



20 February 2026

Simplifying Local Government team
Department of Internal Affairs

via: simplifyinglocalgovernment@dia.govt.nz

Dear Minister,

Horizons Mayors, Chair and CEOs Submission to the Simplifying Local Government Review

Should you have any queries regarding the content of this document, please contact us by email on help@horizons.govt.nz.

If the opportunity arises, we would be available to speak in support of our submission.

This submission provides an overview of Horizons' Regional Chair, Mayors and CEO's key points, and outlines the regional context relevant to the matters raised, and responds to the questions posed throughout the *Simplifying Local Government: Draft Proposal* discussion document.

Introduction

Horizons Region accounts for approximately 8% of New Zealand's total land area and has a population of approximately 260,000. The Local Government arrangements in the region consists of one Regional Council (Manawatu- Whanganui trading as Horizons) and 6 Districts - Ruapehu, Whanganui, Rangitikei, Manawatū, Taranaki and Horowhenua as well as one City Council – Palmerston North.

The region is home to approximately thirty-five (35) formal Iwi groups the majority of which are yet to reach Treaty of Waitangi settlement. There are three Local Water Done Well entities established in the region with a number of Councils combining under Council Controlled Organisation (CCO) for service delivery into the future. The two northern districts of Ruapehu and Whanganui form one water entity with Horowhenua, Rangitikei and Palmerston North combining under one CCO, with Manawatū forming its own in-house business unit for future water service delivery. Taranaki District has combined its water service delivery with the councils in the Wairarapa.

The region has developed two Regional Deals that complement each other both of which highlight the economic opportunities that are strategically important to the region and the nation. As with the Water CCO the Districts of Ruapehu and Whanganui formulated one Regional Deal proposal while the southern councils developed a Regional Deal. Horizons Regional Council supported all of these Regional Deals.

Since 2010 the councils (except Palmerston North City) have invested in and supported a Shared Service CCO called Manawatū-Whanganui Shared Services. This CCO was created to pursue service delivery efficiency, cost saving and commercial opportunities across common local government services. In addition to the benefits of joint procurement that comes with scale, MWLASS has two successful business units (Debt Management and Archives) that provide financial return to shareholder and ultimately ratepayers.

The region is strategically positioned in the lower/central North Island with strong economic connections with neighbouring regions. The road and rail connections are importation links

to adjoining regions and the wider North Island. This combined with air freight capabilities makes the region an important contributor and connection for economic opportunities.

Mayors, Horizons Chair and Chief Executives have come together with one voice under a Mayoral Forum to contribute constructively to the conversation on creating a simpler, more effective local government system. The Forum acknowledges the need for change and are open to exploring new ways of working that deliver better outcomes for communities. However, any reform must balance innovation with the fundamental principles that underpin local democracy where local voice is represented.

Our Position

The Mayors, Horizons Chair, and CEOs of the Manawatū-Whanganui Region collectively agree the time is right to consider the future form and function of local government across New Zealand. Some 35 years on from the major local government reforms of 1989 it is timely to look ahead to what is a future fit model for local government. We commend the Government for initiating this conversation nationally - a conversation that must be inclusive of those communities who we serve. We are encouraged that government seeks to empower councils to set a path for change rather than imposing a one size fits all model. As leaders in this region, we are positioned to understand what will and will not work for our community and communities of interest. What is missing is a clear expression from Government about what vision it has for localism and local government into the future. Part of that is certainty around how the relationship between central and local government can align to achieve mutually beneficial outcomes locally and nationally.

We support a future-focused approach that prioritises:

1. Local Voice and Democratic Legitimacy

Communities must remain at the heart of decision-making. Local government is the closest tier to the people; local government funding comes from the community therefore reforms must protect democratic representation and accountability.

2. Service Quality and Community Outcomes

Essential services must remain accessible, reliable, and responsive to local needs. Integrated decision making is fundamental to achievement of efficiency in service delivery.

3. Affordability and Financial Sustainability

We Recognise the need to address affordability pressures and drive efficiencies. This includes exploring shared services, collaboration, and innovative delivery models without compromising local responsiveness. Much of local government services are shaped by key infrastructure investment. Roading, water utilities and stormwater/flood protection make up the main cost drivers for all the regions councils. Given community expectation and anticipated impacts from things like Climate Change there are fundamental questions about the sustainability of rates as the key revenue source if we are to meet the infrastructure requirements for future generations.

4. Fiscal Transparency and Accountability

Those that pay must understand why funding is needed and where activities that are funded are undertaken. The principle of localism is very much aligned to financial transparency. With regional council functions in particular there is that challenge of the costs of services where the benefit is at a scale beyond current district boundaries. Activities such as flood protection, pest control and land management are undertaken at regional scale financially enabled by cost socialisation across the districts. Thought needs to be given to how this enabling will be provided under the governance of new service delivery models.

5. Partnership with Māori

The region has numerous formal partnership arrangements across many of the regions 35 Iwi groups. Some of these are enabled by statutory obligations via Treaty of Waitangi settlements and others through Memorandum and Partnership Agreements. We are mindful of how our obligations under the Treaty of Waitangi need to accommodate in any future model or models. The reform presents an opportunity to give improved clarity regarding the role of local government compared to that of the Crown in relation to Treaty Settlements that exist today and those Treaty Settlements that follow.

6. Long-Term, Future-Fit Thinking

Reform must be durable and visionary. This means designing a system that will stand the test of time, anticipating demographic, environmental, and technological changes, and ensuring resilience for generations to come.

7. Align Funding to Mandate

Local Government has been subject to unfunded mandates via policy direction from Central Government. This reform must be used to address this matter in the interest of funding certainty and fairness. Given the impacts of Rates Capping this issue is more critical than ever.

8. Alignment to National Goals

With multiple layers of government in New Zealand ensuring there is alignment and commonality of outcome to ensure both national and local goals work hand in hand.

Principles for Reform

- 1. Collaboration over Consolidation:** Encourage partnerships and shared capability where it makes sense, rather than defaulting to structural amalgamation.
- 2. Better off Principle**
Where reforms are undertaken incurring amalgamation communities must identify material benefits arising from any new service delivery models.
- 3. Flexibility and Local Adaptation:** Solutions should reflect the diversity of communities and landscapes across the Horizons region.
- 4. Transparency and Engagement:** Any changes must be developed with clear communication and genuine community involvement.
- 5. Enduring Design:** Build a system that is future-fit, not a short-term fix.

6. **Matching Scale to Function:** Delivery at the right scale is crucial to the efficient performance of the system. What makes sense to deliver services at scale (nationally, cross regionally and regionally).
 7. **Not a One Size Model:** Reorganisation needs to enable flexibility in system design to meet the differing needs of differing regions and its communities.
 8. **Clarity of Impact:** Reorganisation models need to be rigorous in an operational delivery context. Success of future models will be determined by the effort taken to understand and provide for both intended and unintended consequences of any reforms.
-

Our Commitment

Regional Chair, Mayors and CEOs are committed to:

1. Advocate for and represent our community and communities of interest through the reform process.
 2. Working constructively with central government, Māori partners, and sector stakeholders.
 3. Maintain an open mind through leadership and decision making in exploring new models that improve outcomes for the community.
 4. Driving efficiencies and affordability through innovation, not at the cost of community voice.
 5. Embedding principles of partnership and long-term resilience in every decision.
 6. Balancing local and regional needs and priorities.
-

Our Questions

1. How funding for services will be organised under a new Combined Territorial Board (CTB) model, particularly with the inclusion of the Regional Council functions.
2. How the governance knowledge of Regional Council functions will be provided with the CTB.
3. How the Transition will be managed including, how this transition will be funded.
4. How the 2027 Long Term Planning will be undertaken under a CTB model, particularly including activity scope.
5. How Treaty Settlement obligations that sit with Regional Councils will translate to a CTB model/obligations.
6. Has consideration been given to how integrated decisions are made including those that are geographically connected such as river catchments and biosecurity management/control.
7. How assets owned and managed by Regional Councils will transition to the CTB model.

8. What are the implications and/or limits on the Regional Council to make decisions and enter into contracts which include commitments that extend beyond the timeframe of the regional council elected members tenure.
9. What is the ability of the CTB to revisit/change/exit ongoing legal agreements/contracts and memorandum of understandings across the member councils and regional council.
10. Will the CTB inherit liability of any decision/action of the Regional Councils (example Class action related to flood damages).

Conclusion

We welcome the opportunity to engage in this process and shape a system that is simpler, stronger, and sustainable - while remaining true to the principles of local representation, partnership with Māori, and service excellence for future generations. Our interest is to understand more fully the transition tasks and the operational delivery of combined local government services under a new CTB model.

Signed,



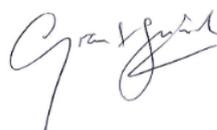
Nikki Riley
Chair, Horizons Regional Council



Andy Watson
Mayor – Rangitikei District Council



Scott Gilmore
Mayor - Tararua District Council



Grant Smith
Mayor – Palmerston North City Council



Bernie Wanden
Mayor - Horowhenua District Council



Michael Ford
Mayor - Manawatū District Council



Weston Kirton
Mayor – Ruapehu District Council



Andrew Tripe
Mayor – Whanganui District Council