



Local Government Reform

Issues & Options for Aotearoa

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Aotearoa at a Crossroads

- ▶ Largest reforms since 1989
- ▶ Local government, regional government, and resource management being reshaped simultaneously
- ▶ Reforms prioritise efficiency and property rights
- ▶ Risks to environmental protection, community participation/democracy, and Te Tiriti partnership



Key Reform Elements

- ▶ Abolish Regional Councillors
- ▶ Create Combined Territorial Boards (CTBs) made up of Mayors to lead regional reorganisation
- ▶ Rates cap for councils
- ▶ New resource management system centred on property rights
- ▶ New Ministry of Cities, Environment, Regions & Transport (MCERT)



Key Concerns & Risks

- ▶ Loss of democratic representation
- ▶ Reduced environmental oversight
- ▶ Weakening of Te Tiriti obligations
- ▶ Centralisation without strategy
- ▶ Reduced community and iwi participation
- ▶ Loss of specialist regional capability and oversight



Our Existing System

- ▶ Highly Centralised and Fragmented
- ▶ Two-tier system: Central + Local
- ▶ Local split into Regional + Territorial
- ▶ 78 local authorities (11 RCs / 61 TLAs / 6 Unitary)
- ▶ Overlapping responsibilities
- ▶ Funding constraints and structural confusion



Where Can We Look for Solutions?

Country	Population	Area (km ²)	Density (P/km ²)	Median Age
Aotearoa NZ	5,251,189	263,310	20	37.7
Finland	5,623,329	303,890	19	43.2
Norway	5,623,079	365,268	15	39.8
Oman	5,494,691	309,500	18	29.7
Paraguay	7,013,078	397,300	18	27



What Comparable Countries Do?

- ▶ Three-tier systems (Central–Regional–Local)
- ▶ Strong regional autonomy
- ▶ Clear environmental mandates
- ▶ Local revenue tools (taxes, royalties, levies)
- ▶ Catchment-based environmental governance
- ▶ Strong national environmental regulators



Lessons: Traits of Good Systems

- ▶ Strong national environmental leadership
- ▶ Coherent, well-resourced regional government
- ▶ Local delivery with adequate funding
- ▶ Catchment-aligned environmental management



Where Could We Improve?

- ▶ Fewer, stronger regional authorities
- ▶ Catchment-based governance
- ▶ Co-governance with iwi
- ▶ Strengthened EPA and national science capability
- ▶ Clear separation of regulation vs. service delivery
- ▶ New revenue tools for councils



Future Options: Central

- ▶ Te Tiriti-based constitutional reform
- ▶ Clarify and consolidate an improved three-tier system
- ▶ Centralise national-scale functions (EPA, maritime, monitoring)
- ▶ Long Term regional/local funding arrangements
- ▶ Joint Utility Entities / GST return on rates
- ▶ Resource royalties shared with regions and iwi



Future Options: Regional

- ▶ Consider larger regions aligned with catchments / iwi takiwā
- ▶ Empower + focus regional functions (alongside joint utility entities)
 - ▶ Resource Management (all planning & permissions)
 - ▶ Environmental Management (BioD & BioS, Nat Haz, CDEM)
 - ▶ Economic Development (e.g. regional tourism)
- ▶ Regional Government Bodies (potentially 50:50 elected/appointed incl. manawhenua); OR
- ▶ Regional Assemblies led by Regional Mayor (+ Community Councils)



Future Options: Local

- ▶ Focus on local service delivery
- ▶ Remove resource management functions
- ▶ Consider “Community Councils” (5,000–50,000 people) and/or re-organisation/strategic amalgamations using natural catchments
- ▶ Stronger local voice, more proportional regional representation



Joint Infrastructure/Utility Entities

- ▶ Co-owned by Crown+Iwi+Regional+Local Government, with professional/ expert boards for:
 - ▶ Transport / Water (3–5 waters) / Energy
- ▶ Also consider:
 - ▶ National-Regional–Local Parks coordination
 - ▶ Policing, Education and Health coordination locally
 - ▶ CDEM shared but regionally led
 - ▶ Unified system of local government support (LGC, LGNZ, Te Maruata, Taituara, Te Uru Kahika & some DIA functions)



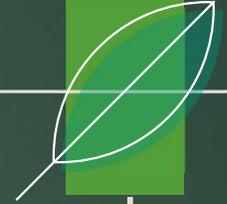
Reform Principles

- ▶ Reform needed & across all of government
- ▶ Te Tiriti is a foundation of all reform
- ▶ Strong environmental management is essential
- ▶ Sustainable and climate responsive economic development is desired



Practical Tactics for Submissions

- ▶ Advocate for expert-led re-organisation with manawhenua representation
 - ▶ OR at least manawhenua and regional expertise/councillors (& Independent Chair) on CTBs
- ▶ Ensure central government funds the process
- ▶ Require citizen assemblies / formal public consultation
- ▶ Engage in critical research and analysis of options (including international comparisons)



A Pivotal Moment – We Need Movement

- ▶ Current reforms risk weakening democracy, environmental protections, and Te Tiriti responsibilities
- ▶ International evidence points to clearer roles, stronger regions, and better funding
- ▶ Opportunity to build a resilient, equitable, catchment-aligned system
- ▶ Partnership, long-term thinking, critical analysis and community involvement are essential for our future



Ngā mihi



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