do you suggest be included and why?*

We support a blended formula approach which allows for the nuances of different councils and geographical issues. Later in the questions we further suggest the use of regional indicators in a tiered approach.

Rates Cap = CPI (min)

Rates Target =  $\max\{ \text{CPI}, \text{LCI\_wages} + \alpha \text{PPI\_capital}, \beta \text{PopulationGrowth}, 0.5 \times \text{GDP\_growth} \}$

- Exemptions: Councils exceeding renewal/backlog thresholds can apply to exceed the cap by  $\Delta\%$  to cover deficits.
- Benchmarking: Use ratios to monitor over/under investment, transparency via DIA metrics

A blended formula is more robust, fair, and sustainable. It helps councils maintain essential services, manage infrastructure responsibly, and respond to local needs – whilst still providing ratepayer protection and transparency. The blended formula better suits a council's actual mix of cost drivers:

- This ensures that any rates cap keeps pace with the actual mix of council expenses, not just one aspect.
- Multiple indicators allow the formula to be more responsive to local realities, rather than imposing a "one size fits all" cap.
- By factoring in infrastructure renewal and backlog ratios, the formula can help ensure councils are not forced to defer essential maintenance or underfund asset renewal, which would otherwise lead to higher long-term costs and service degradation.
- By including growth or demographic change it helps ensure that councils serving growing (or shrinking) communities can adjust rates in line with changing service demands, supporting fairness across different types of councils.
- A blended approach spreads risk and provides a more stable funding base. A single indicator will not keep up with spikes in construction costs or wage settlements, leading to funding shortfalls, deferred maintenance, or increased debt.
- Using a transparent, multi-indicator formula makes it easier for councils to explain rate changes to their communities and justify exemption requests when extraordinary circumstances arise.
- Audit and regulatory bodies recommend multifactor models to reflect the complexity of service delivery and infrastructure management in the public sector.

3. *Does setting the minimum of the target in line with inflation ensure that councils can maintain service standards? If not, why not?*

- a. No, setting the minimum rates target in line with inflation (using the Consumer Price Index, CPI) does not guarantee that a council can maintain service standards.
- b. If the rates were capped at the lower level to CPI, there may be a cut in services, deferral of maintenance or increased user fees, especially affecting smaller rural or vulnerable communities. Reasons outlined in the table below.

	Council Cost Drivers	
1	General Inflation (CPI)	CPI covers this
2	Wage Increases (LCI)	Often higher than CPI
3	Construction Costs (CCI)	Can spike above CPI
4	Population Growth	Increases demand
5	Asset Renewal Needs	Not reflected in CPI
6	Regulatory Changes	Not reflected in CPI
7	Disaster Recovery	Not reflected in CPI

4. *Does the maximum of the target account for council spending on core services?*

No, setting the maximum rates target at 4% does not guarantee that council spending on core services would be fully accounted for. The cap is based on long-term economic growth indicators (like GDP), not on actual cost pressures councils face for core services such as roads, water, and waste management.

- The cap is a fiscal limit, not a needs-based calculation. It does not adjust for local variations in infrastructure costs, deferred maintenance, or service demand.
- Cost inflation for core services (especially construction and wages) often exceeds 4%, particularly in rural areas.
- As councils can only exceed the cap in “extreme circumstances” with regulator approval, the cap may force difficult trade-offs or service reductions if core costs rise faster than the cap allows. This will cause the demise of small rural town locations.

5. *What council spending will not be able to take place under this target range? Why?*

a. Council spends most at risk under this target range would be renewal of roads and other infrastructure, non-core community services, support services and staffing, service upgrades and new projects, catch-ups on deferred maintenance and services for vulnerable populations. The table below outlines service types and risk levels.

Service Type	Risk Level
Library, pool and youth services	High – possible closure or reduced hours
Parks & recreation maintenance	High – deferred maintenance
Roads (excluding water assets)	Critical – postponement = big cost later
Council staffing (corporate admin/HR)	High – job cuts a possibility
Fees and charges	High – increased user charges

b. The cap will force councils to focus on core, legally required services, at the expense of broader community wellbeing and long-term infrastructure sustainability.

6. *Are changes to the target needed to account for variations between regions and councils? What changes do you propose and why?*

a. Yes, changes to the target are needed to account for variations between regions and councils.

- Regional inflation and cost pressures vary with provincial and rural areas often facing higher inflation and infrastructure costs than urban areas, especially for housing, construction and transport.
- Council size and scale do matter with smaller councils having a higher per-capita cost and few economies of scale, making a uniform cap more restrictive.

- There has been deficits and historic underinvestment across councils and regional councils resulting in higher rates growth for some districts due to deferred maintenance or responses to disasters.
- b. The following changes are proposed:
  - Regional adjustment factors: Use regional cost indexes to set caps that reflect local inflation and cost realities.
  - Tiered cap bands: Allow higher caps for rural or small councils, or those with high infrastructure needs.
  - Infrastructure renewal triggers: Permit councils to exceed the cap if asset renewal/backlog ratios fall below safe thresholds.
  - Fast-track exemptions: Create a streamlined process for councils facing disasters or unique local pressures to apply for temporary rate increases.

Tier Structure – Rationale being that provincial areas have experienced higher inflation than major centres; small and rural councils face higher per-dwelling infrastructure costs and fewer economies of scale. Tiering and small uplifts improve fairness without abandoning discipline.

- Tier 1 – Urban/Metropolitan councils: Base band 2.0-4.0%
- Tier 2 – Provincial/Regional centres: Base band 2.0-4.5% (regional CIP uplift may apply)
- Tier 3 – Rural/Small Councils: Base band 2.0-5.0% (regional CPI uplift + infrastructure pressure factor may apply)

- c. These changes would make the rates cap more equitable, sustainable, and responsive to local needs.

Whilst we have endeavoured to be balanced with our responses, we would like to reiterate that we acknowledge there are potential benefits but there are risks and unforeseen and unintended consequences, especially for small rural councils like ours.

#### **Potential Benefits:**

- **Affordability and Predictability:** Rates capping can make local government charges more predictable and affordable for residents, especially those on fixed incomes.
- **Incentive for Efficiency:** By limiting revenue growth, councils may be encouraged to find efficiencies, prioritise spending, and be innovative with service delivery.

#### **Potential Risks and Unintended Consequences:**

- **Deferred Maintenance and Infrastructure Deficit:** Capping rates may force councils to defer essential maintenance and asset renewals, leading to a larger and more expensive backlog of work in the future.
- **Service Reductions:** Councils may need to reduce or cut non-core services and community assets, impacting quality of life.

- **Increased Debt and Financial Instability:** With limited revenue, councils might rely more on borrowing, increasing financial risk and potentially affecting credit ratings.
- **Higher User Fees:** To offset lost revenue, councils may increase user fees, which can disproportionately affect lower-income residents.
- **Reduced Local Decision-Making:** Central government-imposed caps can limit local communities' ability to set their own priorities.
- **Long-Term Cost Increases:** Delaying maintenance and investment can result in higher costs over time, potentially leading to future rate shocks.

## Conclusion

While rates capping can provide short-term financial relief and encourage efficiency, it also carries significant risks for the long-term sustainability of local services and infrastructure. A balanced approach must involve careful consideration of local needs, robust community engagement, and mechanisms to ensure essential services and infrastructure are not compromised.

To achieve the intended outcomes of financial sustainability, service quality, and community wellbeing, any rates capping policy must be flexible, data-driven, and locally responsive. A blended, tiered, and transparent framework – grounded in robust economic indicators and supported by clear exemption pathways will best serve the diverse needs of this council and we suggest New Zealand's councils and communities.

Yours sincerely

**Stuart Duncan**  
**Chief Executive Waimate District Council**

**Craig Rowley**  
**Mayor Waimate District Council**

Example of community future consultation

## Community Service Prioritisation Survey

### Introduction:

Your council is facing new financial constraints due to rates capping. We want your input to help us prioritise which services are most important to our community. Please rate each service using the criteria below.

### Instructions:

For each service, please score it from 1 to 3 for each criterion:

- **1 = Low / Not Important / Not Required**
- **2 = Moderate / Somewhat Important / Partial**
- **3 = High / Very Important / Required**

### Example Service: Libraries

Criterion	Score (1-3)	Comments (optional)
Core/Non-Core		
Legal Requirement		
Community Value		
Cost Efficiency		
Risk Level		
Equity Impact		

### Please complete the table for each service:

Service Name	Core/Non-Core	Legal Requirement	Community Value	Cost Efficiency	Risk Level	Equity Impact	Comments (optional)
Roads & Water							
Rubbish Collection							
Libraries							
Parks & Recreation							
Youth Hubs							
Admin/HR							
Parking/Consents/Fees							

## Criteria Definitions

- **Core/Non-Core:** Is this service essential to council's core responsibilities?
- **Legal Requirement:** Is the council legally required to provide this service?
- **Community Value:** How important is this service to the community?
- **Cost Efficiency:** Does this service provide good value for money?
- **Risk Level:** What is the risk to the community if this service is reduced or cut?
- **Equity Impact:** Does this service support vulnerable or disadvantaged groups?

## Additional Questions

1. Are there any services you believe should be protected at all costs? Why?
2. Are there services you think could be reduced or delivered differently?
3. Any other comments or suggestions?

**Rates Capping Submission – February 2026****Individual Elected Member comments**

*\*\*To be clear, government is not asking if you agree with rates capping, that decision has been made, your being asked about the formula for rates capping only*

1. *Do you agree with the proposed economic indicators to be included in a formula for setting a rates target?*

2. *If not, what economic indicators do you suggest be included and why?*

3. *Does setting the minimum of the target in line with inflation ensure that councils can maintain service standards? If not, why not?*

4. *Does the maximum of the target account for council spending on core services?*

5. *What council spending will not be able to take place under this target range and why?*

6. *Are changes to the target needed to account for variations between regions and councils? What changes do you propose and why?*

## Waimate District Council – Proposed new rates formula for maximum rate

**Rates Cap = CPI (min)**

**Rates Target = max{ CGI, LCI\_wages +  $\alpha \times CGPI$ ,  $\beta \times PopulationGrowth$ ,  $0.5 \times GDP\_growth$  }**

Breakdown of what each part means and how it fits into the context of council rates setting:

### 1. Rates Cap = CPI (min)

- **CPI** stands for the Consumer Price Index, which measures general inflation (the average change over time in the prices paid by consumers for goods and services).
- Setting the rates cap at the minimum of CPI means that, at the very least, council rates can increase in line with inflation. This is intended to ensure that councils can keep up with the rising costs of goods and services, but it may not be enough to cover all cost pressures, especially those unique to local government or rural areas.

### 2. Rates Target = max{ ... }

This formula sets a “target” for how much council rates can increase, based on the highest value among several economic indicators. The idea is to make the rates target more responsive to real-world cost drivers, rather than relying on a single measure.

- **CPI:** As above, general inflation.
- **LCI\_wages:** Labour Cost Index for wages, reflecting wage growth. Council wage costs often rise faster than general inflation.
- **$\alpha \times CGPI:$**  Capital Goods Price Index – statistical measure of price changes for physical assets (like buildings, machinery, and transport materials). A measure of producer price inflation related to capital investment.
- **$\beta \times PopulationGrowth:$**  Population growth, weighted by a factor  $\beta$ . If the population is growing, service demand increases, so rates may need to rise accordingly.
- **$0.5 \times GDP\_growth:$**  Half the rate of GDP growth. This allows rates to increase in line with broader economic growth, but at a moderated pace.

The formula takes the **maximum** of these values, meaning whichever indicator suggests the highest need for a rates increase sets the target. This approach is designed to ensure councils can respond to whichever cost pressure is most acute in a given year.

## Why use this blended approach?

- **Flexibility:** It allows for local adjustment and recognises that different councils face different cost pressures.
- **Fairness:** It avoids a “one size fits all” cap, which could disadvantage rural or fast-growing areas.

- **Sustainability:** By factoring in multiple indicators, councils are less likely to underfund essential services or defer maintenance, which can lead to bigger problems and costs in the future.

**In summary:**

This formula is a proposed alternative to a strict rates cap. It aims to make council funding more responsive to real economic conditions, especially those affecting rural councils like Waimate District Council, by considering a range of cost drivers rather than just general inflation.

**1.3 DRAFT SUBMISSION - SIMPLIFYING LOCAL GOVERNMENT A DRAFT PLAN NOVEMBER 2025**

**Author:** **Nicole Timney, Community Services and Strategy Group Manager**

**Authoriser:** **Stuart Duncan, Chief Executive**

**Attachments:** 1. **Presentation - Simplifying Local Government Draft Plan November 2025** 

2. **WDC Submission - Simplifying Local Government a Draft Plan November 2025** 

3. **Simplifying Local Government - Collaboration with other Councils** 

4. **Simplifying Local Government - Questionnaire** 

5. **Simplifying Local Government - A Draft Plan November 2025 - DIA** 

**PURPOSE**

1. The purpose of the paper is to workshop with Elected Members the content of a submission to the Department of Internal Affairs on Simplifying Local Government a Draft Plan November 2025.

**BACKGROUND**

2. A finalised submission will be brought back to the open workshop on 10 February 2026 for confirmation before the submission date of 20 February 2026.
3. Workshop material includes ideas and prompts for discussion for implementation in the submission or further discussions with other smaller Canterbury Councils.
4. The final submission will be made available to the public via the Waimate District Council website newsletter.

**OUTCOME**

5. Direction from Elected Members on the final submission document.



# Simplifying Local Government

Submission Proposal – January 2026

# What is being proposed?

## Step 1

- Instead of regional councillors, the current elected Mayors of each district will collectively lead regional issues and govern the regional council.

**Note** – further question re the appointment of Crown Commissioners (appointed by the government) to lead or join the board.

## Step 2

- The board of Mayors, to be known as a “Combined Territories Board” or CTB will further develop future-focussed plans for how the councils in the respective region can work together more effectively and efficiently. A Regional reorganisation plan.

**Note** – Plans will be developed in consultation with the public, examined independently, and be approved by Government.

The CTB has two years, from date of establishment to develop the plan or the government will appoint a facilitator to complete the work

# Timeline



## Step 1

There are six questions relating to this first step

1. Do you agree there is a need to simplify local government?
2. What do you think of the proposed approach overall?
3. Do you support replacing regional councillors with a CTB?
4. What level of Crown participation in regional decision-making do you prefer?
  - I. None (mayors only)
  - II. Crown Commissioner (non-voting)
  - III. Crown Commissioner (veto power)
  - IV. Crown Commissioner (majority vote)
  - V. Crown Commissioners instead of a CTB
5. Do you agree that mayors on the CTB should have a proportional voted adjusted for effective representation?
6. How should communities crossing regional boundaries be presented?

## Step 2

There are four questions relating to the second step

1. Do you support the requirement for CTBs to develop regional reorganisation plans?
2. What do you think about the criteria proposed for assessing regional plans?
3. What are your views on how the proposal provides for iwi/Maori interests and Treaty arrangements?
4. Do you have suggestions for improving the proposal or alternative ideas?

# Responses to Step 1 and Step 2

1. Work through the Step 1 and Step 2 worksheets – do we agree with the proposed thoughts and sample responses?

Let's keep in mind some additional thoughts:

- **Reference statutory criteria:** Emphasising the importance of “effective representation” and “local say” as outlined in the proposal’s assessment criteria.
- **Highlight local identity:** Stressing the value of local identity, history, and community engagement, and the risk of losing these in larger regional structures.
- **Request ongoing consultation:** Asking for ongoing, meaningful consultation with smaller councils throughout the transition and implementation phases.

# Final Submission

Single Submission?

Joint Submission with other similar Councils across the country or within the Canterbury Region?

There are benefits to alliances with like minded councils:

- Greater influence: A united group of councils can negotiate more effectively with larger councils and the government.
- Resource sharing: Pool expertise, data, and advocacy resources.
- Protection of autonomy: Ensure that smaller councils' interests are not overlooked in regional plans or CTB decisions.

Any other questions?



19 February 2026

Waimate District Council  
P O Box 122  
Waimate

Department of Internal Affairs

Contact Information  
Stuart Duncan  
Chief Executive Officer  
stuart.duncan@waimatedc.govt.nz

## Submission

Simplifying Local Government – Draft Proposal November 2025

The Waimate District Council appreciates the opportunity to provide feedback on the Simplifying Local Government – A Draft Proposal. We acknowledge the intent of the review of local government to effectively reset the structure to better serve communities and not confuse them.

We must stress that as a small but very effective high performing district council, that we do not support the proposal to restructure local government, step 1 or step 2.

**Why?** This move penalises small successful councils who are the backbone of quintessential New Zealand. The identity of New Zealand is that of its smaller communities. We risk changing the very nature and understanding of what New Zealand stands for. Aggregation and bigger is better is about money and power, not community. Money and poor governance in larger centres do not make for a cohesive and well-functioning community. Communities are built by people doing good for those around them whilst governing funds via rates with trust and transparency. Smaller successful councils are the epitome of this and the stats prove this.

The loss of representation and local voice will push Waimate to the back of the queue for services but more importantly facilities that accompany those services, that make a community somewhere people want to live and thrive. This is a backward step for the Waimate District.

However, should this proceed we wish to comment on some areas and highlight our concerns that the local say, identity, and community engagement are at risk of being lost within a larger regional

structure without “effective representation” and “local say” being preserved within any new structure. We therefore propose the following answers to your questions with the understanding that our voice will be heard and listened to as a smaller and very effective district council.

## Introduction

The New Zealand government is undertaking significant reforms to local government, including the amalgamation of regional and local authorities and the replacement of the Resource Management Act (RMA). These changes are intended to increase efficiency, reduce costs, and streamline development processes. However, the reforms present both opportunities and challenges, with a range of potential positive and negative outcomes.

We will address firstly the questions and then point out the range of potential negative outcomes.

### Step 1

#### 1. *Do you agree there is a need to simplify local government?*

We support the efforts to reduce duplication and improve efficiency, but simplification must ensure that the unique needs and voices of smaller communities are not lost. Any changes, if this proposal was to proceed, must guarantee robust mechanisms for local input and representation. We believe that the desired outcomes can be achieved without dismantling the current structure of local government and instead look to the RMA Act to unify planning tools, which all councils can follow.

We believe that the restructuring of local councils into unitary councils is a backdoor route to amalgamating water services, which was not achieved with the changes to Water Done Well.

#### 2. *What do you think of the proposed approach overall?*

Our first response is to confirm that we are not in favour of this proposal.

The proposed Combined Territories Board (CTB) could improve coordination, but we are concerned that smaller councils may have reduced influence. We insist that safeguards are included to ensure all communities, regardless of size, have a meaningful say in regional decisions. Decisions made in bigger organisations can have a flow on effect to those for whom the decision was made for them, and not always for the better. Locals understand local issues and need to know that their voice is not only heard but acted on.

#### 3. *Do you support replacing regional councillors with a CTB?*

Again, our first response is no, we are not in favour of replacing regional councillors with a CTB. This is not in the best interests of the district due to the lack of knowledge and understanding added to the enormous workload of each representative. More importantly, a wider group of voices from the district need to be representing the district.

If we had no choice, we would only support new governance models if they delivered better outcomes for all. However, we only support replacing councillors with a CTB if voting arrangements are carefully designed to prevent larger councils from dominating and to ensure effective representation for smaller communities.

4. *What level of Crown participation in regional decision-making do you prefer?*

We would prefer no Crown intervention. If there was no choice then minimal, to preserve local democracy and community voice.

We believe regional governance should remain primarily in local hands. If Crown participation is made mandatory, we would only support a non-voting observer role to provide advice and oversight, but not to override local decision-making.

5. *Do you agree that Mayors on the CTB should have a proportional vote adjusted for effective representation?*

We believe the fairest and simplest option is One Mayor, One vote.

Voting should reflect the need for fair and effective representation. The Local Government Commission must be required to ensure that smaller and rural communities have a strong and protected voice in regional decisions.

6. *How should communities crossing regional boundaries be represented?*

Communities that cross regional boundaries must have direct and effective representation on all relevant CTBs. We believe that additional representation for these communities, rather than simply being "adopted" by a neighbouring district, to ensure their interests are not overlooked.

**Step 2**

7. *Do you support the requirement for CTBs to develop regional reorganisation plans?*

No, we do not support the requirement for Combined Territories Boards (CTBs) to develop regional reorganisation plans.

If we were given no choice, then any plans developed would need robust consultation and must reflect the unique needs of smaller communities. It is essential that the plans prioritise the local voice, protect community identity, and ensure that service delivery remains responsive and accessible, and that includes facilities remaining open and maintained within the smaller communities and not shut down, forcing communities to commute to larger centres.

8. *What do you think about the criteria proposed for assessing regional plans?*

Any criteria must have a focus on "local say" and "fair and effective representation", but most importantly "clear and transparent leadership". Criteria would need to be strengthened and require explicit measures for safeguarding the interest of smaller councils, including mechanisms for local decision-making and fair resource allocation.

Local boards with autonomy and budgets for local amenities such as parks, playgrounds, cemeteries, libraries, swimming pools, indoor and outdoor sporting facilities and other associated infrastructure requirements unique to their districts, which could include camping grounds and bike tracks, even local economic development initiatives. These facilities and offerings are what communities are known for and bring the richness and identity to small council regions that would be lost with amalgamation. A targeted rate for localised areas would enable the continuation of provision of these activities and amenities.

9. *What are your views on how the proposal provides for iwi/Maori interests and Treaty arrangements?*

Central government is the organisation responsible for obligations under the Treaty of Waitangi. Local government recognises its limited obligations and will continue to work with local iwi as it has in the past to ensure real representation and cooperation between both parties.

10. *Do you have suggestions for improving the proposal or alternative ideas?*

If this proposal were to proceed then we believe the following should be considered:

- Strengthen requirements for ongoing, meaningful consultation with smaller councils and their communities throughout the planning and implementation process.
- Ensure regional reorganisation plans include options for community boards or local assemblies with real authority and budgets, to maintain local decision-making.
- Provide clear, transparent processes for adjusting voting power on the CTBs to guarantee fair and effective representation for smaller and rural communities.
- Establish direct representation for cross-boundary communities on all relevant CTBs, rather than relying on "adoption" by neighbouring districts.
- Re look at staffing of organisations. Staff hires are particular to the needs of either urban or local rural councils. From across all governance and the Chief Executive down, larger organisations should not presume they will become the HQ and retain positions at the expense of highly qualified and trained staff of local smaller or rural councils. This will exacerbate the loss of local voice and local employment.

Whilst we have endeavoured to be balanced with our responses, we would like to reiterate that we are not supportive of the simplification of local government and feel the negatives, as outlined below could invariably outweigh the positives.

- Initial high costs – who is going to pay for this? No regional or local council has or would like to budget for this in their next Long Term Plan given the government requirement to cap rates at or below 4%.
- Uncertain financial savings – reliable and factual studies have shown that projected cost savings from amalgamations often do not fully materialise or are difficult to prove with hard evidence, as non-financial benefits (like better service coordination) can sometimes outweigh immediate cost savings.
- Loss of local focus – a larger regional authority may struggle to tailor services to specific local community preferences and needs, potentially diminishing local representation and engagement.
- Implementation risks – mergers can lead to a temporary loss of specialist knowledge or cause delays in project delivery during the transition period as staff adjust to new structures and processes.
- Cultural and operational differences – different working styles, cultures, and decision-making processes between previously separate authorities can present significant barriers to effective collaboration. Staff already employed from the Chief Executive down to grass roots were employed for situation specific reasons suited to their urban or rural council needs. This does not make them the best fit for newly formed organisations where larger organisations believe they should take the lead and maintain staff at the loss of highly qualified staff of smaller localised councils.

## Conclusion

Whilst we understand the simplification of local government is an "invest to save" strategy, with the potential for significant efficiency gains and improved integration of services, we believe these benefits could be outweighed by substantial initial costs, risks to local democracy and environmental protection, and challenges in implementation.

The net benefits of such a reform are highly context-dependent and situation-specific, therefore difficult to quantify. Should this proceed, it would require careful management to ensure that any proposed theoretical gains are realised in practice.

Yours sincerely

**Stuart Duncan**  
**Chief Executive Waimate District Council**

**Craig Rowley**  
**Mayor Waimate District Council**

## **Simplifying Local Government – Draft Proposal November 2025**

### **Collaboration with other councils**

#### **1. Advocate for “Effective Representation” in Voting Arrangements**

- The proposal allows for voting on the Combined Territories Board (CTB) to be adjusted by the Local Government Commission to ensure “effective representation,” not just population size. Smaller councils should push for clear, transparent criteria that guarantee their voices are not diluted by larger councils.
- Request that the Commission’s mandate explicitly includes protecting minority and rural interests, and that the process for determining voting power is open to public input.

#### **2. Push for Local Decision-Making on Community Services**

- The regional reorganisation plans can include options for local decision-making, such as community boards or new forms of local assemblies with delegated budgets for parks, libraries, and events.
- Smaller councils should propose and champion these models in their region’s plan, ensuring that day-to-day decisions affecting their communities remain local.

#### **3. Insist on Strong Consultation Requirements**

- The proposal requires CTBs to consult with the public, iwi/Māori, and stakeholders on draft regional reorganisation plans.
- Smaller councils should demand robust, ongoing consultation processes and seek to formalise their role in shaping both the consultation and the resulting plans.

#### **4. Promote Flexible Representation for Cross-Boundary Communities**

- For districts that cross regional boundaries, advocate for “additional representation” (e.g., a ward councillor or special delegate) on all relevant CTBs, rather than being “adopted” by a neighbouring district.
- This ensures that all parts of a district, even if small or isolated, have a direct voice in regional decisions.

#### **5. Champion Local Identity and Community Boards**

- Emphasise the importance of local identity and the risk of losing it in larger regional structures. Propose the creation or strengthening of community boards or local assemblies with real decision-making power and budgets.

## 6. Monitor and Influence the Regional Reorganisation Plan

- The regional reorganisation plan is the key document that will shape future governance. Smaller councils should be actively involved in drafting, reviewing, and negotiating the plan to ensure their interests are protected.
- Insist that the plan includes clear provisions for local autonomy, service delivery, and representation.

## 7. Leverage Statutory Criteria

- The statutory criteria for regional reorganisation plans include “local say,” “effective representation,” and “clear leadership”. Use these criteria as leverage in all negotiations and submissions.

## 8. Build Alliances

- Smaller councils can form alliances with other similar-sized councils in their region to present a united front and strengthen their negotiating position within the CTB and during the planning process.

### Summary Table: Key Levers for Autonomy

Lever	How to Use It
<b>Effective Representation</b>	Demand transparent, fair voting adjustments
<b>Local Decision-Making</b>	Propose/expand community boards or local assemblies
<b>Consultation</b>	Insist on robust, ongoing, and meaningful consultation
<b>Cross-Boundary Representation</b>	Advocate for direct representation, not “adoption”
<b>Statutory Criteria</b>	Reference “local say” and “effective representation”
<b>Regional Plan Involvement</b>	Be proactive in drafting and reviewing the plan
<b>Alliances</b>	Collaborate with other small councils

By focusing on these strategies, smaller councils can maximise their influence and maintain a strong degree of autonomy, even within a more consolidated regional governance structure.

## Form alliances with other smaller Councils

### 1. Identify Shared Interests and Challenges

- Start by mapping out which councils in your region share similar concerns—such as protecting rural interests, maintaining local identity, or ensuring effective representation on the Combined Territories Board (CTB).
- Use regional forums, existing inter-council committees, or informal meetings to discuss common priorities.

## 2. Initiate Dialogue

- Reach out to neighbouring councils (especially other smaller or rural councils) with a proposal for regular meetings or joint working groups.
- Suggest forming a coalition or caucus focused on issues unique to smaller councils, such as voting power, service delivery, and local autonomy.

## 3. Develop a Joint Position

- Collaborate to draft shared submissions or position papers for government consultations, such as the current local government reform.
- Agree on key messages and priorities—e.g., advocating for “effective representation,” robust consultation, and protection of local decision-making.

## 4. Formalize the Alliance

- Consider establishing a formal alliance, memorandum of understanding (MoU), or regional working group.
- Define clear objectives, decision-making processes, and communication channels.

## 5. Coordinate Advocacy

- Present a united front in meetings with the CTB, government officials, and during public consultations.
- Share resources, research, and expertise to strengthen your collective case.

## 6. Leverage Regional Networks

- Use existing regional bodies (e.g., Local Government New Zealand, regional sector groups) to amplify your alliance’s voice.
- Participate in sector conferences and workshops as a bloc.

## 7. Monitor and Respond Together

- Set up regular check-ins to monitor progress, share updates, and respond to new developments in the reform process.
- Jointly review and influence the regional reorganisation plan to ensure it reflects alliance priorities.

## Steps for Smaller Councils in Canterbury

1. **Contact other Canterbury district councils** to discuss forming a “Canterbury Rural Councils Alliance.”
2. **Hold a workshop** to identify shared concerns about CTB voting, local service delivery, and representation.

3. **Draft a joint submission** to the Department of Internal Affairs, emphasising the need for voting adjustments, local boards, and strong consultation.
4. **Establish a regular meeting schedule** and appoint representatives to coordinate advocacy efforts.

## Benefits of Alliances

- **Greater influence:** A united group of councils can negotiate more effectively with larger councils and the government.
- **Resource sharing:** Pool expertise, data, and advocacy resources.
- **Protection of autonomy** – Ensure that smaller councils' interests are not overlooked in regional plans or CTB decisions.

**Simplifying Local Government – Draft Proposal November 2025****Individual Elected Member comments****Step 1**

1. *Do you agree there is a need to simplify local government?*

2. *What do you think of the proposed approach overall?*

3. *Do you support replacing regional councillors with a CTB?*

4. *What level of Crown participation in regional decision-making do you prefer?*

5. *Do you agree that Mayors on the CTB should have a proportional vote adjusted for effective representation?*

6. *How should communities crossing regional boundaries be represented?*

**Step 2**

7. *Do you support the requirement for CTBs to develop regional reorganisation plans?*

8. *What do you think about the criteria proposed for assessing regional plans?*

9. *What are your views on how the proposal provides for iwi/Maori interests and Treaty arrangements?*

10. *Do you have suggestions for improving the proposal or alternative ideas?*

**Te Kāwanatanga o Aotearoa**  
New Zealand Government



# **Simplifying Local Government**

## **A draft proposal**

Making local government simpler, clearer, and more  
cost-effective for all New Zealanders

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November 2025

*This document summarises a draft proposal for public discussion.  
It is not Government policy.*

### **About this document**

This document presents a draft proposal for Simplifying Local Government. Final decisions about the draft proposal will be made pending consultation. More information about this draft proposal can be found on the Department of Internal Affairs website: [www.dia.govt.nz/simplifying-local-government](http://www.dia.govt.nz/simplifying-local-government). You can contact the Simplifying Local Government team by email at [simplifyinglocalgovernment@dia.govt.nz](mailto:simplifyinglocalgovernment@dia.govt.nz).

Changes to this document are tracked in Annex D.

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## Ministerial foreword

Local government matters. It shapes the places we live, the local services we rely on and makes decisions that affect us every day. But the system we have today isn't working as well as it should. We don't need yet another report or a review to tell us that local government needs to change.

Local government is meant to serve communities, not confuse them. But right now, the system is tangled in duplication, disagreements, and decisions that don't make sense. No wonder over half of New Zealanders don't vote in local elections.

Take the council that spent hundreds of thousands challenging a housing development over wetlands that didn't turn out to exist. Or the region where different councils and the Crown all employ park rangers to do similar jobs. Or the developer who needed consents from two separate councils for the same project, each with different rules, different fees, and different timelines.

This isn't just inefficient – it costs ratepayers time, money, and trust.

We're proposing a reset. Under this plan, regional councillors will be replaced by a new governing body. Our preferred model is a Combined Territories Board: a team of mayors who already know their communities and can work together to make regional decisions. It's a practical step that cuts through the clutter and brings clearer leadership. There are alternative options for regional governance set out in this document, based on the Crown Commissioner model, so with less local voice.

But the real change comes with the regional reorganisation plans.

Every region will be required to develop a plan that sets out how councils can work together to deliver services more effectively and efficiently. These plans will reflect local needs, include public input, and meet clear national standards. They'll look at everything from shared services to structural reform, and they'll be the basis for future decisions about how local government is organised.

This is not a one-size-fits-all approach. It's a framework for regions to design what works best for them, with a clear expectation that the outcome must be better than what exists today.

We want your feedback on this proposal. Whether you support it, oppose it, or have ideas to improve it, your views will help shape the final decisions.

A handwritten signature in blue ink that appears to read "Chris Bishop".

Hon Chris Bishop  
**Minister Responsible for RMA Reform**

A handwritten signature in blue ink that appears to read "Simon Watts".

Hon Simon Watts  
**Minister of Local Government**

## We want to hear from you

The Government wants your feedback on a proposal for simplifying local government. This document explains what will happen if the plan goes ahead.

In short, the Government proposes replacing regional councillors with a board of mayors who will work together on regional issues. This new board will be required to identify how council services can be delivered more effectively and efficiently in the regions in a regional reorganisation plan. The Government will consider these plans for approval. We also want to hear your views on alternative short-term options for regional governance, including ones where the Government plays a bigger role.

The easiest way to share your thoughts with us and provide feedback on this proposal is through our [website](https://consultations.digital.govt.nz/simplifying-local-government/proposal). You can fill in a survey or upload your own written submission. We recommend using the survey to ensure your submission covers everything. You can answer as many or as few questions as you like.

To begin visit: <https://consultations.digital.govt.nz/simplifying-local-government/proposal>

or use this QR code:

Your feedback will help the Government consider refinements to the proposal before it makes any final decisions.



### What you need to know before you make a submission

Before you share your thoughts, you should know:

- **Department of Internal Affairs staff will review submissions using digital tools and this may include artificial intelligence.** Technology helps us to quickly sort through submissions and identify the key issues people are worried about. It saves time and taxpayers' money.
- **We may proactively publish your submission or it may be subject to release under the Official Information Act 1982.** If there is anything in your submission that you do not want to be released, please clearly indicate this.
- **The Privacy Act 2020** governs how the Department collects and uses personal information about you and your submission. You have the right to access and correct personal information.

## Summary

### What is being proposed?

Most places in New Zealand have two separate councils – a regional council, and a city or district council (sometimes called ‘territorial authorities’). Each have a separate set of elected councillors who look after separate (but often similar) things.

There are 11 regional councils that govern services such as environmental management, regional transport planning, and civil defence. There are 67 city or district councils that govern services such as roads, water infrastructure, rubbish collection, libraries, parks, and land use planning. There are 6 ‘unitary authorities’ that combine the two roles.

The Government is proposing to simplify local government in two steps:

- **Step 1:** Instead of electing separate regional councillors, the mayors you already vote for will collectively lead regional issues and govern the regional council. We also want to know what you think about the appointment of Crown Commissioners (appointed by the Government) to lead or join the board.
- **Step 2:** This board of mayors will develop future-focussed plans for how the councils in your region can work together more effectively and efficiently. These plans will be developed in consultation with you, examined independently, and be approved by the Government.

### What is a combined territories board?

A combined territories board (CTB) is the name for the board that will handle regional issues and govern your regional council. The rates you already pay will fund the CTB.

### What exactly will a CTB do?

CTBs will take over the governance for the roles and functions of regional councils, such as:

- managing rivers, lakes, the coastal marine area, and air quality
- implementing any Treaty settlement commitments that are administered by regional councils
- managing assets
- regional transport planning
- civil defence and emergency management
- environmental regulation and resource management.

### **How would a CTB make decisions?**

CTBs will play an important role in making decisions about how your region is managed. To do so, CTBs will meet regularly, like how city / district councils do now.

When making decisions, each mayor would have a set number of votes. This number would be based on population and adjusted to ensure smaller communities receive effective representation. The independent Local Government Commission would make these adjustments.

CTB decisions must comply with the same laws regional councils have to comply with now, including consulting with communities and considering environmental impacts.

### **What are the alternative options?**

While a CTB made up of mayors is our preferred approach, we are considering alternative options for structuring regional decision-making in the short term. To ensure the system works in practice, we are seeking your views on alternative options that include a stronger role for the Crown. There are 3 options for a Crown Commissioner on the CTB:

- **Observer only:** Crown Commissioner has no vote
- **Veto power:** Crown Commissioner can override CTB decisions
- **Majority vote:** Crown Commissioner has more than half the votes on the CTB, with the remaining votes distributed among the mayors.

Another alternative option is to have no CTB at all and to appoint Crown Commissioners (Government appointees rather than elected representatives) to lead regional councils through the regional reorganisation plan (discussed below).

### **How will a CTB balance urban and rural interests?**

Currently, the law requires regional councils to act for the benefit of all or a significant part of its region. Decisions cannot be taken to the benefit of a single district. This legal obligation will carry over to the CTB (or Crown Commissioners).

Under the CTB model, participation by other agencies at the regional level will still occur where it is appropriate.

For example, regional land transport planning doesn't just include the regional council. It also includes the city and district councils, and the New Zealand Transport Agency. This makes sure urban, rural, and national interests are all balanced.

A similar model is being proposed for the new resource management system to strike a balance between urban, rural, and national interests. This approach is described later in this document.

### Why this change?

Local democracy is important, but many people don't vote in local elections or understand the difference between regional councils and city or district councils.

CTBs simplify governance by consolidating decision making with mayors. This reduces duplication (only one set of councillors) and ensures regional decision making is more aligned across councils. There would be clear accountability to the public by the CTB for delivery of regional services. If Crown Commissioners are appointed, they would have the same responsibilities as regional councillors currently have.

### Are CTBs permanent?

Each CTB would develop a regional reorganisation plan within two years of being established. Regional reorganisation plans will set out future-focussed ways that council services are delivered effectively and efficiently. Depending on the region, the CTB might be kept, dissolved, or repurposed via these plans. If Crown Commissioners are appointed, the appointments would run until a regional reorganisation plan is agreed.

These plans will need to reflect and incorporate local context and community feedback. They will:

- map all council functions in the region
- recommend the best delivery model for each of the functions across the region (e.g., shared services, joint council-controlled companies, or amalgamations)
- require mandatory consultation with communities, iwi, hapū, Māori, and stakeholders in the region
- be approved by the Minister of Local Government if they meet statutory criteria (not by referendum).

The goal of regional reorganisation plans is to design a better way for your councils to deliver services for you. The plans will reduce duplication, improve efficiency, and be responsive to local needs.

To support this, a Government review of regional council roles and functions will provide clarity on which responsibilities remain local and which may be either centralised or discontinued. This review will be completed before CTBs are established and CTBs will need to take into account the outcomes from this review when developing their plans.

The areas that don't have a separate regional council can opt in to doing regional reorganisation plans, but don't have to. These councils are Chatham Islands Council, Gisborne District Council, Marlborough District Council, Nelson City Council and Tasman District Council.

Auckland Council is set up separately to other councils so won't be able to develop a regional reorganisation plan.

### **What does it mean for me?**

If this proposal is implemented, the only thing that will change on day one is that your mayor will represent you regionally – rather than you having separate regional councillors do this. If Crown Commissioners are appointed, they will represent you regionally in the short-term until the regional reorganisation plan is completed.

All other things will continue until your mayor and your CTB develop the regional reorganisation plan and consult you on it. The plan would need to be submitted to the Minister of Local Government within two years of the CTB being established for approval. There will be no changes for Auckland Council. Other unitary authorities can choose whether they want to do a regional reorganisation plan.

In the meantime, regional council operations will continue as they do now. For example:

- all public consultation requirements remain under the Local Government Act 2002
- functions under the Resource Management Act 1991 remain unchanged (until that Act is replaced)
- stakeholder groups, advisory panels, and joint committees continue to operate
- Treaty settlement commitments, arrangements and obligations remain unchanged.

### **How can I have my say?**

Please make a submission on our website before 20 February 2026.

### **Where can I get more information?**

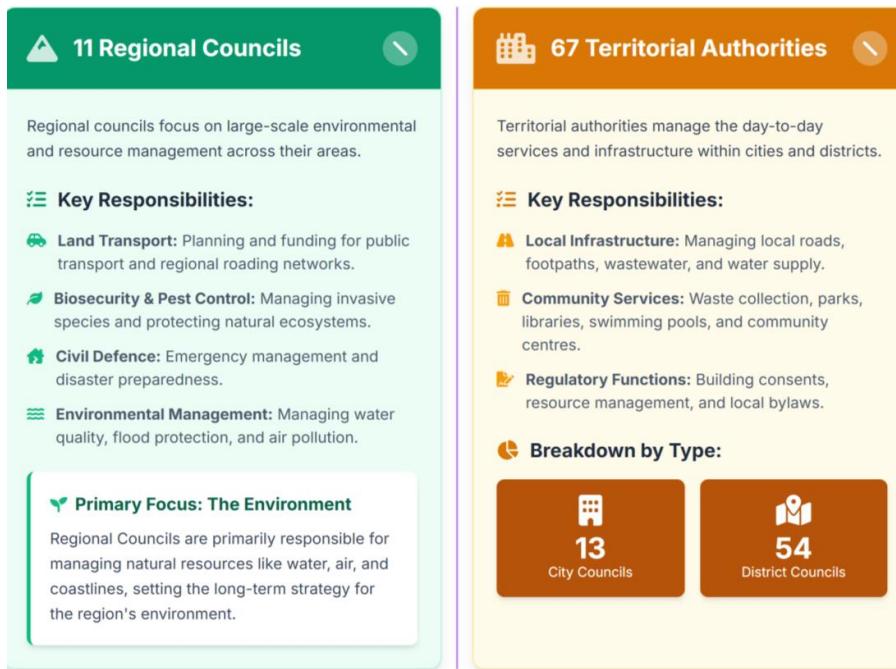
The remainder of this document provides further details on the proposal. There are four main parts:

- **Part A:** provides background information
- **Part B:** sets out how the proposal will simplify local government (including decision-making used for systems like transport and resource management)
- **Part C:** sets out how the proposal will improve local government
- **Part D:** sets out the proposal's impacts on Māori representation.

## Part A: Background

### What is local government?

New Zealand currently has 78 councils. There are **two overlapping systems of local government and two different types of councils**. One type is called a regional council and the other type is called a 'territorial authority' – known commonly as city or district councils.



Some areas have combined their councils into one 'unitary authority' including Auckland Council, Chatham Islands Council, Gisborne District Council, Marlborough District Council, Nelson City Council and Tasman District Council.

**Regional councils** are led by a chairperson and look after the 'big picture' environmental issues for the whole region like air quality, water quality, the health of lakes, rivers, and coastal areas, and managing pests. They are also responsible for public transport and play a key role in transport planning. There are 11 regional councils.

**City and district councils** are led by mayors and provide the day-to-day services and facilities for your local community, such as roads, rubbish collection, libraries, and parks. They also decide where and how new housing, businesses, and infrastructure can be built. There are 67 city and district councils.

For example, if you live in Kaiapoi, your two councils are Canterbury Regional Council and Waimakariri District Council. Each is governed by a separate set of elected councillors and run by separate chief executives, who employ separate staff. Both councils set rules for your area that influence what people and businesses can do (e.g., where you can build and how it must be built).

## **Why do we need to change things?**

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Two things have led to the Government developing this proposal.

Firstly, having two types of councils operating in the same area is complex, confusing, and costly. For example:

- While you might know your mayor, could you name the chairperson of your regional council?
- We have heard councils struggle to attract key staff as they compete for similar skills in the same area. For example, some regions may have Department of Conservation park rangers, regional council park rangers, and city/district council park rangers.
- Councils don't always work together well – there are examples of them contesting each other's rules and decisions in court.
- Some projects will require developers to obtain consent from two or more councils for the same project which can be complicated and confusing.

Secondly, we're thinking of the future. The Government's resource management reform and other changes (like water services reform and climate adaptation) will change how councils operate in the future. Resource management reform will bring more consistency across regional councils' functions. More activities will be permitted by default, reducing the work of councils in both planning and consenting. The Government has also announced plans to centralise some regional council functions as part of the new resource management system (for example, a national compliance regulator).

Both of these issues mean it is a good time to review how our councils work to see if there are better ways to do things.

#### **What do you think?**

Do you agree there is a need to simplify local government?

What do you think of the proposed approach overall?

#### **What's being proposed?**

The Government has developed a proposal to make local government simpler, more efficient, and better value for money.

##### **Step one**

Step one is to make mayors (or another city or district councillor) you already elect come together as a board to represent a region. This 'combined territories board' or 'CTB' would mean you no longer need separate regional councillors and the existing set would be removed. Alternative options are to include a Crown Commissioner on the CTB (with either a majority vote, a veto power, or an observer role only) or to replace regional councillors with Crown Commissioners in the short term.

##### **Step two**

Step two is to require the mayors on the CTB (or the Crown Commissioners) to review how your councils work together and come up with a plan for more effectively delivering services on behalf of you and your region.

These two steps are discussed in more detail later in this document.

## Part B: Simplifying regional governance

### Making mayors work together for the benefit of your region

#### What would happen?

Territorial authorities are led by mayors. Under this proposal, all the mayors in a region would sit on a board that becomes responsible for the governance and decision-making on proposals that impact the wider region.

We call this board of mayors a ‘combined territories board’ (or CTB). The CTB would make the decisions regional councillors currently do.

This means you won’t have two separate sets of elected councillors for the same area. The CTB would take over all the regional council’s roles and obligations until step 2 is complete.

A list of CTB groupings and the councils in each is attached as Annex A.

#### Why?

This simplifies local government in your region without you losing local control over your community assets and important decisions – your mayor would communicate these views to the CTB.

By simplifying governance at the regional level, decisions should be much more coordinated. It’ll be easier to understand who is responsible for what.

During step 2 of this proposal, CTBs will focus on making a plan that supports delivery of better services and value for money for your regions.

#### How?

CTBs take over all **roles and functions of regional councils**, such as:

- managing rivers, lakes, the coastal marine area and air quality
- managing regional council assets
- implementing any Treaty settlement commitments which are administered by the regional council
- regional transport planning
- civil defence and emergency management
- environmental regulation and resource management

CTBs will meet regularly, like a council meeting. Decisions must comply with the same laws regional councils do, such as consulting communities, considering environmental impacts, and meeting other statutory obligations.

### **Are CTBs permanent?**

That will be up to the individual councils in the region. Further detail is set out in Part C of this document.

### **How will CTBs work in practice?**

CTBs will have to make decisions in the regional interest (not just one community), just as regional councils do now. Regional council operations remain the same for now.

CTBs will be able to establish committees on the same basis as they do currently. City and district councillors will be able to be appointed to committees by their mayor, as a delegate. This will help split the workload between the mayor and other councillors.

Any committees established as part of a Treaty settlement would remain in place.

Regional councillors are paid at a level set independently by the Remuneration Authority. The same will apply for CTB members and delegates (with modifications to the process as necessary).

### **What about the alternative choices for regional decision-making?**

A CTB is our preferred option but there are alternatives. A Crown Commissioner could be appointed to the CTB alongside the mayors. This would ensure that the national interest is considered in regional decision-making.

The Crown Commissioner could have:

- **no vote:** the Crown Commissioner would participate in discussions but not be involved in final decisions
- **veto power:** the Crown Commissioner would have the power to veto CTB decisions when they thought this necessary in the interests of New Zealand as a whole
- **majority vote:** the Crown Commissioner would have the majority vote on the CTB (more than 50% of the weighted votes). The remainder of votes would be distributed among the mayors as set out in our preferred option. This would ensure that decisions are made in the interests of New Zealand, not just the region.

Another option is to appoint Crown Commissioners to replace regional councillors. Crown Commissioners would be appointed by the Government to run regional councils in the short-term and to prepare the regional reorganisation plan.

**What do you think?**

Do you agree with replacing regional councillors with a CTB?

What do you like or dislike about the proposal to replace regional councillors with a CTB?

What level of Crown participation in regional decision-making do you prefer?

- None – only mayors on the CTB
- Crown Commissioner (non-voting)
- Crown Commissioner (veto power)
- Crown Commissioner (majority vote)
- Crown Commissioners instead of a CTB.

**Allocating voting power****What would happen for voting arrangements on the CTB?**

Currently, each regional councillor represents around 20,000 people so they get one vote each when they are making regional decisions. Under our preferred option (the CTBs), the mayors would vote.

Determining how many votes a mayor gets is challenging. There are two main options, but both have issues:

- **One Mayor, One Vote:** Every mayor gets one vote. This is simple but reduces the proportionality of voters. Mayors of small towns representing smaller populations would have the same power as mayors of large cities, allowing a minority of the population to have an outsized influence over the majority.
- **Pure Population:** A mayor's vote is weighted by the population of the city or district they represent. This is the most consistent with the democratic principles but could allow mayors of the largest city to dominate regional decisions.

A case study that shows how each example causes issues is provided as Annex B of this document.

**What are you proposing?**

We are proposing that the number of votes a mayor gets:

- reflects the population they represent, **but**
- is adjusted by the Local Government Commission so communities receive effective representation.

The Local Government Commission is an independent agency separate from the Government. The principle of 'effective representation' is already used by local authorities when undertaking representation reviews.

### **What does effective representation mean?**

Effective representation basically means that all communities should have a voice in regional decisions.

### **How would the Local Government Commission balance effective representation with population size?**

The Government is considering options to balance population size with effective representation when it comes to the CTBs.

The first option is to leave it up to the Local Government Commission to determine what the right balance should be. This provides the Commission with lots of flexibility to take into account the uniqueness of New Zealand's diverse regions and communities, and to come up with innovative solutions. The downside is that communities wouldn't know in advance how much voting power their mayors would have until the Commission does its work.

The second approach is to provide the Commission with specific legal objectives and criteria to guide its decisions. Under this approach, the Commission would have to find the best possible balance between different objectives when allocating votes between the mayors on the CTB. Draft objectives that are being considered are set out in the table below.

Objective	Description
<b>Democratic legitimacy</b>	This is the "one person, one vote" principle. The system must acknowledge that a mayor representing 500,000 people has a different democratic weight than one representing 5,000.
<b>Effective representation</b>	The system must consider how distinct communities of interest in the region, including those with smaller populations or unique urban, suburban, and rural characteristics, are represented and protected, and can contribute effectively to decision-making.
<b>Effective governance</b>	The final system is transparent, understandable, and facilitates decision-making and consensus-building rather than promoting gridlock.

**Will this apply to all decisions?**

No, some decision making at the regional level also requires participation of others. As an example, regional land transport planning includes the regional council, city and district councils, and the New Zealand Transport Agency. This makes sure urban, rural, and national interests are all balanced.

Like transport planning, a separate decision-making approach is planned for the new resource management system. This decision-making framework will ensure the management of common pool resources (such as freshwater) has strong regional governance that reflects a balance of interests across urban communities and rural communities. The Government proposes that, when certain resource management decisions are made, the CTB membership will be slightly different and a dual condition voting procedure will apply. A resolution would only pass if:

- CTB members representing more than 50% of the population support the resolution, and
- More than 50% of CTB members with a voting mandate for decisions on spatial plan chapters and/or natural environment plan chapters, support the resolution.

There is more information about the proposed decision-making process for certain resource management decisions in Annex C.

**What do you think?**

Do you agree that mayors on the CTB should have a proportional vote adjusted for effective representation?

What do you like or dislike about the voting proposal for the CTB?

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**Cross-boundary issues****What is this issue?**

Most district and city councils are contained entirely in one region. A small number of districts have parts of their territory split between two or more regions, as the table below shows.

**How would the proposal account for cross-boundary issues?**

It is proposed that the mayor of those districts will sit on the CTB for the region where the majority of the district's population lives. But isolated populations (people who live in a different region from the majority of their district's population) need representation too. Decisions made by the CTB for their region will affect them.

The table below sets out those districts which have populations in more than one region. The Government needs to determine how these people will be represented in CTB decisions.

District	Regions and approximate populations	
<b>Rotorua</b>	Bay of Plenty	72,000
	Waikato	3,900
<b>Rangitikei</b>	Manawatū-Whanganui	15,600
	Hawke's Bay	Less than 50
<b>Stratford</b>	Taranaki	10,000
	Manawatū-Whanganui	Less than 200
<b>Tararua</b>	Manawatū-Whanganui	18,700
	Wellington	Less than 10
<b>Taupō</b>	Waikato	38,000
	Bay of Plenty	Less than 150
	Hawke's Bay	Less than 100
	Manawatū-Whanganui	Unpopulated
<b>Waitaki</b>	Otago	21,600
	Canterbury	1,900
<b>Waitomo</b>	Waikato	9,500
	Manawatū-Whanganui	Less than 50

### What are you proposing?

The Government isn't proposing changes to regional or district boundaries. In the context of local government reform and resource management reform, those are decisions best left to communities to determine in the future (see Part C: Improving local government).

Instead, the Government is proposing that isolated populations are represented in one of two ways.

- **District adoption:** An isolated population is adopted by an adjacent district. That district's mayor has additional voting power to reflect their adopted community. While isolated populations currently can't vote for the mayor who will represent them on the CTB, the Government is considering whether this should be allowed.

- **Additional representation:** A district with isolated populations is represented on all CTBs their district is aligned with. They have a voting share that is proportionate for the areas of their district that are part of that region. Instead of the mayor, it may be a local ward councillor who attends the CTB to represent the interests of the isolated population.

The different approaches reflect the different needs of isolated populations of varying sizes.

To decide which approach is used:

- the Local Government Commission determines which approach is best for each isolated population (as part of its work determining voting power), **or**
- a threshold is set to determine when each approach is used. For example, isolated populations could be represented by district adoption if there are less than 1,000 people living there and by additional representation if there are more than 1,000 residents.

#### What do you think?

What do you think about the ways that communities crossing regional boundaries could be represented?

## Part C: Improving local government

### Improving how councils work together in your region

#### What would happen?

Under the Government’s preferred option, each CTB would be asked to prepare a regional reorganisation plan within two years of establishment. Regional reorganisation plans will set out how all the services and functions your councils deliver could be improved in the future. This plan could also be delivered by an alternative regional governance entity.

The plans will be designed to answer the question: “*What is the best way the councils in my region can work together to deliver effective and efficient services and functions in this region?*”

Before CTBs are required to do their reorganisation plans, the Government will review regional council functions to see if any should be reallocated to another agency or delivery model (e.g., where national consistency is needed) or are no longer necessary. The results of this review will guide future decisions and help CTBs prepare their regional plans.

#### What happens to the CTB? Is it temporary?

Regional reorganisation plans will set out what happens to the CTB itself. Options include retaining, dissolving, or modifying the CTB. The preferred option will depend on the region and what is planned for the other councils. For example, a region that currently has eight city/district councils and a regional council could be divided into two unitary councils, without a CTB laying over the top.

If Crown Commissioners are appointed, they would be temporary. The appointments would continue until the regional reorganisation plan is completed. The Crown Commissioners would be required to work with the councils in the region to prepare the regional reorganisation plan.

#### What is the purpose of regional reorganisation plans?

The purpose of regional reorganisation plans is to:

- encourage all the councils in your area to work together to reduce duplication and improve efficiency
- keep local voice and identity where it matters most
- ensure services are delivered in a way that fits the region’s needs
- provide a structured, transparent process for reform.

### **What will a regional reorganisation plan include?**

Under the proposal, regional reorganisation plans will be broad and flexible so CTBs can adapt them to their region. At their core, they will have to:

- map all current functions across councils in the region and assess how well they are working together and opportunities to do better. Where appropriate, CTBs might look at certain functions across more than one region (with another CTB) or sub-regionally (where this makes sense)
- set out options for future delivery, such as:
  - sharing services to save money (e.g., one council does all the back-office functions, like legal, HR, and IT)
  - creating joint council-owned organisations so everyone in a region gets the same service (e.g., if two neighbouring councils have separate rules for household waste collection this can be both confusing and costly. Instead, they could create a new council owned company to run this service on behalf of the whole region)
  - combining to form one or more combined ('unitary') councils for the region (or parts of it)
  - design new ways for the community to input into decisions (e.g., empowering community groups to make more decisions on parks or recreational activity).
- consider the likely impacts on cost, service quality, and local representation of different options
- work with post-settlement governance entities in relation to any relevant Treaty settlement arrangements
- set out a financial and organisational transition plan.

CTBs would have to consult the public, iwi/Māori, and regional stakeholders on a draft regional reorganisation plan.

The Government is considering whether the law needs new options to let communities make decisions on local issues – such as libraries, pools, and other facilities. Right now, options include community boards and local boards. Any new option would be something CTBs could choose to propose in their regional reorganisation plan.

### **What happens after consultation?**

The CTB for your region will update the regional reorganisation plan based on community views. Revised regional reorganisation plans would be provided to the Minister of Local Government (the Minister). The Minister will receive independent advice from the Local

Government Commission on the regional reorganisation plans. The Local Government Commission will assess each regional reorganisation plan against statutory criteria set out in the table below.

The Local Government Commission will make a recommendation to the Minister on the quality of the plan, how it could be improved, and whether it strikes a suitable balance between the criteria. The Minister can then either:

- approve the plan
- provide feedback on the plan, and request changes
- make changes to the plan directly
- appoint a Commissioner to draft the plan (if the CTB fails to produce a robust plan).

Once the plan has been approved, the decision is final and implementation will begin.

#### **Criteria for regional reorganisation plans**

Each regional reorganisation plan must demonstrate how the proposed changes meet the criteria set out in the table below. These criteria will guide assessment by the Local Government Commission and the Minister of Local Government. Further guidance for councils could be published to support understanding of these criteria.

Regional reorganisation plan criteria		
Criterion	Does the plan...	Example
Big-picture fit	...support national priorities, strategies and goals (like housing, infrastructure, and competitive business settings)?	All councils in the region agree to establish a 'one-stop-shop' for consents that support infrastructure and housing.
Affordable now and in the future	...provide a financially responsible arrangement that will manage rates increases and support them to manage assets well (e.g., replace pipes before they burst)?	Two very small councils combine into one, which means they have a bigger balance sheet and larger economies of scale. This may allow them to borrow money at a lower cost to replace an unsafe bridge which would otherwise be unaffordable.
Better services	...reorganise local services so they work better and cost less?	All councils in the region establish a single regional roading agency that has more power to bargain with big national roading companies when agreeing contracts.

Regional reorganisation plan criteria		
Criterion	Does the plan...	Example
Clear leadership	...set out who does what and who is responsible across councils?	Combining two very small district councils into one so that one mayor has a stronger voice representing the area to central government.
Local say	...let decisions happen at the right local level? Does the plan provide fair and effective representation of communities of interest?	Two very small councils join together but agree to establish neighbourhood assemblies that have their own budget for parks, libraries, and events.
Treaty arrangements	...show how all Treaty settlement commitments that are administered by councils and other agreements with iwi/Māori will be given effect to and/or improved?	Keeping arrangements for rivers as agreed in Treaty settlements.
Can it be done	...include a realistic plan for putting the plan into action (e.g., how council staff might be moved)?	A step-by-step timeline for establishing the new regional roading agency.

### Why Ministerial approval?

The Minister of Local Government will make decisions on regional reorganisation plans based on the nationally consistent criteria set out above. The Minister will need to consider independent advice from the Local Government Commission before making a decision. This provides an impartial check on whether plans meet statutory requirements for efficiency, representation, and Treaty compliance.

Importantly, Ministerial approval does not bypass community input. Public consultation by the CTB is required before any plan is finalised.

The alternative would be to hold a referendum. This process is costly and slow. Referendums often have low voter turnout and a tendency to favour the status quo. This means only a small proportion of people in the region end up making the decision.

**What do you think?**

Do you support the proposal to require CTBs to develop regional reorganisation plans?

What do you think about the criteria proposed for assessing regional reorganisation plans?

## Part D: Treaty of Waitangi and Māori Representation

### Overview

The Government has considered the impact of the proposal on Māori rights and interests. The proposal has been designed to not undermine, disrupt, or affect Treaty settlements but is seeking a wide range of views to ensure this is the case.

Under the proposal, CTBs will inherit all the roles, functions, and obligations that regional councils and councillors have now. This will explicitly include provision for carrying over Treaty settlements that place an obligation on a regional council.

Existing arrangements for Māori engagement and participation will continue, including:

- appointments to council committees
- participation in joint committees
- involvement in joint entities established under Treaty settlements, and
- membership of advisory groups.

Further, CTBs will be required to comply with all existing provisions of the Local Government Act 2002, for example:

- establishing and maintaining processes for Māori to contribute to decision making
- ensuring opportunities for consultation with Māori.

### Broader impacts

#### Māori Constituencies

Under the proposed model, regional constituencies of any kind, including Māori constituencies and general constituencies, would no longer exist. This is because regional councillors themselves would be replaced by the mayors in the region appointed as members on the CTB.

The change reflects a broader simplification of regional governance. The mayor of the city or district council would represent voters from the Māori and general rolls.

#### Local Acts relating to Māori representation

There are two regional councils with specific legislation for Māori representation:

- Bay of Plenty Regional Council (Māori Constituency Empowering) Act 2001. This Act requires the Bay of Plenty Regional Council to have Māori constituencies for the election of councillors.
- Canterbury Regional Council (Ngāi Tahu Representation) Act 2022. This Act allows Te Rūnanga o Ngāi Tahu to appoint up to two members to the Canterbury Regional Council (Environment Canterbury) with full voting rights.

Both local Acts were designed for a governance model that included elected regional councillors. Under the proposal, there are no regional councillors. The change reflects a broader simplification of regional governance. The mayor of the city or district council would represent voters from both the Māori and general rolls. Territorial authorities that make up the CTB would continue to be able to consider proposing specific Māori representation for their communities in the form of Māori wards at the city or district council level but there would no longer be regional constituencies.

**What do you think?**

What do you think about how the proposal provides for iwi/Māori interests and Treaty arrangements?

## Annex A: List of territorial authorities by proposed CTB

<b>Northland</b>	Far North District Council Kaipara District Council Whangarei District Council	<b>Greater Wellington</b>	Carterton District Council Kapiti Coast District Council Lower Hutt City Council Masterton District Council Porirua City Council South Wairarapa District Upper Hutt City Council Wellington City Council
<b>Waikato</b>	Hamilton City Council Hauraki District Council Matamata-Piako District Council Ōtorohanga District Council South Waikato District Council Taupo District Council* Thames-Coromandel District Council Waikato District Council Waipa District Council Waitomo District Council*	<b>West Coast</b>	Buller District Council Grey District Council Westland District Council
<b>Bay of Plenty</b>	Kawerau District Council Ōpōtiki District Council Rotorua Lakes Council* Tauranga City Council Whakatane District Council Western Bay of Plenty District Council	<b>Canterbury</b>	Ashburton District Council Christchurch City Council Hurunui District Council Kaikoura District Council Mackenzie District Council Selwyn District Council Timaru District Council Waimakariri District Council Waimate District Council
<b>Taranaki</b>	New Plymouth District Council South Taranaki District Council Stratford District Council*	<b>Otago</b>	Central Otago District Council Clutha District Council Dunedin City Council Queenstown Lakes District Council Waitaki District Council*
<b>Hawke's Bay</b>	Central Hawke's Bay District Council Hastings District Council Napier City Council Wairoa District Council	<b>Southland</b>	Gore District Council Invercargill City Council Southland District Council
<b>Manawatū-Whanganui</b>	Horowhenua District Council Manawatu District Council Palmerston North City Council Rangitikei District Council* Ruapehu District Council Tararua District Council* Whanganui District Council		* Indicates that the Council is affected by cross-boundary issues (see Part B)

## Annex B: Case study of voting power

This case study shows how two example voting systems cause issues. You can read about the proposed voting system on pages 14 to 16.

### Scenario

Imagine a region with **5 mayors** and a total population of **500,000 people**.

- **Metro City:** 350,000 people (Mayor A)
- **Mid-Size Town:** 100,000 people (Mayor B)
- **Rural Town 1:** 25,000 people (Mayor C)
- **Rural Town 2:** 15,000 people (Mayor D)
- **Rural Town 3:** 10,000 people (Mayor E)

### Model 1: "One Mayor, One Vote"

This is where every mayor gets one vote.

- **How it works:** There are 5 mayors, so any 3 votes can pass a motion.
- **The Scenario:** The three rural towns (C, D, and E) want to use the regional budget for a project that only benefits them. The two big cities (A and B) think it's a waste of money.
- **The Vote:**
  - Metro City (350k): Votes NO
  - Mid-size Town (100k): Votes NO
  - Rural Town 1 (25k): **Votes YES**
  - Rural Town 2 (15k): **Votes YES**
  - Rural Town 3 (10k): **Votes YES**
- **The Result:** The motion **PASSES, 3 votes to 2.**

**Why this is a problem?** The "YES" votes represent a combined total of only **50,000 people**. The "NO" votes represent **450,000 people**.

This system allows mayors representing just **10% of the population** to overrule the mayors representing the other **90%**. Even though all mayors will be required to act in the best interests of the region as a whole, there is a risk of unfair results.

## Model 2: "Pure Population" Vote

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This is where a mayor's voting power is only based on population.

- **How it works:** A motion needs over 50% of the population to pass.
  - Metro City (Mayor A) controls **70%** of the vote
  - Mid-size Town (Mayor B) controls **20%**.
  - The 3 rural towns control **10%** combined.
- **The Scenario:** Metro City wants to use the regional budget for a project that benefits city dwellers. Every single other mayor (B, C, D, and E) thinks it's a terrible idea.
- **The Vote:**
  - Metro City (70%): **Votes YES**
  - Everyone Else (30%): Votes NO
- **The Result:** The motion **PASSES, 70% to 30%**.

### Why this is a problem?

Rural communities may feel that the Metro City interests always carry the vote without adequate power for other communities' interests.

## Annex C: Voting for Resource Management Decisions

Some resource management decisions require a different form of decision making (from the CTBs) to ensure the management of common pool resources (such as freshwater) has strong regional governance that isn't fragmented across catchments and that balances urban and rural interests.

Under the proposed model, voting rights within CTBs are largely allocated proportionally based on the population of each territorial authority. They will then be adjusted, following advice from the Local Government Commission, to ensure fair representation for communities of interest.

For certain resource management decisions, a strengthened role for rural districts is needed. This is because these decisions will often affect rural land and rural communities, the protection and allocation of water resources, and flood protection across urban and rural land.

The Government has agreed to replace the Resource Management Act 1991 with two new Acts: the Planning Act and the Natural Environment Act. These Acts will require regional councils to:

- participate in the development of a region-wide **spatial plan chapter** of a combined regional plan, and
- develop and agree a **natural environment plan chapter** of a combined regional plan.

Ministers have decided that CTBs, if established, should be the decision-making body for both these new planning instruments.

Ministers have also decided that the relevant Minister would be able to appoint one member to a CTB for decisions on spatial plans and/or natural environment plans. Those appointees may or may not have voting rights at the Minister's discretion.

Finally, Ministers have decided that the voting arrangements CTBs use to make decisions on these new instruments would require that both:

1. CTB members representing more than 50% of the population support the resolution, **and**
2. more than 50% of CTB members with a voting mandate for decisions on spatial plan chapters and/or natural environment plan chapters, support the resolution.

This two-stage voting arrangement ensures that decisions reflect both population weight and broader district and rural interests. It also ensures that national level interests can have a 'voice' and influence on decisions where necessary.

## Annex D: Change log

Version	Date published	Status	Comment
1.0	25 November 2025	Superseded	
1.1	26 November 2025	Current	Editorial change at page 20 (correction of an example). Editorial change at Annex B (new first paragraph).

**1.4 LONG TERM PLAN 2027-2037 - NAVIGATING CHANGE: READY FOR THE FUTURE**

**Author:** Nicole Timney, Community Services and Strategy Group Manager

**Authoriser:** Stuart Duncan, Chief Executive

**Attachments:**

1. Presentation - Planning the Long Term and Annual Plan [!\[\]\(27fce3e65de7b7c5a8d9b58126b67f7d\_img.jpg\) PDF](#)
2. Outline Long Term Plan 2027-37 [!\[\]\(43bbd01ebf930ceea570a62b4520b6ef\_img.jpg\) PDF](#)
3. Outline Annual Plan 2026-27 [!\[\]\(7f84bf5abc7f50878c366628844764eb\_img.jpg\) PDF](#)

**PURPOSE**

1. The purpose of the paper is to workshop with Elected Members a possible theme and the planning and development of the Long Term Plan 2027-37 with a brief discussion on the Annual Plan 2026-27.

**BACKGROUND**

2. Officers of Council have begun to plan and develop the Long Term Plan 2027-37 and propose options to discuss for a theme for the plans.
3. Planning for the Annual Plan 2026-27 has also begun and the same or similar theme could be utilised for the Annual Plan.
4. The Council website will include a section dedicated to the Long Term Plan along with all supporting information as we work through future workshops and Council meetings so that the public are fully aware of the discussion points and possible consultation discussions for the plan.
5. This will be the same for the Annual Plan 2026-27.

**OUTCOME**

6. Understand the planning requirements for the Long Term Plan 2027-37 and select a theme.



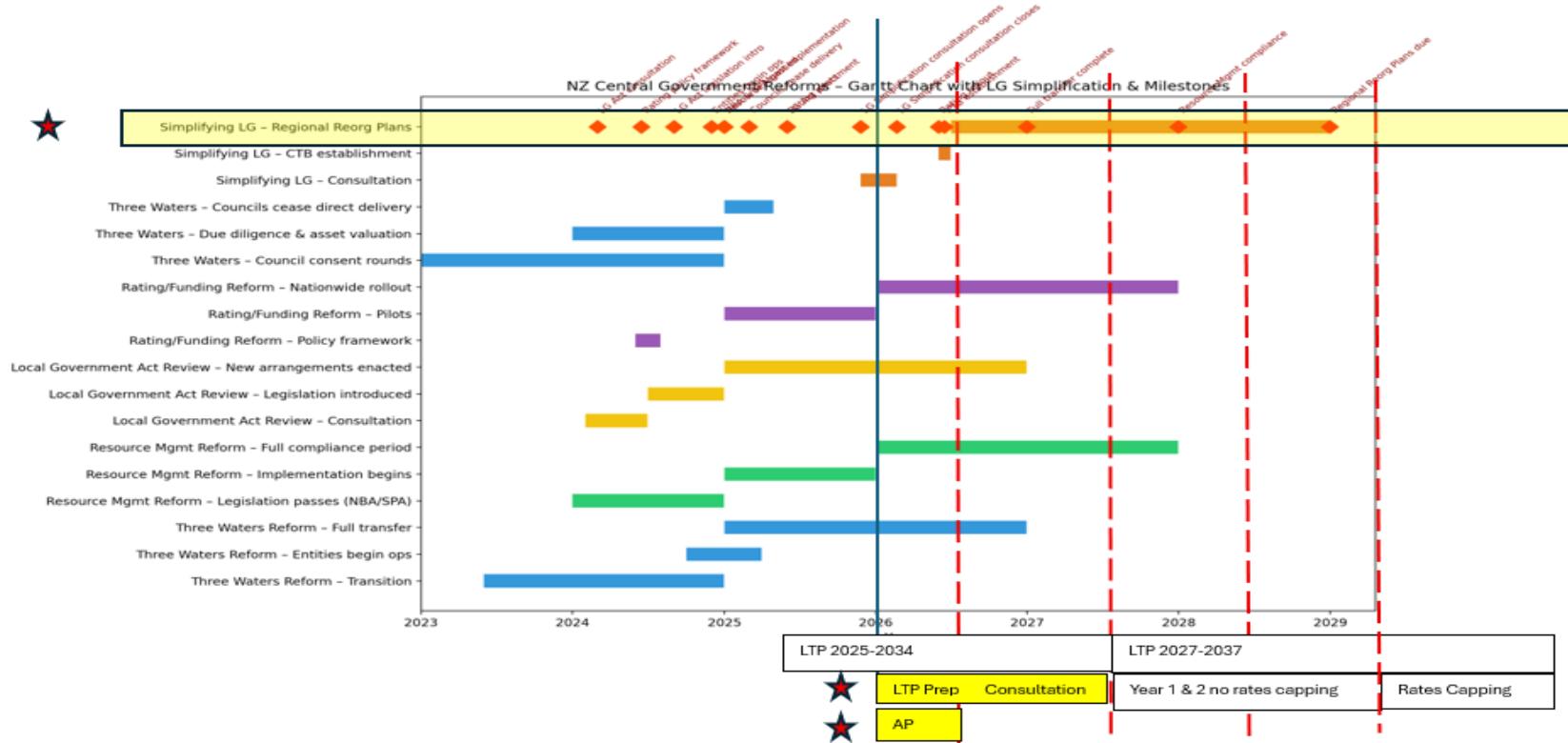
# “Navigating Change: Ready for the Future”

Long Term Plan and Annual Plan

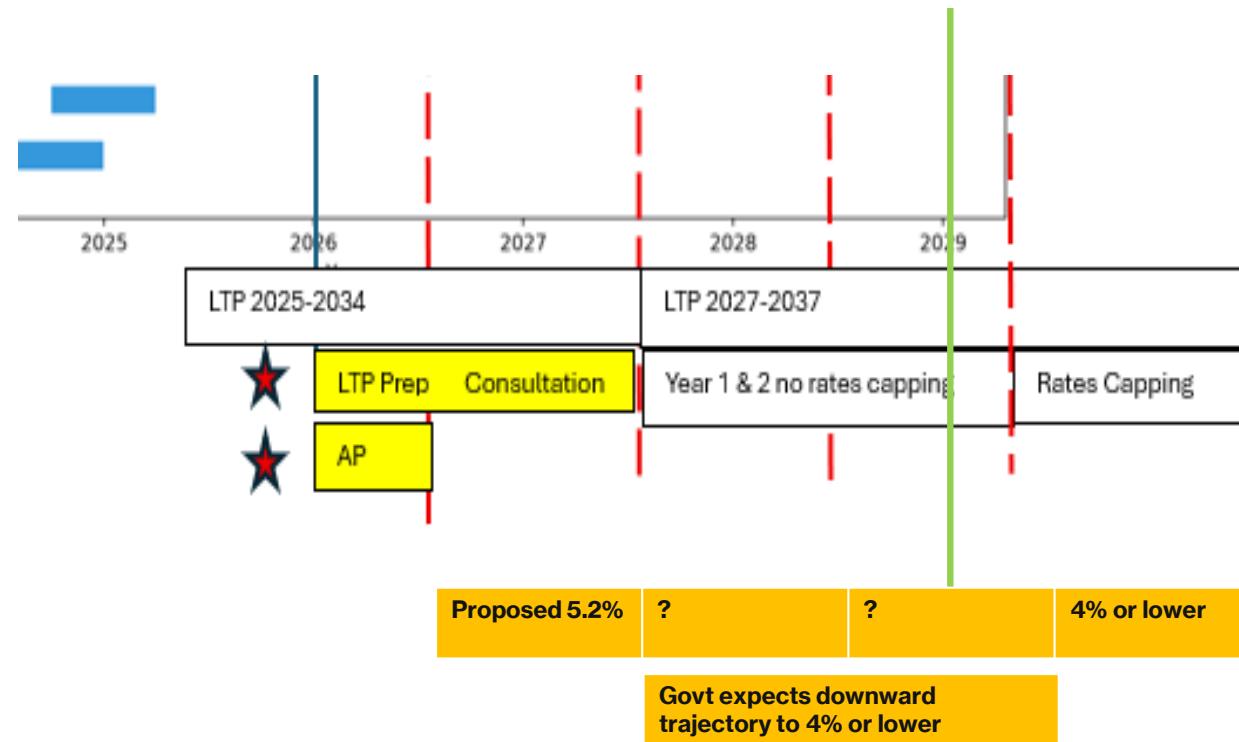
# Timeline – Big Picture

## NZ Central Government Reforms

This chart shows timelines for major central government reforms impacting local government.



# Timeline – Long Term Plan and Annual Plan



# Planning the Long Term Plan (and Annual Plan)

\*\*

*Suggest that whatever theme or not we work with, we use this for the Annual Plan 2026-27. Given the planned changes to Local Government, both of these plans are linked*

## Theme?

- Examples of themes or catch phrases to anchor the Long Term Plan and base our design and consultation information on.

## No Theme?

- There is no need to have a theme. We can design the Long Term Plan without a theme and let the document be a general plan, plain and simple.

## Suggestions for the 2027-2037 LTP Theme...

- **"Shaping Tomorrow Together"**
  - Emphasises partnership and a forward-looking approach.
- **"Core Services, Smart Choices"**
  - Highlights a focus on essential services and prudent, budget-conscious decision-making.
- **"Adapting Together: Services that Matter"**
  - Reflects community unity in adapting to change, with a clear focus on what's most important.
- **"Navigating Change: To Be Future Ready"**
  - Indicates we're ready for the upcoming challenges by focusing on resilience, responsible budgeting, and delivering essential services
- **"Building Resilience, Shaping Our Future"**
  - Reflects the need for resilience in the face of financial and legislative pressures.
- **"Sustaining Our Place, Empowering Our People"**
  - Focuses on sustainability and community empowerment.

## Themes conti...

- **"Future-Proofing Waimate"**
  - Highlights preparation for future challenges and opportunities.
- **"Stronger Communities, Brighter Futures"**
  - Puts the spotlight on community strength and optimism.
- **"Together for Tomorrow"**
  - Simple, inclusive, and forward-thinking.
- **"Adapting Today, Succeeding Tomorrow"**
  - Acknowledges the need for adaptation and future success.
- **"Charting the Course for Waimate"**
  - Continues the navigation/map metaphor, but with a fresh twist.
- **"Shape Tomorrow, Start Today"**
  - Calls for immediate involvement for long-term impact.
- **"Waimate: Our Story, Our Next Chapter"**
  - Connects past, present, and future in a relatable way.

# Plans

## **1. Series of workshops:**

1. March – Visions and outcomes, activities, 2025 survey review, performance measures, climate change
2. April – Performance measure choices, key consultation themes (high level), assumptions and risks, levels of service
3. May – Development contributions, significance and engagement

Workshops will be followed by Council papers to adopt required key consultation details and other supporting documents for the plan as we move through the timetable over the next twelve months.

Any other questions?



**Waimate**  
District Council

# Long Term Plan 2027-2037

[THEME]

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## Introduction

Section Heading	Dept Responsible	Completed
<b>Mayor &amp; Chief Executive Message</b>		
<b>Your Mayor &amp; Councillors</b>		
<b>Consultation and Decisions</b>		
<b>Fees and Charges</b>		
<b>Independent Auditor's Report</b>		
<b>Council Information</b>		

## On the horizon

Section Heading	Dept Responsible	Completed
<b>Government Changes</b>		
?		
?		

## Strategic Overview

Section Heading	Dept Responsible	Completed
What is the Long Term Plan?		
Strategic Framework		
Community Outcomes		
Wellbeing Assessment Indicators		
Service Performance		
Performance Measures and Targets	<p>Internal Water Unit</p> <p>Waste Management Group</p> <p>Roading and Footpaths Group</p> <p>Organisation and Governance Group</p> <p>District Planning and Regulatory Services Group</p> <p>Community Services Group</p> <p>Community Facilities Group</p>	
Involvement of Māori		

## Projects and Activities

Section Heading	Dept Responsible	Completed
<b>Projects</b>		
<b>Activity Management Plans</b> Internal Water Unit Waste Management Group Roading and Footpaths Group Organisation and Governance Group District Planning and Regulatory Services Group Community Services Group Community Facilities Group		

## Financial Information

Section Heading	Dept Responsible	Completed
<b>Significant Forecasting Assumptions</b>		
<b>Statement Concerning Balancing of Budget</b>		
<b>Forecast Financial Information</b>		
<b>Statement of Accounting Policies</b>		

## Rates

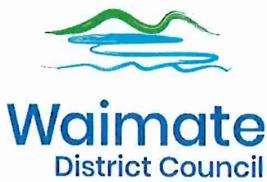
Section Heading	Dept Responsible	Completed
Forecast Funding Impact Statement		
Rating Information		
Rates Examples		
Rating Boundaries		

## Policies

Section Heading	Dept Responsible	Completed
Financial Contributions Policy		
Investment Policy		
Liability Management Policy		
Rates Remission and Postponement Policy		
Revenue and Financing Policy		
Significance and Engagement Policy		

## Strategies

Section Heading	Dept Responsible	Completed
Financial Strategy		
Infrastructure Strategy		



# Annual Plan 2026/2027

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