



# Response to the Simplifying Local Government proposal

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Hutt City Council welcomes this opportunity to provide feedback on the Government's draft proposal for simplifying Local Government (the SLG proposal). With all the financial challenges faced across the country the current form of local government is not sustainable beyond the short to medium term. We are prepared for change.

Councils in the Wellington Region have anticipated this Government's renewed focus on possible regional amalgamation. Far from resisting the call for change, we have taken active steps to collaborate on determining future governance and administrative arrangements for our region. As this submission will show, we do not need Central Government ministers or Crown Commissioners to force our hand by enacting legislation that will be cumbersome, costly and slow the progress we have already made. Rather, we need the Government to provide clear guidance and advice to help us keep the change process moving.

We know our community, we know our region, and we know how to drive change that will enable our people to thrive. We are committed to leading a reorganisation of the current structure. We need the space now to be able to get on with implementing our plans.

## Background

All councils face significant cost pressures across infrastructure, financing, inflation, and our workforce. Maintaining affordability of rates charges while achieving a balanced operating budget are challenges that must be addressed.

Yet the operating environment continues to change. Central Government decisions are reshaping water management, the resource management system, transport priorities, and potential rates capping amongst other things. This is resetting what councils must deliver, how they are funded, and the standards to which they are held.

The need to rethink how Local Government delivers services to communities is not new and for some time now Hutt City Council has been taking the steps necessary to prepare for change. In the 2025 elections, we held a non-binding poll asking if electors were in favour of us exploring amalgamation options. A clear majority supported the poll and gave us the mandate to crack on.

## **Combined Territories Boards will not solve the issues**

The SLG proposal asserts that regional councils are not responsive to local needs and that regional decision making is not aligned across councils. The solution proposed is to establish Combined Territories Boards (CTBs) of mayors to take over the work currently undertaken by regional, democratically elected councillors. This is not a compelling case for change.

By delaying the announcement of the SLG proposal until after last year's local government elections, the Government has denied voters the ability to elect leaders based on their ability to front this once-in-a-generation reorganisation of the region. Our view is that CTBs as proposed lack the expertise and flexibility to support existing local solutions, and mayors lack the capacity to add the day-to-day governance of the region to the day-to-day governance of their cities. As a result, regions will not be well served if this proposal passes into legislation.

In Wellington, Regional Councillors already work closely with local authorities to collectively understand and address issues. This is demonstrated through the Regional Mayor Forum which in December 2025 met to agree a united approach to addressing the most pressing concerns for the region. The Mayoral Forum affirmed that:

- it is aligned and positive on change for the region;
- the functions of the Regional Council remain critical;
- it will explore a range of options for future reorganisation;
- partnership with iwi throughout any change process is critical;
- the cost of local government needs to be acceptable and affordable; and
- the Mayor Forum should lead the process to determine and implement a solution that will serve the region well for future generations.

We understand that not all regions are as advanced as Wellington in progressing work on reorganising local governance so we ask the Government to include capacity in its legislation to enable us to work through existing mechanisms to drive reorganisation.

We have the capability and capacity in the region to deliver on the Government's goals of simplifying governance. Our concern is that establishing a CTB as proposed would delay rather than support the momentum already built in Wellington and add unnecessary costs and bureaucracy to the process.

**Our recommendations:** We would like to see the legislation:

- rather than replacing regional councillors with already busy mayors, retain current regional councillors while reorganisation plans are developed;
- allow councils in the Wellington region to move ahead with their current reorganisation process; and
- mandate the continuation of close partnership with Mana Whenua by ensuring they have a voice at the table for any change of governance in Regional Councils.

## **The Crown has a role to play in reorganisation**

Hutt City Council acknowledges that the Crown has a role to play in helping reorganise how local services are delivered in New Zealand. As noted above, councils in Wellington have already embarked on a process to deliver regional reform. We need clear engagement and guidance from Government to support the process.

The SLG proposal presents the option of a Crown Commissioner to support regional decision-making in the short term. It is our view that this is both a costly and unnecessary option that will not deliver the outcomes the minister seeks for local reorganisation.

Aside from the fact that ratepayers would shoulder the substantial costs of having a Commissioner (as evidenced through the recent Crown appointments in Tauranga and Wellington), we believe that the Commissioner will lack the local knowledge and mana to be able to affect timely progress and real change in the reform process.

Our view is that the Local Government Commission (LGC) has an important role to play in providing independent, expert guidance on the development and delivery of Regional Reorganisation Plans. The LGC already provides support to Councils undertaking local representation reviews. Having the LGC working alongside regional reorganisation processes is a logical expansion of their role and avoids duplication of existing responsibilities.

**Our recommendations:** That the legislation:

- removes the option for Crown Commissioner appointments; and
- provides for the LGC to have a more substantial role in assisting in the development of Regional Reorganisation Plans.

## **Regional reorganisation must come with a clear transitional process**

While pushing for the reform of local and regional governance, the SLG proposal provides no clarity or understanding on a transitional process to enable the successful establishment of new governance structures.

The reform programme outlined in the SLG proposal is taking place in the context of other reforms and reviews that have had a significant impact on the sector. We agree with the Taituarā response that the Government's substantial reforms of the sector need to be treated as a coherent, coordinated change programme, including the provision of sustainable funding and financing. There is little evidence in the SLG proposal that this matter has been given any serious consideration.

As we have seen with water reform, any reorganisation of the scale presented in the SLG proposal will be a multi-year process. In addition, when key decision points coincide with the local election cycle, progress can be delayed or even derailed as the change process becomes politicised on election platforms.

In the SLG proposal, Regional Reorganisation Plans (RRPs) need to be delivered by 2029. Given this, it makes sense to extend the terms for current councils in order to see RRP through to completion and to accommodate the practicalities of holding local elections.

**Our recommendations:** That the legislation includes:

- sustainable funding options to support transitional arrangements for RRP; and
- provision for extending the current term of elected members to enable them to see the reorganisation process through to completion.

**Conclusion:**

As noted above, Hutt City Council supports the Government’s objective of improving the performance, efficiency and value of local and regional governance in New Zealand.

The Government’s push for greater efficiencies in local government has been clearly signalled against a backdrop of wider major national reforms. These include the upcoming consolidation of water service delivery into new regional entities from 1 July 2026, and the Resource Management Act reforms currently before Parliament. Alongside the proposed introduction of rates-capping requirements, these reforms collectively signal a clear direction from Central Government: reduce duplication, streamline decision-making, and ensure councils operate within tighter financial, regulatory, and service-delivery parameters. Wellington councils have already embraced this direction.

In partnership with the regional council, other local authorities in Wellington, and Mana Whenua, Hutt City Council has set the platform for local reorganisation. We now look to the Government to provide the appropriate mandate and support for us to simply get on with it. We have stated clearly in this submission that a ‘one-size-fits-all’ approach is not the best way to drive timely and lasting change in the local government sector. Wellington councils are moving with pace and purpose on local reorganisation and ask the minister to enable our existing process to continue in the legislation.

This is one of many opportunities we have to improve the lives of everyone who lives and works in the region. Ultimately, we want to ensure that by investing time and resource in a reorganisation process that is led locally and supported by Government, we are doing all we can to make our region a place where everyone can thrive.

We would welcome the opportunity to discuss these points in person with the Minister.



**Fauono Ken Laban**  
Mayor of Lower Hutt City Council



**Jo Miller**  
Chief Executive  
Hutt City Council

# Specific responses to the consultation questions

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## Part A: Background

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

Yes. Councils across New Zealand are faced with significant cost pressures across infrastructure, financing, inflation, our workforce, maintaining affordability of rates charges, and achieving a balanced operating budget. It is clear that these challenges must be addressed and that the current system is not fit for purpose.

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

The proposed approach appears to have been developed without considering the impact and timing of the wider Government reform programme for the local government sector. It takes a 'one-size-fits-all' approach which does not account for reorganisation processes already underway in some regions. The requirement to establish a Combined Territories Board (CTB) will be costly and delay the progression of reorganisation processes that are already underway.

We acknowledge that there are some regions that may require CTB support to deliver a Regional Reorganisation Plan (RRP), but provision needs to be given to regions like Wellington that are already advancing reorganisation plans to enable them to continue.

## Part B: Simplifying Regional Governance

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

No, not for every region. The Wellington Mayoral Forum has already agreed to collectively investigate amalgamation options so establishing a CTB is not necessary and could delay progress on regional reorganisation. The SLG proposal should provide for regions to be able to adopt alternative approaches to the CTB with the approval of the minister.

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

The case for change in the SLG proposal is weak. The proposed CTB appears to be cumbersome, bureaucratic and places a significant additional burden on Mayors beyond their existing duties. As it stands, it is difficult to see how the proposal will bring about the Government's desired simplification of local government, the

reduction of duplication, and improvement of service effectiveness across the country.

Another concern is that the proposed CTB structure has no regional representation. This effectively removes any regional expertise at the governance level in managing the delivery of services across rural, urban and metro areas. An inadvertent consequence of the proposed CTB structure could be a reversion to patch protection and local preferences dominating decisions on regional issues.

Finally, we see the loss of representation from iwi/Māori at the regional level as a significant issue. While the SLG proposal notes that 'existing arrangements for Māori engagement and participation will continue', this is no substitute for having voting rights at the decision-making table.

The Wellington region is currently well serviced by its democratically elected Regional Councillors, including Māori. They should be able to continue their work as the region explores reorganisation options.

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

The Crown has a role in supporting regional reorganisation. We are concerned that imposing Commissioners either in a voting or observing capacity is not particularly constructive as these appointments will lack the necessary local knowledge and mana to be effective.

As an alternative, we would like to see the Government clearly outline its expectations for any change process, then allow the regions to develop their own proposals to put to the minister.

We note that the Local Government Commission already has a defined role to play in local reorganisation and could be directed to support regions to progress RRP. We would also like to see the Government provide for some level of funding support. For example, a loan to deliver transition arrangements that is paid back once the new governance structure is in place.

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

The option of 'one Mayor one vote' is not appropriate. Levels of local representation are already determined by the Fair Representation Requirement (the '+/- 10%' rule). This ensures consistent representation based on population not geography. We see no reason why this should not continue to apply to representation on a CTB.

7. *What do you like or dislike about the voting proposal for the CTB*

The voting proposal for the CTB is unnecessarily complicated. At the very least, clearer guidelines are needed for when a 'dual condition voting procedure' will

apply. Our view is that the current system with democratically elected regional councillors works effectively for representing and voting on regional issues.

8. *What do you think about the ways that communities crossing regional boundaries could be represented.*

Cross-boundary representation is not a direct issue for Hutt City Council. We do, however, support the principle of fair and equitable representation. The SLG proposal presents a geographic, catchment-based approach to identifying an isolated population. We feel that the consideration of cross-boundary representation shouldn't be limited to this one factor and other options should be explored. The Local Government Commission is well placed to consider this on a case-by-case basis and could be brought into these discussions as they arise.

### **Part C: Improving local government**

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

Hutt City Council supports the development of RRP regardless of governance arrangements at the regional level. Flexibility needs to be built into the final legislation to enable councils who want to progress change in advance of, or even without a CTB structure in place, to be able to proceed. This would avoid the unnecessary duplication of work already underway and enable reform proposals to proceed more efficiently in line with the Government's proposed timeframe.

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

We agree with the submissions made by Taituarā and other councils that the proposed criteria for assessing RRP fall short of accurately capturing the purpose and role of local government. The criteria also need to take into account structural and service options that work best in local areas. At the very least, the criteria need to provide for delivering a genuine Te Tiriti partnership with iwi/Māori beyond the transactional process of giving effect to Treaty settlement commitments as outlined in the SLG proposal.

Our view is that Taituarā is well placed to provide the Government with expert and experienced advice in developing more detailed and appropriate criteria for the assessment of RRP.

### **Part D: Treaty of Waitangi and Māori Representation**

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

The proposal as it stands ('existing arrangements for Māori engagement and participation will continue') is not status quo and is no substitute for Māori having voting rights at the decision-making table. Improving formal Māori representation within the decision-making structures of local government in recent years has

improved outcomes significantly for both Māori and communities. This must continue and is consistent with existing statutory structures that were supported overwhelmingly in our binding referendum held during the last elections.