

20/02/2026



Simplifying Local Government Consultation  
Department of Internal Affairs  
45 Pipitea Street  
Wellington 6011

***Submitted via the online portal***

Tēnā Koutou,

**Submission from the Rangitikei District Council on the Simplifying Local Government Proposal**

**1. Introduction**

- 1.1. Thank you for the opportunity to comment on the Simplifying Local Government Proposal.
- 1.2. The Rangitikei District is a small rural council. Our population of 15,300 residents is distributed over a large land area of around 4,900km<sup>2</sup>. We have a large number of small towns, each with their own unique needs and identity. Our council comprises of 11 councillors plus the mayor.

**2. General comment**

- 2.1. *Do you agree there is a need to simplify local government?* **Strongly Agree**
- 2.2. Council acknowledges the complexity that the current system of 78 local authorities through New Zealand can pose in delivering cost effective and efficient services for our communities. We agree that simplification of local government would provide benefits in our ability to work with Central Government.
- 2.3. Council also acknowledges the benefits of working regionally to achieve the best outcomes for our communities, which in some cases could include efficiency gains in service delivery. The Rangitikei District Council is already working collaboratively in a number of areas; Central Districts Water (with Palmerston North City Council and Horowhenua District Council); delivering animal control services to Manawatū District Council, receiving environmental health services from Whanganui District Council, and delivering resource consenting services for Ruapehu District Council.
- 2.4. However, Council also wishes to highlight the importance of local decision-making and connection with local ratepayers. As a small local authority our councillors have strong connections with our communities and a good understanding of local issues which is essential when making decisions.

*Making this place home.*

### 3. Creation of Combined Territories Boards

3.1. *Do you agree with replacing regional councillors with CTB?* **Disagree**

3.2. Council's concerns and comments relate to the follow matters that we request are given adequate consideration:

- Capacity of the mayors
- Unlikely to generate financial savings for communities
- Does not achieve the reasons for the proposal
- Voting system
- Chair
- Crown observer
- Cross boundary issues
- Process
- Potential conflict being governance of the regulatory and user

#### Capacity of the mayors

3.3. The Mayor's role for the Rangitikei District is already (more than) a full-time role. As a small rural district, the community expectations on the mayor are high, with our mayor involved in a wide range of activities, from high level governance discussions at the government level, through to attendance at local events. In a small community mayoral attendance at local events and availability are important.

3.4. There is little capacity within the Mayor's existing workload to also provide effective governance at the regional council level. Adding this extra layer of responsibility risks diluting the effectiveness of governance at not only the district level, but also at the regional level. It also risks the mayors losing contact with their communities as demands from the dual role will not allow time to meet with ratepayers and continue to attend local events.

3.5. Furthermore, the skills and experience required to be a successful mayor are different to those required at a regional level. The functions of regional councils are very different to those of district councils. The knowledge required to be a successful governor at the regional level will need to be learned and could take time to upskill, particularly in the context of such significant change in the local government sector.

#### Unlikely to generate financial savings for communities

3.6. The proposal suggests creating a Combined Territories Board will generate financial savings for the community. However, Council believes that financial savings are unlikely. The remuneration pool for Horizons Regional Council for 2025/26, following the local body election, is \$792,985. However, if additional responsibilities are being placed on mayors (and therefore on councillors to pick up additional responsibilities), it is possible this pool of money would simply be re-distributed amongst mayors and councillors in the region. There is no certainty on this in the proposal, as it is indicated the Local Government Commission would be required to undertake this consideration. This saving is also minor in the context of the regional council budget. Further the appointment of one

or more crown observers would place additional costs into the system that do not currently exist, further eroding the potential for savings.

- 3.7. While the governance mechanism is proposed to change, the operational arm of the regional councils will remain, with the proposal for the creation of Combined Territories Boards not creating any operational savings.

Does not achieve the reasons for the proposal

- 3.8. The Government has set out two key reasons for the proposal – that operating two types of councils in the same area is complex, confusing and costly; and that reform will change how councils operate in the future.
- 3.9. The introduction of the proposed Combined Territories Board does not change the operation of two types of councils in the area, and managing the impacts of reform on the way councils operate in the future does not need the establishment of a combined territories board. The material released by the DIA itself acknowledges that combined territories boards may no longer be required following the development and adoption of regional reorganisation plans.

Voting system

- 3.10. *Do you agree that mayors on the CTB should have a proportional vote adjusted for effective representation?* **Disagree**
- 3.11. The proposed complexity of the voting system highlights that the proposal is not fit for purpose. Council is particularly concerned about the risk of a system of proportional voting based on population, leading to a dominance of an urban view in the Manawatu-Whanganui Region (e.g. from Palmerston North City).
- 3.12. Council supports the Local Government Commission determining the balance of representation, using identified objectives for representation. Council particularly supports the objective of effective representation, where communities of interest, those with smaller populations, or unique characteristics are represented and protected in decision-making.

Chair

- 3.13. Careful consideration would need to be given to who chairs the Board and how this would be decided.

Crown observer

- 3.14. *What level of participation do you believe a crown observer should have?* **None or one.**
- 3.15. Council considers that a crown observer is not required as part of the proposed combined territories board. Council does not consider a crown observer would add value into regional council processes and would add an extra cost on communities. The use of crown commissioners should be reserved for situations where there is dysfunction in the operation of a combined territories board, much like occurs under the current system. However, Council considers that if a crown observer is required, that one would be sufficient. The advantage is the potential build connection between central and local

government. However, the commissioner would need to have an incredibly broad knowledge of national priorities impacting the local government sector to add value. Overall, we do not consider a crown observer necessary.

3.16. Council strongly opposes the options of - a crown commissioner with veto powers, majority vote, or the appointment of crown commissioners to replace regional councillors. There is no justification for this level of loss of local democratic decision making in the regional sector.

### 3.17. Cross boundary issues

3.18. Council notes that we have a small portion of the Rangitikei District that sits within the Hawke's Bay region. Given the small number of people in this area, we support the proposed approach where the neighbouring Mayor adopts the population for regional representation. These communities already have a strong connection with the Hastings District.

### Process

3.19. Council has specific concern regarding the process for the development of the proposal for the creation of Combined Territories Boards and the lack of engagement with local Mayors on a proposal that, if implemented, will have a significant impact on their role. It is particularly concerning that there is no clear timeframe on the implementation of the proposal, with the indication that it could occur in the current triennium. It is unfair to place this extra burden on Mayors who may not have taken on the role, if they had been aware of the extra responsibilities that would be placed on them. There is a risk of causing potential by-elections should mayors throughout the country not wish to take on this extra responsibility, creating disruption and extra costs for those communities. It is also unfair on those regional councillors that have only just been elected, to potentially have their term of governance cut short.

### Potential conflict being governance of the regulatory and user

3.20. Should the Combined Territories Boards be created, we raise concerns about the potential for a conflict in the dual role mayors will need to play from a regulatory perspective. They will be responsible for setting the direction of resource management policy from a regional perspective e.g. via the approval of the natural environment plan chapter section. However, they will also be governing district or city projects and decisions which could benefit or be disadvantaged by regional policy decisions. A key example will be wastewater, where at a regional level the mayors will be setting the policy direction for discharge requirements, while at the local level (e.g. through the CCO), will be responsible for setting direction as to level of treatment such as land or water based discharges. This conflict may lead to biased decisions at the regional level designed to suit local aspirations.

### **3.21. Alternative proposal**

3.22. Council proposes a simpler alternative, that two additional joint committees are established, with the membership being the mayors; one responsible for the development of the regional reorganisation plan (noting comments regarding the

proposed regional reorganisation plan below), and the other responsible for the resource management functions identified.

- 3.23. This alternative would be more cost effective and able to be implemented much more quickly. It would also allow greater time and emphasis to be put on the development of the regional reorganisation plan and allow input from the regional council chair who would have useful insights.

#### **4. Requirement for the development of a regional reorganisation plan**

- 4.1. Do you support the proposal to require CTBs to develop regional reorganisation plans?  
Agree

4.2. Council is committed to working regionally to ensure our communities are provided with the delivery of cost-effective services. Council has a strong history of collaboration with neighbouring councils with current shared service arrangements in place for animal management, environmental health and resource consent services. Council has also recently shown this through collaboration with Palmerston North City Council and Horowhenua District Council in the establishment of a Council Controlled Organisation for water services, and an ongoing willingness to work more widely with the region.

4.3. Council considers it is important to ensure our communities are represented in decision-making and that the principles of local democracy are upheld. Council supports the development of a regional reorganisation plan. There are benefits of mapping council functions and working collaboratively to set out options for future service delivery. Council notes, however, that this requirement is yet another unfunded mandate being placed on the local government sector and will have cost implications to implement. The development of a regional reorganisation plan will involve significant work for both governors and staff, and resourcing this properly is essential for the delivery of quality outcomes. Council suggests central government supports the funding of regional reorganisation plans.

4.4. Council urges the government to be clear about the end goal they are seeking. Should the Government be aiming for the development of unitary authorities, it would be more cost and time effective to simply require this, and enable the decision making to be focused on the scale at which they occur, regional or sub-regional. Consideration of catchment boundaries is important in the establishment of unitary authorities, as catchment management is complex and needs to be undertaken in a co-ordinated manner.

4.5. Council supports the proposal to ensure consultation with Iwi/Māori, regional stakeholders and the public on the draft plan. This aligns with already well-embedded approaches to local government consultation and decision-making processes set out in the Local Government Act 2002.

4.6. The proposal sets out a number of criteria that reorganisation plans must meet – big picture fit, affordability, better services, clear leadership, local say, treaty arrangements, and if it is realistic. It is unclear from the documents whether the reorganisation plan is required to meet all criteria or one of the criteria and this should be clarified before implementation. Additionally, whether there is a hierarchy of criteria if there are conflicts between them e.g. the example of combining two small councils into one, might meet stronger voice with central government, but would also reduce local say.

- 4.7. Council supports the criteria regarding treaty arrangements and ensuring our partnerships with iwi are part of the development of a regional reorganisation plan.
- 4.8. Council suggests approval of the regional reorganisation plan is required to have unanimous support. Any plan which does not have all councils in the region supportive is unlikely to have an effective implementation.

### **Recommendations**

- That central government supports the funding of regional reorganisation plans.
- That central government are clear about the aims of the development of regional reorganisation plans, and that if the aim is for unitary authorities, that this is directed.
- That the proposal to ensure consultation with Iwi/Māori, regional stakeholders and the public on the draft plan is retained.
- That increased clarity is provided on the proposed criteria for reorganisation plans.
- That the proposal to ensure treaty arrangements are part of the development of a regional reorganisation plan is retained.

## **5. Treaty of Waitangi and Iwi/Māori interests**

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

- 5.1. Council considers it essential that Te Tiriti relationships and settlements are not undermined by the proposals. We support the proposal that existing arrangements for Māori engagement continue, such as appointments to council committees and participation in joint committees.
- 5.2. For the Manawatu-Whanganui Region the proposal will remove the two Māori wards (to be replaced with the mayors alongside the whole council), which through the recent referendum, the community chose to retain. This approach does not protect Māori interests in regional decision making and represents a loss of capability around the governance table.

Ngā mihi,



Andy Watson  
**Mayor of the Rangitikei**