

Attach #	Submission topic:	Date lodged:
1	Ring-fencing Revenue for Water Entities	5 June 2026
2	Better Regional Boundaries Bill	24 June 2026
3	Climate Change Response (Tort Liability) Amendment Bill	13 July 2026
4	Conservation Amendment Bill	2 July 2026
5	Consultation on Groups of Activities	31 July 2026
6	Resilience Principles for Infrastructure Providers	12 August 2026
7	Environmental Reporting Amendment Bill	18 August 2026
8	Investment framework for tourism	1 Sept 2026
9	National Engineering Design Standards	9 Sept 2026
10	Local Government (Management of Local Authorities) Amendment Bill	18 Sept 2026

05 June 2026

Infrastructure Regulation Branch

Commerce Commission

By email: wai@comcom.govt.nz

Dear Commissioners,

Submission on Ring-fencing revenue for regulated water services (22 April 2026 discussion paper)

The Manawatū District Council (MDC) thanks the Commerce Commission for the opportunity to provide feedback on the discussion paper on ring-fencing revenue for regulated water services.

MDC supports stronger transparency and accountability around how water service revenue and funding is used. We agree that revenue collected for water services should be used for water services. At the same time, MDC considers any new requirements need to remain workable and flexible, particularly while local government reform discussions are underway. Since the discussion paper was released, the Government has invited councils to develop potential amalgamation proposals within a short timeframe. The future structure of local government in our region is therefore uncertain.

MDC asks the Commission to ensure any new ring-fencing requirements can operate sensibly through future governance or structural changes, including any lawful transfer of assets, debt, reserves, or funding arrangements.

Executive summary

MDC generally supports the direction of the discussion paper. We support clearer service-level reporting for drinking water and wastewater services, improved disclosure of transfers and loans between activities, and greater visibility of reserves and earmarked funding. We also support reporting arrangements that align with audited financial statements and existing obligations under the Local Government (Water Services) Act 2025.

However, MDC does not support a rigid “lock-box” approach that prevents practical or temporary movements of funding between activities. Water infrastructure projects often span several years, and councils need enough flexibility to manage funding efficiently over time.

MDC considers the Commission should take a staged and evidence-based approach. Monitoring and disclosure should occur first, with stricter controls only introduced if there is evidence that significant problems or inappropriate use of funds are occurring.

MDC also seeks practical guidance on how ring-fencing requirements would apply during future governance or structural changes.

Summary of position

MDC agrees that tracking significant cash movements between services is an important part of providing clear visibility over how water service revenue and funding is managed. However, we consider that this should complement existing accounting separation and audited reporting requirements, rather than replace them.

MDC supports service-level reporting for drinking water and wastewater services because this provides clearer information about how revenue and funding is being applied. We also support disclosure of material transfers, internal loans, and reserve movements where these are significant enough to affect understanding of the financial position of the services.

At the same time, MDC does not support overly restrictive rules that prevent councils from managing long-term infrastructure investment efficiently. Temporary transfers may sometimes be necessary to manage project timing, growth pressures, or short-term cash flow requirements. In our view, the key issue is that these arrangements are transparent, properly documented, and appropriately disclosed.

MDC also supports aligning any new reporting requirements with the existing Funding Impact Statement and annual reporting frameworks being developed under the Local Government (Water Services) Act 2025. This will reduce duplication and avoid unnecessary compliance costs.

Approach to and scope of the ring-fence (DP Q1–4)

- 1. In the context of promoting the s 52A purpose, should compliance monitoring focus solely on accounting separation, or also on trackable cash flows?*

MDC agrees that tracking significant cash movements between services is useful and can support transparency. However, we do not consider that cash flow tracking should replace existing accounting separation and audited reporting requirements. Rather, it should support and supplement existing accounting separation arrangements.

We support visibility of material transfers and reserve movements, while still allowing councils enough flexibility to manage multi-year infrastructure programmes efficiently.

- 2. Should temporary cash transfers between services be allowed, and if so on what basis?*

MDC considers that temporary transfers between services should be permitted where they are transparent, documented, and intended to address short-term funding or cash flow requirements. In practice, councils sometimes need flexibility to manage project timing, growth-related expenditure, or temporary cash flow pressures.

However, these arrangements should not become indefinite or operate as hidden subsidies between unrelated activities. Where temporary transfers occur, there should be clear approval processes, documentation of the purpose of the transfer, and appropriate repayment arrangements. MDC considers that temporary transfers should

generally be repaid within the same financial year to avoid effectively becoming internal loan arrangements over time.

3. Should disclosure be at individual service-level or combined?

MDC supports service-level reporting for drinking water and wastewater services separately. We consider this will provide clearer accountability and more useful information for both regulators and communities.

While a combined overview may still have value, separate reporting better reflects the distinct funding and investment needs of each service. Separate reporting also reduces the risk that ongoing transfers or cross-subsidisation between drinking water and wastewater services remain obscured within a combined reporting framework.

4. How should stormwater be treated?

Stormwater services are subject to the financial principles under the Local Government (Water Services) Act 2025 but are not currently regulated services under the Commerce Act water services regime.

MDC considers that stormwater should be included in service level transparency arrangements, even if it is not currently subject to Commerce Act economic regulation. Stormwater is a core water service, and MDC's Water Services Delivery Plan treats stormwater as part of the Council's integrated water services planning and investment framework. This reflects the practical reality that stormwater investment is closely connected to wider three-waters planning, growth, resilience, and infrastructure delivery.

MDC is also making significant investment in stormwater infrastructure, including detention ponds and capital works in rural villages, and collects stormwater rates to support these activities. In principle, revenue and funding collected for stormwater should be applied to stormwater services, including maintenance, renewals, upgrades, growth, resilience, and debt servicing associated with stormwater infrastructure.

MDC therefore supports a staged approach. Stormwater revenue, expenditure, reserves, borrowing, and material transfers should be separately identifiable through reporting in the first instance. This would improve transparency and community confidence without prematurely imposing the full economic regulation framework on stormwater.

However, MDC considers that any extension of the economic regulation framework to stormwater services should occur through a clear legislative process and with appropriate consideration of the operational and funding differences associated with stormwater infrastructure. These differences include stormwater's close relationship with land drainage, roading, growth planning, flood risk management, climate resilience, and the management of public and private land impacts.

If stormwater services are brought within the regulated water services framework in future, MDC supports stormwater being considered for ring-fencing, provided the approach remains practical, proportionate, and aligned with existing planning and reporting obligations.

Treatment of specific revenue/expenditure (DP Q5)

5. *Are any categories of revenue/expenditure already ring-fenced by law (e.g. IFF, DCs)?*

MDC considers that some funding sources already have clear legal or contractual restrictions around how they may be used. This may include development contributions, targeted rates, Infrastructure Funding and Financing levies, and insurance proceeds associated with specific projects. As such, MDC does not consider there is a need for any further separation or ring-fencing requirements for these funding sources.

One-way direction of ring-fence (DP Q6)

6. *Should all revenue for water services be spent on water, or can it flow one-way to water?*

MDC agrees that revenue collected for water services should be used for water services. At the same time, councils may sometimes use general funding, borrowing, or temporary support to help deliver water infrastructure projects, particularly where there are growth pressures or urgent infrastructure needs.

Where this occurs, the arrangements should be transparent, clearly documented, and supported by a demonstrated exceptional need. MDC does not support the routine or permanent diversion of water-service revenue to unrelated non-water activities, as there is a risk that temporary arrangements could otherwise become standard practice over time.

Periodic balancing of fund flows (DP Q7)

7. *Should fund-flow balancing be reported annually or with a rolling context?*

MDC supports annual reporting supported by a multi-year context. Large infrastructure projects frequently span several years, and a single-year snapshot may not accurately reflect the purpose or timing of reserves, borrowing, or transfers.

A rolling multi-year approach would better reflect the realities of multi-year infrastructure delivery and financial planning.

Record-keeping requirements (DP Q8)

8. *What minimum records should suppliers keep?*

MDC supports practical and auditable record-keeping requirements that build on existing financial systems wherever possible. Suppliers should maintain sufficient records to identify material transfers between services, reserve balances, and any internal lending arrangements.

This may include transfer registers, reserve schedules, records of internal loans or borrowing arrangements, and other authorised supporting documentation. MDC also considers that these requirements should be supported through existing accounting processes wherever possible. However, requirements should remain proportionate and should avoid duplicating information already captured through existing audit and

reporting processes. Records should also identify the source, destination, purpose, and expected repayment or reconciliation pathway for any material transfer.

Time limits on temporary transfers (DP Q9–Q10)

9. At what point is a transfer effectively financing?

MDC considers that transfers which remain unresolved beyond a financial year, or which are repeatedly rolled over without clear repayment arrangements, should generally be treated as financing arrangements and disclosed accordingly. Where transfers occur outside of water activities, MDC supports the use of formal agreements to ensure the purpose, repayment terms, and funding pathway are transparent and clearly documented. At the same time, councils should retain enough flexibility to manage legitimate long-term infrastructure funding arrangements.

10. Should there be hard limits on transfer duration or size?

MDC does not support strict hard limits on transfer duration or size. Instead, MDC supports a principles-based approach with clear conditional criteria around the purpose, transparency, and repayment of transfers. Where temporary transfers occur, there should be a clear pathway for repayment or financial rebalancing over time. In MDC's view, the focus should be on ensuring transfers are appropriately documented, justified, and recoverable, rather than applying rigid thresholds that may not reflect the realities of long-term infrastructure funding and delivery.

Borrowing charges for inter-service lending (DP Q11–Q12)

11. Should internal lending attract an interest charge?

MDC agrees that where lending occurs between activities, a reasonable interest rate or pricing approach should apply. This helps ensure transparency and avoids hidden subsidies between activities. Any pricing approach should remain practical and proportionate to the scale and complexity of the arrangement. MDC also notes that internal borrowing can ultimately contribute to external debt requirements and therefore supports a fair accounting charge to reflect the cost of internal lending arrangements.

12. What should be disclosed about internal loans?

Where internal lending arrangements exist, MDC supports disclosure of the purpose of the arrangement, the balances involved, the repayment terms, and the pricing or interest basis used. The focus should remain on material arrangements that are relevant to understanding the financial position of the services, and these disclosures could be included as a note within the annual report.

Timely application of accumulated funds (DP Q13–Q16)

13. Should saved funding for renewals/investment be time-limited?

MDC does not support strict limits on how long funds may accumulate before being applied to water infrastructure. Councils often need to accumulate funding over time for

renewals, resilience, debt servicing, and major capital projects. Imposing rigid limits could undermine prudent long-term financial planning and infrastructure delivery.

However, MDC agrees there should be a clear and demonstrable intention for how accumulated funds will be applied over time, particularly where reserves are being held for significant future investment or renewal programmes. This intention should preferably be supported through approved planning documents such as asset management plans, infrastructure strategies, long-term plans, or approved capital programmes

14. Are strict time or interest-use limits appropriate?

MDC considers that overly strict limits are unlikely to reflect the realities of long-term renewals and capital investment. Water infrastructure projects are often planned and funded over extended timeframes, and councils need flexibility to manage funding responsibly across those periods. Overly rigid limits could distort long-term planning and reduce councils' ability to ensure future investment appropriately matches the infrastructure needs of the communities those services support.

15. Should transactions involving accumulated funds be recorded specially?

MDC does not have a strong or fixed view on this issue. However, MDC supports separately identifying and explaining material reserve movements or transfers involving accumulated funds. In our view, this improves transparency while still allowing councils to manage reserves appropriately and plan for future infrastructure investment. Where accumulated funds are applied to another activity, the original purpose for which those funds were retained should also be disclosed.

16. Should any revenue be strictly reserved?

MDC considers that funding collected for specific purposes should remain clearly earmarked and separately tracked. This is particularly important where funding has been collected for defined infrastructure or growth-related purposes.

Differential rules by scale, complexity or risk (DP Q17–Q18)

17. Should smaller or simpler providers face lighter requirements?

MDC supports a proportionate approach to regulation. Smaller standalone councils should not face the same level of compliance burden as large multi-council entities, provided material fund movements remain transparent and appropriately documented. A flexible approach will help ensure compliance costs remain reasonable while still supporting accountability, with reporting and compliance expectations appropriately reflecting the size, scale, and complexity of the provider.

18. What fund flows are highest risk?

MDC considers that the key concern is ensuring transparency and avoiding inappropriate cross-subsidisation between activities. Particular attention should therefore be given to transfers between water and non-water activities, shared-cost allocations, internal lending arrangements, and significant reserve transfers where these are not clearly documented or explained.

Fit-for-purpose reporting (DP Q19–Q22)

19. What disclosures would help demonstrate ring-fencing?

MDC supports reporting arrangements that provide clear visibility of service-level revenue, expenditure, reserves, transfers, and internal lending arrangements where material. Reporting should also reconcile clearly with audited financial statements so the relationship between service-level reporting and Council accounts is transparent, including making any lending arrangements visible and clearly identifiable. MDC's preference is for ring-fencing disclosures to be incorporated into existing reporting frameworks wherever possible, rather than creating a separate reporting regime.

20. Should a standard FIS template be required?

Yes. MDC considers that a standard template would improve consistency and reduce unnecessary complexity.

Where possible, reporting requirements should align with the Funding Impact Statement and annual reporting frameworks already being developed under the Local Government (Water Services) Act 2025.

21. Should the FIS include extra line items?

Yes. MDC supports including additional line items where they improve transparency around transfers, lending arrangements, goods and services provided between activities, and related-party transactions. This may include disclosure of transfer balances and internal loan balances where relevant. However, MDC does not support creating an overly detailed or duplicative reporting framework.

22. What additional GAAP review is needed?

MDC considers that clear guidance is needed, framed specifically for water entities and the operating environment they work within. MDC also considers that existing audit processes already provide substantial oversight. Any additional review requirements should focus on material transfers, reserves, and related-party arrangements that are relevant to understanding compliance with the ring-fencing principle, rather than creating a separate audit framework.

Potential rules for restricting movements (DP Q23)

23. What, if any, permanent restrictions should apply?

MDC considers the Commission should take a staged and evidence-based approach before introducing restrictions on fund movements.

Monitoring and disclosure should occur first, with additional controls introduced only where there is evidence that they are needed. The Commission should also provide practical guidance on how ring-fencing requirements would apply during future governance or structural changes, including any lawful transfer of assets, liabilities, reserves, or service responsibilities.

Other comments

MDC strongly encourages the Commission to align any new requirements with the reporting frameworks already being developed under the Local Government (Water Services) Act 2025. Avoiding duplication will reduce compliance costs and improve consistency across the sector.

MDC's priority remains delivering safe, reliable, and affordable water infrastructure for our communities. Any new reporting framework should support transparency while still allowing councils to plan and deliver long-term infrastructure investment efficiently.

MDC appreciates the opportunity to provide feedback and would welcome further engagement as the framework develops.

Decisions sought

In summary, MDC recommends:

1. MDC recommends that the Commission require service-level reporting for drinking water and wastewater services, supported by disclosure of material transfers, reserves, and internal loans where relevant.
2. MDC also recommends that any reporting framework align closely with the Funding Impact Statement and annual reporting requirements under the Local Government (Water Services) Act 2025, rather than creating a separate parallel reporting system.
3. MDC further recommends that the Commission adopt a staged and evidence-based approach before introducing restrictive controls on fund movements. Monitoring and disclosure should occur first, with additional restrictions considered only if evidence demonstrates they are necessary.
4. Finally, MDC asks the Commission to provide guidance on how ring-fencing requirements would apply during lawful governance or structural changes, including future council reorganisations and associated transfers of assets, liabilities, reserves, or service responsibilities.

Thank you for considering MDC's views. We look forward to further engagement as needed.

Yours sincerely,



Frances Smorti
Acting Chief Executive



24/06/2026

Committee Secretariat
Governance and Administration Committee
Parliament Buildings
Wellington

Submission from the Manawatū District Council on Better Regional Boundaries Bill

Dear Members of the Committee

Manawatū District Council (MDC) thanks the Governance and Administration Committee for the opportunity to submit on the Better Regional Boundaries Bill.

MDC supports the intent of the Better Regional Boundaries Bill and recognises the benefits that greater alignment of administrative boundaries across government agencies could provide. A more consistent approach to regional boundaries would improve clarity for residents, businesses, and community organisations when engaging with government services. It would reduce confusion created by differing administrative boundaries and support more effective coordination between central and local government agencies.

MDC supports the Bill's objective of creating clearer responsibilities, improved coordination, and more effective service delivery where these changes benefit communities. The Council acknowledges that the current arrangement of differing administrative boundaries across government agencies can create confusion for residents and make it more difficult to understand responsibilities, access services, and engage with public agencies. Greater alignment has the potential to improve accountability, support regional planning, and strengthen collaboration between agencies operating within the same communities.

However, MDC considers that boundary alignment should not be viewed as an end in itself. Simply changing administrative boundaries will not automatically result in lower costs, greater efficiency, improved service delivery, stronger accountability, or better-informed decision-making. Any future boundary changes should be assessed against the extent to which they deliver tangible benefits for communities and improve the accessibility and effectiveness of government services.

MDC also considers it important that administrative boundaries reflect communities of interest and existing social, economic, and service connections. Boundary changes

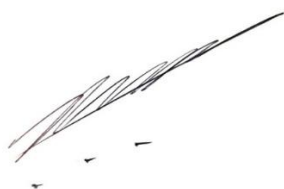
should not be driven solely by operational efficiencies, population size, or the centralisation of services and decision-making. Government policy and resource allocation should continue to support all communities equitably, regardless of whether they are rural, provincial, or metropolitan. Any implementation of the Bill should ensure that regional communities continue to have an appropriate voice in decision-making and equitable access to government services.

While MDC supports the overall objectives of the Bill, the Council is concerned about the proposed timing for implementation. The local government sector is currently facing a period of significant review and potential reform, with discussions underway regarding future local government structures, functions, funding arrangements, and boundary configurations. There is a possibility that territorial authority and regional boundaries may change within the next several years. Requiring government agencies to align their administrative areas with existing local authority boundaries before these matters are resolved could create unnecessary duplication of effort, additional implementation costs, and administrative disruption if boundaries subsequently change.

Accordingly, MDC recommends that the Government carefully consider both the implementation timeframe and the principles that should guide any boundary realignment. In particular, the Council suggests that the five-year transition period for compliance should not begin until there is greater certainty regarding any future local government boundary changes. Deferring the commencement of the transition period until after 2028 would help ensure that agencies are aligning with a more stable local government framework, reducing the risk of repeated boundary realignments and enabling the intended benefits of the legislation to be achieved more efficiently and effectively.

MDC also recommends that any future boundary changes demonstrably improve outcomes for communities, reflect communities of interest, and maintain equitable access to government services and resources across rural, provincial, and metropolitan New Zealand. Boundary alignment should support stronger community outcomes and improved service delivery, rather than being pursued as an objective in itself.

Yours sincerely,



Michael Ford

Mayor

10 July 2026

Committee Secretariat,
Justice Committee,
Parliament Buildings,
Wellington.

Submitted via:

Tēnā koutou,

Submission of Manawātū District Council on the Climate Change Response (Tort Liability) Amendment Bill

Manawātū District Council (MDC) thanks the Justice Committee for the opportunity to submit on the Climate Change Response (Tort Liability) Amendment Bill.

Introduction

Council makes this submission from the perspective of local government as a steward for its residents, infrastructure, and district-wide resilience. Council's interest is not in the merits of any individual court proceeding. Nor does Council suggest that national emissions policy should be determined primarily through litigation.

Council's concern is more direct: if Parliament removes one legal pathway for accountability for emissions-related climate harm, it must also be clear about where the costs and consequences of that harm will fall. Local authorities and ratepayers should not be left carrying a disproportionate share of the financial, infrastructural and social burdens arising from climate change and future extreme weather events.

Council submits that the Bill should not proceed in its current form without further assessment of its implications for local government, ratepayers, iwi, hapū, and affected communities.

The Bill as drafted would create a broad statutory bar preventing tort claims for emissions-related climate change effects. It would apply to direct and indirect emissions, activities occurring inside and outside New Zealand, and conduct occurring before and after commencement. It would also apply retrospectively to existing proceedings that have not yet been finally determined.

Council acknowledges the Government's rationale that climate change policy should be set through Parliament and existing legislation, rather than through the courts, and that New Zealand already has a national statutory framework for emissions reduction through the Climate Change Response Act 2002 and the Emissions Trading Scheme.

However, removing a legal pathway does not remove climate-related impacts. Those impacts will still need to be managed, funded and absorbed somewhere in the system. In practice, many of those consequences are experienced locally and are already falling on councils, communities and ratepayers.

If the Bill is to advance, Council submits that the Government should establish the following:

1. That there is a clearly evidenced policy problem requiring immediate legislative intervention.
2. That the implications for local government and communities have been properly assessed.
3. That the retrospective application of the Bill is necessary and justified.
4. How the Bill may affect the share of climate-related costs borne by communities and local authorities
5. That the Bill is consistent with maintaining public trust in the wider climate adaptation and legal system.

Local government's direct interest in the allocation of climate-related costs.

District councils are responsible for managing many of the practical consequences of climate change. These include infrastructure planning and investment, natural hazard management, land-use planning, emergency management, community resilience, and recovery following extreme weather events.

For councils, climate change is not an abstract legal issue. It is experienced through stormwater pressure, road damage, flooding, slips, drought, coastal hazards, insurance pressure, infrastructure renewal costs, and complex decisions with communities about future risk. The longer-term costs can be even more difficult. Where communities are required to retreat or relocate from increasingly high-risk areas, the financial, social, cultural, and emotional costs do not simply disappear. In many cases, these costs and responsibilities fall largely on local communities, marae, and hapū.

Loss of insurability is also a material risk. Reduced access to insurance for private property can affect household security, lending, property values and community confidence. Loss of insurability for public infrastructure and assets would place further pressure on councils and ratepayers and could affect the long-term viability of local services and infrastructure investment.

Those responsibilities remain regardless of whether emitters can be subject to civil claims for emissions-related climate harm.

Council is concerned that the Bill may reduce one accountability pathway for emitters while leaving local authorities and communities to continue managing the consequences. That is not only a legal question. It is a question of public finance, fairness and community resilience.

Council submits that Parliament should expressly consider whether the Bill risks further socialising the costs of climate change through local government expenditure, ratepayer

funding, central government recovery assistance, insurance pressure, and direct impacts on affected households and businesses.

Insufficient evidence for the policy case for immediate intervention.

The Regulatory Impact Statement (RIS) records that officials undertook very limited engagement with legal experts, no engagement with business, and had not identified evidence that the ongoing court proceedings had produced a measurable impact on business confidence.

This is significant because the Bill is justified largely on the basis of providing business and investment certainty. If that is the central policy problem, Parliament should be satisfied that the problem has been clearly evidenced before removing an existing legal pathway for affected parties.

Council also notes that the Ministry of Justice's preferred option in the RIS was no regulatory intervention at this time, not the immediate statutory bar preferred by the Minister. Officials considered that, on the limited evidence gathered, it was unclear whether there was a problem requiring legislative intervention before the High Court had issued its decision.

The Bill would make a notable change to the legal landscape before the courts have determined whether any liability exists. The Supreme Court has not found the defendants liable. It has only allowed the claim to proceed to trial.

Council is also concerned about the timing of the Bill. Council is also concerned that the Bill is being progressed while wider reform of New Zealand's planning and environmental protection system is still being settled. In that context, Council considers there is a risk in removing an existing legal pathway before the effectiveness of the wider statutory framework for managing climate and environmental risk has been fully tested.

Council submits that the Committee should consider whether immediate legislative intervention is premature.

Further assessment of implications for iwi, hapū and affected communities required.

The Bill may also have implications for iwi, hapū and communities already exposed to climate-related risks. Climate change impacts are not experienced evenly. Some communities face greater exposure to flooding, erosion, infrastructure disruption, housing vulnerability, insurance pressure and recovery costs. For Māori, climate-related harm may also affect whenua, taonga, wāhi tapu, mahinga kai, whakapapa connections and the ability to exercise kaitiakitanga.

The RIS records that the claim in *Smith v Fonterra* relies in part on tikanga Māori and climate change in an area where Māori have consistently expressed significant concern. It also records that there was no engagement with Māori during policy development and that this may be criticised as inconsistent with Treaty obligations.

Council does not take a position on the merits of that individual claim. However, where legislation removes a potential pathway for communities to seek remedies for climate-related harm, Parliament should consider how that will be perceived by those already carrying climate risk.

A coherent climate system must address who pays.

Council agrees that New Zealand needs a coherent national framework for emissions reduction and climate adaptation. However, coherence should not be assessed only from the perspective of emitters or central government. From a local government perspective, a coherent system must also answer the following questions:

- How will climate-related infrastructure costs be funded?
- How will communities exposed to increasing natural hazard risk be supported?
- How will adaptation costs be shared between central government, local government, private property owners, insurers and those whose activities have contributed to climate change?
- How will the Crown ensure that councils and ratepayers are not left with costs that cannot be managed through local funding tools alone?

The Bill addresses one part of the system: civil liability for emissions-related climate harm. It does not address the corresponding question of who should bear the costs once that pathway is removed.

Council submits that this is a significant gap.

Recommendations

MDC recommends that the Justice Committee does not proceed with the Bill in its current form unless further analysis is undertaken on the implications for local government, communities, ratepayers, iwi and hapū. Significant weight must be given to the RIS' conclusion that the Ministry of Justice's preferred option was no regulatory intervention at this time.

MDC seeks specific advice on the implications for local government, including potential impacts on infrastructure funding, adaptation planning, emergency management, community recovery, insurance pressure and ratepayer affordability.

Conclusion

MDC recognises the importance of clear and coherent national climate policy. Council also recognises that Parliament may decide that emissions reduction obligations should be set through legislation rather than through tort law.

However, the consequences of climate events are already being managed locally. Councils are responsible for infrastructure, land-use planning, natural hazard

management, emergency management, adaptation planning and community resilience. Ratepayers are increasingly being asked to fund the response.

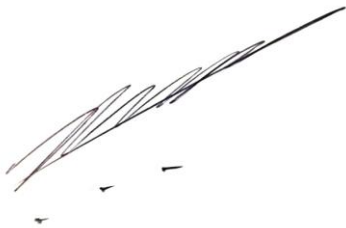
Council's concern is that the Bill may provide certainty for emitters without providing equivalent certainty about how climate-related costs will be fairly allocated across the system.

If Parliament removes one avenue for legal accountability, it should also be clear about how communities, local authorities and ratepayers will be protected from carrying a disproportionate share of the financial, infrastructural and social burdens arising from extreme climate events.

MDC further recommends that, if the Bill proceeds, the Committee consider whether a narrower and better-evidenced approach would address the Government's policy concern without creating unnecessary uncertainty about the allocation of climate-related costs.

Council requests the Justice Committee to consider these matters before the Bill proceeds.

Yours sincerely,

A handwritten signature in dark ink, appearing to read 'Michael Ford', with a long, sweeping horizontal stroke extending to the right.

Michael Ford

Mayor

02 July 2026

Committee Secretariat,
Environment Committee,
Parliament Buildings,
Wellington.

Submitted via: en.legislation@parliament.govt.nz

Tēnā koutou,

Submission of Manawātū District Council on the Conservation Amendment Bill.

Manawātū District Council (MDC) thanks the Environment Committee for the opportunity to submit on the Conservation Amendment Bill. This submission builds on MDC's previous submissions on the Consultation on Modernising Conservation Land Management and Exploring Charging for Access to Some Public Conservation Land.

Background

The Manawātū District is characterised by diverse landscapes spanning the rugged Ruahine Ranges, the Pohangina Valley, and the fertile plains of the Manawātū River. As a predominantly rural territorial authority, the district includes and adjoins significant areas of public conservation land managed by DOC, encompassing the western edge of the Ruahine Forest Park, the Tāwhirihoē Scientific Reserve at Tangimoana, the Ototara Scientific Reserve near Himatangi, Pukepuke Lagoon (a nationally significant wetland complex on the west coast) public conservation land on the northern side of the Manawātū Gorge, areas around Awahou North, and several sites along the Pohangina River

The Ruahine Forest Park and the Rangiwahia Scenic Reserve are widely used for tramping and hunting, and the Pohangina Valley serves as a gateway to the Ruahine Range, attracting visitors from across New Zealand and abroad. These areas are not merely ecological assets as they are central to the identity and economic vitality of our communities, supporting tourism, outdoor recreation, and the cultural traditions of tangata whenua. For tangata whenua, these places are whenua with cultural, spiritual, historical and whakapapa connections extending across generations, including wāhi tapu, wāhi tūpuna, traditional travel routes, mahinga kai, and landscapes that remain central to the identity and wellbeing of local iwi and hapū.

The district's scientific reserves and wetlands, including Ototara and Pukepuke Lagoon, also contain regionally and nationally important ecological and geological values. The vegetated conservation areas in the upper catchments of the district, including the Ruahine Ranges and the upper Pohangina Valley, also play a role in stabilising soils,

reducing erosion, and improving water quality downstream, providing significant benefits to rural communities, agricultural land, and the wider river system that extend well beyond their recreational, scenic, and indigenous biodiversity values. These established indigenous ecosystems also contribute to climate and catchment resilience by absorbing rainfall, moderating flood peaks, sequestering carbon, regulating local climate, and supporting clean air. They provide accessible natural spaces for physical activity, restoration, and connection to place, with consequent benefits for physical health, mental wellbeing, and community resilience.

These conservation areas intersect with Council responsibilities for rural roads, local amenity, public safety, emergency management coordination, infrastructure planning, reserves, and district-wide destination management. MDC considers that decisions made under this Bill will directly affect these areas and the rights and interests of our iwi partners.

These responsibilities are also relevant to the potential transfer of costs and risks to ratepayers where increased visitor activity, changed access arrangements, or commercial development, creates additional demand on rural roading, public safety, emergency management, or local amenities without early Council involvement in the decision-making process.

This submission addresses seven thematic areas arising from the Bill: (1) the shift to a National Conservation Policy Statement and area plans; (2) the functions of the Department; (3) the new concessions regime; (4) the international visitor access levy; (5) visitor amenities areas; (6) land exchanges and disposals; and (7) Treaty obligations and iwi partnership. For each theme, MDC identifies where the Bill's provisions either interact with or diverge from positions we have previously advanced, and where new issues of significance to the district arise.

MDC is generally supportive of the objective of modernising and streamlining conservation land management. However, we have significant concerns regarding several provisions of the Bill, and we strongly urge the Select Committee to consider the amendments and recommendations set out in this submission.

The New Planning Hierarchy (Clauses 5, 15, and Associated Provisions)

The Bill's replacement of the existing hierarchy of general policies, conservation management strategies (CMS), and conservation management plans with a single National Conservation Policy Statement (NCPS) and non-overlapping area plans represents the most structurally significant change in the legislation. Clause 15 inserts new sections 13A to 13I, which together create the architecture of this new two-tier system. The NCPS, as secondary legislation approved by the Minister, will set binding national policy, and area plans will provide the regional and local expression of that policy.

MDC expressed qualified support for a single national-level document, in our previous submission, provided it was evidence-based rather than driven by the political priorities of the government of the day. We maintain that position. New section 13D empowers the

Minister to make the NCPS, with its purpose including recognising the economic opportunities arising from the use and development of conservation land. MDC remains concerned that this framing risks shifting the fundamental character of the conservation estate from an ecological and cultural asset into primarily an economic resource - a concern we raised explicitly in our earlier submission in response to what we perceived as an undue emphasis on the DOC estate as an economic instrument.

Functions of the Department (enabling commercial development)

The Bill also provides, in new section 6(ea), that a new function of the Department will be to recognise economic opportunities and enable the use and development of land to the greatest extent practicable. MDC notes that this is a new, small-but-significant, proposal which was not publicly consulted on as part of the original discussion document (although the intent was signalled in 2014 press releases).

Taken together with the NCPS purpose provision, this creates a statutory framework that systematically elevates commercial development as a conservation value. MDC urges the Select Committee to ensure that conservation values including indigenous biodiversity protection, ecological integrity, and cultural significance, are explicitly affirmed as the primary purpose of the conservation estate, with economic enablement treated as a subordinate and conditional consideration.

Absence of Local Authority Representation

MDC is concerned about the continuing absence of any meaningful role for territorial authorities in the making and amendment of the NCPS and area plans. New Schedule 2 and Schedule 3, inserted by clause 45, set out the processes for making or amending these instruments. The consultation requirements acknowledge iwi authorities and the Conservation Authority and Conservation Boards, but no equivalent recognition is given to local government.

MDC has highlighted the omission of local government considerations in our previous submission, and it has not been addressed in the Bill. District and city councils are significant stakeholders in area plan development. As the Bill itself acknowledges, DOC's conservation land sits alongside and interconnects with local roads, infrastructure, and community services. Decisions made in area plans have direct consequences for local government assets, pest management responsibilities, and the delivery of visitor services.

It is incongruous that territorial authorities, which in many cases co-manage conservation areas or hold adjacent land, are afforded no more influence in the area plan process than members of the general public. This omission is particularly concerning in a district such as the Manawātū, where decisions on the use of public conservation land can have direct implications for ratepayer-funded infrastructure and for rural communities expected to absorb the downstream effects of visitor growth, commercial development, or changed access arrangements without any corresponding role in the upstream statutory process.

MDC therefore considers that local government involvement is not merely desirable as a matter of process; it is a practical safeguard to ensure that economic drivers are not pursued at the expense of the environmental qualities, rural character, indigenous ecosystems, and community values that make the district distinctive.

MDC calls on the Select Committee to insert a formal consultation requirement with affected territorial authorities into both the Schedule 2 and Schedule 3 processes.

The Relationship with RMA Plans

The Bill makes a consequential amendment to the Resource Management Act 1991 (clause 127), providing that section 9(3) of the RMA does not apply to Crown work on public conservation land that is consistent with the NCPS or an area plan. However, the Bill does not adequately address the potential for conflict or duplication between area plans and district plans or regional plans under the RMA. This issue is especially acute where Crown works, visitor infrastructure, or concession-related development may intersect with district planning matters such as land stability, stormwater, traffic safety, indigenous biodiversity corridors, water quality, and the cumulative effects of development on adjacent rural communities. This was a gap we identified in our earlier submission, and it remains unresolved. MDC recommends that the Bill include a clear provision establishing how inconsistencies or overlaps between area plans and RMA plans are to be resolved, and that DOC be required to notify affected local authorities when developing or amending area plans that may affect land-use planning outcomes in the district.

The New Concessions Regime (Clauses 23 and 40 — New Part 3B and Section 60BA)

MDC broadly supports the objective of streamlining concession processing. In our January 2025 submission, we supported the introduction of clearer classes of activities, the reduction of administrative burdens, and the acceleration of decision-making for low-impact activities. The Bill's new Part 3B, inserted by clause 23, introduces a structured three-pathway approach— individual concessions, allocation, and pre-approved concessions which has merit. The pre-approved concessions pathway in new subpart 4 (sections 14ZI to 14ZK), enabling applicants to obtain concessions by completing a form and paying a fee for NCPS classified activities, has the potential to significantly reduce processing time for routine and low-impact activities, to the benefit of local operators.

Concerns Regarding the Removal of Public Hearing Rights

MDC has concerns about the removal of automatic hearing rights for submitters on publicly notified concession applications (new section 14S). The right for affected parties, including local authorities, to be heard on concession applications that may materially affect their infrastructure, assets, or communities is an important safeguard. The removal of hearings in favour of a purely written process risks reducing the quality of decision-

making, particularly for complex or contested applications in areas such as the Ruahine Forest Park where multiple interests converge. Similarly, the Bill removes public notification requirements for grazing licence applications and for applications that are intended to be declined (new section 14R). While the latter has practical logic, the former is concerning. Grazing concessions can have significant ecological impacts and can affect the interests of adjacent landowners and local communities. MDC urges the Select Committee to retain public notification requirements for grazing licences and to provide a discretion, at minimum, for the Minister to convene a hearing where an application has generated substantive written submissions from affected parties.

Cost Recovery and Small Operators

New section 60BA (inserted by clause 40) enables the Director-General to recover costs from applicants during the processing of a concession application, rather than only at its conclusion. Furthermore, these costs are non-refundable even if the application is unsuccessful. MDC's concern, previously raised in its previous submission, is that this approach will disproportionately disadvantage small operators and community-based organisations including those in the Manawātū district who operate local recreational and eco-tourism ventures in and around the Ruahine Forest Park. We recommend that the Bill include a provision enabling the Director General to waive or reduce cost recovery obligations for small operators, community groups, and iwi or hapū undertaking activities consistent with Treaty settlement arrangements.

Competitive Allocation Processes

New subpart 3 (sections 14ZF to 14ZH) introduces a framework for competitive allocation of concession opportunities. In our previous submission, MDC raised reservations about competitive allocation processes, noting the practical difficulties of ensuring all parties are equally positioned to submit bids simultaneously, and the challenges of establishing stable criteria in the context of evolving environmental understanding. These concerns are not resolved by the Bill. MDC reiterates that competitive allocation should not apply to small-scale, low-impact operations supporting local communities, to traditional or cultural activities of iwi, or to scientific and conservation activities. We recommend that regulations made under new section 48E(1) provide explicit exemptions for these categories.

International Visitor Access Levy Implementation Concerns

The Bill provides that levy areas may be applied to specific conservation areas, national parks, reserves, or geographic areas including specific paths, tracks, or roads (new section 48D(3) to (5)). MDC notes that the Ruahine Forest Park, given its multiple access points integrated into the broader transport network, presents significant enforcement challenges under any charging regime. MDC has also previously noted about the practicality of enforcing collection where public roads pass through conservation areas such as national parks.

The Bill's regulation-making power (section 48D(6)) allows for collection by third parties, which may offer a practical solution in some contexts, but the broader question of enforcement in areas with diffuse access points is not resolved. New section 11 and clause 35 (new section 51UA) create an offence and infringement regime for international visitors who fail to pay the levy, with a maximum fine of \$5,000 and an infringement fee of \$200. MDC considers that the practical enforceability of these provisions in remote areas of conservation land warrants careful consideration. We recommend that the Select Committee seek detailed advice from DOC and the New Zealand Police on their respective enforcement roles before the Bill is passed.

Local Authority Involvement in Levy Setting

New section 48D(7) requires the Minister to consult Māori groups with relevant interests, local communities, and affected concession holders before recommending levy regulations. MDC is encouraged by the inclusion of 'local communities' but notes that this falls short of a formal requirement to consult territorial authorities (which may be particularly relevant where a local authority shares some responsibility for assets within a conservation area). Given that the implementation of access levies will have direct consequences for destination marketing, visitor management, and local transport (and other) infrastructure, MDC recommends that the Bill explicitly require consultation with affected territorial authorities as part of the levy-setting process.

MDC also reiterates its previous position that access charging should not be applied in areas of particular cultural significance to iwi or in locations where charges might displace visitors to more ecologically sensitive areas. We recommend that the regulations made under section 48D include explicit criteria prohibiting levy designation in these circumstances.

Visitor Amenities Areas (Clause 23 — New Part 3D, Sections 16 to 16I)

The Bill introduces a new category of land designation, visitor amenities areas, which permits the Minister to set apart areas within conservation parks, stewardship areas, national parks, and reserves for the development and operation of recreational and public amenities including toilets, visitor centres, accommodation, car parks, restaurants, cafes, and commercial tourism services.

MDC acknowledges that well-designed visitor infrastructure is essential to managing increasing visitor pressures sustainably and to generating the conservation revenue that underpins the ecological work of the Department. The Pohangina Valley and Ruahine Forest Park already experience significant visitor demand, and the absence of adequate facilities has at times resulted in adverse environmental outcomes and a poor visitor experience. To that extent, the concept of visitor amenities areas has merit.

However, MDC is concerned that new section 16G provides that activities within a visitor amenities area may be authorised even if doing so would be inconsistent with the wider area plan, with the purposes for which the land is held applying only so far as they are

compatible with that authorisation. This is a significant departure from the existing conservation values framework. The provision effectively allows a visitor amenities area designation to override conservation objectives within the parent land. In the Manawatū district, the relevant issue is not whether visitor facilities are sometimes needed, but whether the scale and location of commercial amenities could place pressure on rural communities, local infrastructure, and catchment values that have been carefully improved over time.

MDC urges the Select Committee to introduce a clearer and more robust test for the conservation limits of visitor amenities area development, including an explicit requirement that designation not result the creation of de facto commercial precincts of a scale inconsistent with the primary conservation values of the area, or result in irreversible loss of indigenous biodiversity or ecological integrity in the affected area.

MDC notes that new section 16B requires the Minister to invite comments from relevant iwi authorities (and the Conservation Authority where the area is within a national park) when considering a visitor amenities area proposal, and that public consultation is required under new section 16C. However, consistent with our broader submissions, there is no formal requirement to consult territorial authorities, whose infrastructure and services will be directly affected by the development of commercial amenities on adjacent conservation land. MDC requests that this is amended.

Land Exchanges and Disposals (Clause 23 — New Part 3C, Sections 15 to 15ZB)

MDC expressed support for a simpler and more expansive land exchange system, noting that the previous requirement for exchanges to be contiguous with existing conservation areas had in some cases prevented outcomes with a clear net conservation benefit. The Bill's approach in new section 15A that will enable exchanges where there is a net conservation benefit as measured by the natural and historic resources of the incoming land compared with the outgoing land, is consistent with the principle we advocated.

However, MDC maintains the reservation expressed in our earlier submission that the assessment of net conservation benefit involves inherently subjective judgements, for example, whether the habitat of one species is more ecologically significant than that of another, or how a loss of wetland should be weighed against a gain of native bush. The Bill vests this determination in the Minister (new section 15C), with the Director-General required to produce a report following consultation (new section 15B). MDC considers that this process would benefit from independent ecological input and recommends that the Bill require the Director-General's report to include an assessment by a suitably qualified and independent ecologist before the Minister decides on any proposed exchange.

Regarding land disposals, MDC called for clearer safeguards against potential misuse of expanded disposal powers, a robust public consultation process, and mechanisms for ongoing monitoring of disposed land's conservation status. MDC notes that the Bill incorporates a public notification and comment process (new section 15L) and a

requirement for the Director-General's recommendation (without which disposal cannot proceed under section 15K(2)(f)), which provides some protection. However, new section 15M provides that public submitters have no right to be heard on their submissions regarding a proposed disposal. This is directly inconsistent with the safeguard MDC recommended. The removal of hearing rights for land disposal proposals, which are decisions of significant and permanent consequence, is not justified by administrative efficiency alone.

MDC recommends that the Select Committee reinstate hearing rights for submitters on land disposal proposals, or at minimum provide a discretionary power for the Minister to convene a hearing where submissions raise substantive conservation, cultural, or public interest concerns. MDC is further concerned by the absence of any provision for ongoing monitoring of the conservation status of disposed land. Once conservation land is disposed of and enters private ownership, there is no mechanism in the Bill to assess whether the ecological values that were present at the time of disposal continue to be protected. We recommend the inclusion of a monitoring provision, and where appropriate, the use of covenant conditions under new section 15Q to protect residual conservation values on disposed land.

Treaty Obligations, Iwi Partnership, and the Rangitāne o Manawatu Settlement

The Bill's insertion of new section 4A (clause 5) prescribes how Treaty principles must be applied in specific land management processes, moving from the broad interpretive obligation in the current section 4, which requires the Conservation Act to be "so interpreted and administered as to give effect to the principles of the Treaty of Waitangi", to a more procedural and codified approach. While MDC acknowledges that this offers some degree of process clarity, we are concerned that it may in practice weaken the breadth and strength of the existing Treaty clause.

This concern is particularly acute in the Manawātū District context. The remnant areas of high-quality natural environment within our district- including the Ruahine Ranges, Pukepuke Lagoon, and the district's scientific reserves- are of deep cultural significance to local iwi. These areas contain ancestral connections, mahinga kai, wāhi tapu, and taonga species. Indigenous biodiversity is inseparable from these cultural values: the health of native species, habitats, ecosystems, whenua, wai and ngāhere supports mātauranga Māori, customary relationships with the environment, and the exercise of kaitiakitanga. Loss or degradation of these environments is therefore both an ecological loss and a cultural loss. It is therefore essential that iwi participation in the management of these areas is not reduced or constrained by a narrower, more procedural Treaty framework. MDC's concern is not only about legal process but about substantive outcomes: iwi participation in conservation management must be adequately resourced to be meaningful and must not place participating iwi, hapū, or other Māori groups at a disadvantage.

This concern is compounded by the Bill's new section 14T, which imposes statutory timeframes on Māori groups consulted on concession applications, while the resourcing provisions for iwi and hapū to participate effectively in the streamlined system remain entirely unaddressed. MDC is also concerned that provisions designed to streamline decision-making, when combined with reduced hearing rights or compressed consultation timeframes, may reduce the ability of iwi, hapū and Māori communities to influence decisions affecting places of cultural significance. Imposing participation timeframes without providing resourcing support risks producing rushed or inadequate consultation, particularly where Treaty partners are expected to advise on multiple competing applications under the new allocation framework.

MDC therefore seeks that section 4 of the Conservation Act 1987 be retained in its current form, unchanged, to ensure that the obligation to give effect to the principles of the Treaty of Waitangi remains broad and substantive, and that the ability of iwi to participate meaningfully in the management of culturally significant conservation lands is not weakened by the procedural codification proposed in new section 4A.

Rangitāne o Manawatu Settlement Act — Schedule 6 Amendments

Schedule 6 of the Bill makes consequential amendments to several Treaty settlement Acts. This includes specific amendments to the Rangitāne o Manawatu Claims Settlement Act 2016, which is of direct relevance to MDC given our longstanding relationship with Rangitāne o Manawatu.

The Schedule 6 amendments to that Act repeal section 70(4)(c), amend section 75(3)(a), repeal section 97(2)(c), and update the reference in section 124(b) from 'section 16A' to 'section 15A'. These are listed as consequential amendments, but MDC urges the Select Committee to seek confirmation from both DOC and Rangitāne o Manawatu that these amendments preserve the full substance and effect of the existing settlement redress arrangements, particularly those relating to overlay classifications and the iwi's role in conservation management decision-making within their rohe.

More broadly, the Bill's transitional provisions (new clauses 24 and 25 of Schedule 1AA, inserted by clause 44) commit the Crown to work with post-settlement governance entities (PGSEs) to seek agreement on how Treaty settlement redress will operate in the new system, with a two-year window applying. MDC notes that this two-year period, while providing initial structure, may be insufficient for all PSGEs to work through the implications of the new framework, particularly given the scale of the changes to the concessions and planning regimes. We recommend that the Select Committee consider whether a longer transitional period, or a bespoke process for PSGEs with particularly complex settlement arrangements, would better serve the Crown's Treaty obligations.

Cultural Significance and Access Charging

MDC reiterates the position advanced in our February 2025 submission that access charging should not apply to areas of cultural or spiritual significance to iwi, or to areas

used for traditional food gathering or customary practices. That position reflects MDC's view that conservation land is not simply a public asset, but also whenua with enduring whakapapa, tikanga and kaitiaki relationships that should not be constrained by charging settings. The Bill's levy provisions (new section 48D) do not explicitly protect such areas from levy designation. MDC recommends the inclusion of an explicit statutory exemption from levy designation for areas identified as having particular cultural significance to iwi or hapū, determined in consultation with the relevant Māori groups.

Conclusion

MDC supports the modernisation of the Conservation Act where it improves clarity, efficiency, and the administration of conservation land. The natural environment, landscapes, and recreational opportunities provided by conservation land, and the district's coastal and wetland reserves, are central to the identity and wellbeing of our communities, and MDC is supportive of reforms that better protect and sustainably manage these taonga. The Bill contains provisions that Council can support: a more coherent planning framework, proportionate treatment of low-risk activities, improved concession administration, a targeted international visitor levy, and a more workable approach to land exchange where net conservation benefit is demonstrated.

However, the Bill in its current form risks elevating economic opportunity above conservation purpose without adequate statutory qualification. It reduces local and public participation in significant decisions, creates broad and insufficiently constrained visitor amenities powers, and fails to provide a sufficiently clear or meaningful role for territorial authorities in planning and decision-making processes.

Above all, the Council urges the Committee to ensure that the Bill does not dilute the fundamental conservation purpose of the legislation. The conservation estate must not be recast primarily as a commercial or economic resource. The landscapes, indigenous biodiversity, and cultural connections it protects are not renewable, and the communities of the Manawatū District, like communities across New Zealand, depend on their enduring stewardship.

Yours sincerely,



Michael Ford

Mayor

31 July 2026

LG Data Team

Ministry for Cities, Environment, Regions & Transport

Emailed to: LGdata@mcert.govt.nz

Dear members of the Local Government data team

Submission from the Manawatū District Council on the Regulations for groups of activities for councils' planning and reporting – draft guidance

The Manawatū District Council (MDC) thanks the members of the LG data team for the opportunity to provide feedback on the draft guidance for the Regulations for groups of activities for councils' planning and reporting. However, MDC considers that the purpose of reporting guidance should be to classify activities consistently, rather than signal which activities government considers to be priorities for local investment.

MDC notes that this consultation is on the guidance associated with the grouping of activities, rather than the regulations that confirm these mandatory groups. MDC would like to know whether local authorities will also be given an opportunity to provide feedback on the regulations for groups of activities themselves, or if the reference to "Cabinet approval" in relation to the proactive release of Cabinet materials means that the groups are largely fixed, with feedback limited to how this classification is to be interpreted and implemented.

Timing of these regulations is critical. Councils are already well underway with the development of their LTPs. The grouping of activities is relevant to our financial statements, the design of our revenue and financing policy, as well as our activity statements and performance frameworks (i.e. our levels of service measures and targets). Our LTP project schedule includes budget setting in September 2026, with budgets finalised for audit and consultation by December 2026. If the regulations are not notified until October 2026, this will significantly impact on our ability to meet these deadlines, particularly if the new groupings mean that MDC has to revisit its revenue and financing policy.

Like many councils across New Zealand, MDC is in the process of replacing its Enterprise Resource Planning (ERP) system as our current system has reached end of life. These regulations have implications for how MDC structures the financial module of our ERP system to enable this reporting to align with the new reporting architecture prescribed in the draft regulations.

Significant or late changes to the proposed activity groups may result in additional costs and complexity for councils as they update planning, reporting and financial systems to

give effect to the new requirements. Councils therefore require certainty on the final activity groupings and supporting guidance as early as possible.

MDC also notes that, while nationally consistent activity groupings may improve consistency of planning and reporting, differences in the characteristics of metropolitan, provincial and rural councils will continue to influence the way services are delivered and the resulting patterns of investment across activities. For example, rural and provincial councils may reasonably be expected to invest more in supporting a network of community halls (described in the draft guidance as “heritage and village halls”) than more metropolitan councils. These facilities often play an important role in supporting community connection and emergency response in dispersed rural communities. This context should be taken into account when interpreting comparisons between councils based on these activity groups.

Support for the Submission of Taituarā – Local Government Professionals Aotearoa

MDC generally supports the submission prepared by Taituarā on behalf of the Local Government Sector. Many of the recommendations contained in this submission echo their feedback. In particular, MDC agrees with the following key points from the Taituarā submission:

- 1) That there is a balance to be struck between standardising the presentation of information, and giving local authorities the flexibility and freedom to present information in a manner that supports the overall ‘story’ their accountability documents are telling.
- 2) The pending re-organisation of local government via the ‘Head Start’ and ‘Back Stop’ proposals mean that local authorities will likely have to revisit their activity groupings very shortly (fifteen months at most) of these being confirmed in the 2027 Long-term Plans.
- 3) That the Ministry develop a single methodology for the allocation of support activities to groups of activities and to individual activities. This methodology should be specified in the regulations.
- 4) Differences in council judgements in matters such as allocation of ‘support services’ will add to the ongoing cost of the regime, such as in justifying the approach to the auditors.
- 5) That the Ministry develop a data dictionary to supplement the regulations.
- 6) That the Ministry engage further with regional and unitary councils to ensure that proposed framework appropriately reflects those activities currently delivered at regional levels.
- 7) That the broadness of the ‘other’ category be reconsidered.

Feedback on the draft guidance

a) Are there any activities missing from the list that should be added?

Within group 1 (Adaptation and emergency management), it is assumed that ‘adaptation’ includes increasing the resilience of existing infrastructure to climate impacts, even though this term is not explicitly included. For example, where MDC invests in improvements to roadside drainage to reduce the likelihood of that asset being damaged in an extreme weather event is more readily conceived as being a

resilience investment, rather than ‘adaptation.’ Given the description within this guidance document, such investments would likely be included within the roading and transport activity anyway, so the impact of any uncertainty is likely to be minimal.

Group 5 – Fly Tipping

Fly tipping is an activity that is currently not listed within the draft guidance. MDC considers the best fit for this activity is within Group 5 – Public regulatory services. While this activity is closely related to waste management, it is managed via our regulatory compliance officers.

Decision sought

- That fly tipping be added to the list of activities within Group 5 – Public regulatory services

Group 7 – Transfer stations

MDC agrees with the submission by Taituarā that transfer stations have been missed from the list of activities within Group 7 – Waste management and minimisation. MDC’s Manawatū Resource Recovery Centre in Feilding manages Council-controlled waste streams, and provides refuse, recycling, food waste and green waste drop-off to the community.

Decision sought:

- That resource recovery centres be added to the list of activities within Group 7- Waste management and minimisation.

b) Are there activities that have been mis-grouped/belong in another group from where they’ve been allocated?

Group 1 – Adaptation and Emergency Management

MDC requests clarification as to what is meant by reference to “drought and fire protection” in Group 1. MDC’s responsibilities in relation to drought are to support the welfare response led by national government agencies. Drought protection is not something that councils actively invest in. While Councils’ have some responsibilities in relation to the provision of water for fire-fighting capability (within the water services activity), fire protection is generally a responsibility of Fire and Emergency New Zealand (FENZ).

MDC considers that “flood protection” should be renamed “river management and flood protection” and be relocated from Group 1 (Adaptation and emergency management) to Group 6 (Roading and Transport). The transportation network is built around the river network, and therefore, should be managed together. Alternatively, “flood protection” could be reframed under the umbrella of “Lifelines utilities” to help provide clarity that this activity is about preparedness and maintenance of flood protection infrastructure, to differentiate it from emergency response, which sits within the Adaptation and Emergency Management function.

Adaptation has both a Capital (Capex) component and an ongoing operational (Opex) cost associated with it. It is possible that the cost of investing in adaptation, such as increasing the freeboard of a new bridge to account for anticipated increases in extreme weather events, could be classified as an adaptation activity, while the maintenance of the ongoing benefits that asset provides better fits within the activity group to which it more directly relates (such as a bridge being budgeted for within the Roothing and Transport activity).

Decisions sought:

- That further consideration be given to the reference to “drought and fire protection,” particularly in relation to potential overlap in legislative responsibilities with FENZ and other central government agencies.
- That “flood protection” be renamed “river management and flood protection” or “Lifelines utilities” and be relocated to Group 6, out of recognition of its ongoing management alongside roading infrastructure.
- That the Ministry provide clarification of the context in which they want councils to report on adaptation, that is, in terms of capital expenditure or ongoing operational expenditure.

Group 2 – Community and Recreational Facilities

MDC agrees with the submission by Taituarā and others that the “Cemeteries” activity should be relocated from its current location in Group 2 to Group 4 – Parks and reserves. Cemetery management at MDC is administered alongside parks, open spaces and reserve maintenance activities.

Decision Sought:

- That the “Cemeteries” activity be relocated from Group 2 to Group 4.

Group 3 – Governance, planning and reporting

MDC questions the inclusion of several activity-specific plans and strategies within Group 3. While corporate governance documents such as the Long-term Plan, Annual Plan and Annual Report are appropriately included within Governance, planning and reporting, many activity-specific plans and strategies are prepared, implemented and monitored by the business area responsible for delivering those services.

The draft guidance appears to group activities by document type rather than function. For example, the Infrastructure Strategy, Financial Strategy and Revenue and Financing Policy are all prepared as part of the Long-term Plan. MDC seeks clarification on whether the Ministry expects councils to separately account for the preparation of these supporting documents within Group 3, or whether they should form part of the overall Long-term Plan activity.

Similarly, activity-specific plans and strategies, such as the Water Services Strategy and reporting on CCO community and economic development plans, are integral to the

delivery of those activities. For many councils, particularly smaller councils, these documents are prepared, implemented and monitored by the same staff who deliver the activity itself. Separating planning from delivery introduces unnecessary complexity, requires councils to artificially allocate staff resources across multiple activity groups, and reduces the consistency and comparability that the guidance is intended to achieve.

This issue is particularly evident for in-house water services providers. MDC is required to ring-fence all costs associated with its water services activity. It is therefore unclear how the inclusion of the Water Services Strategy within Group 3 is intended to operate alongside those ring-fencing requirements.

Decisions Sought:

- MDC requests that the guidance be amended so that “reporting on CCOs community and economic development plans” is included in Group 8 (Other activities), alongside community and economic development.
- MDC requests that the Ministry clarify whether activity-specific plans and strategies are intended to be separately accounted for within Group 3, or whether they should be reported as part of the activity to which they relate.
- MDC requests that the Ministry clarify how the "Water Services Strategy" activity should be reported by territorial authorities that continue to provide water services in-house. Specifically:
 1. Should the cost of preparing the Water Services Strategy be accounted for within the Long-term Plan activity rather than within the water services activity? If so, how does this align with the ring-fencing requirements?
 2. Is this reference intended to apply only to councils that have transferred water services to a CCO? If so, should the guidance instead refer to Statements of Intent for Water Services rather than the Water Services Strategy?

Group 6 - Roothing and Transport

MDC introduced time-limited parking within areas of the Feilding Town Centre from 1 July 2024. Enforcement of these restrictions, together with responding to complaints about abandoned vehicles, is undertaken by Compliance and Enforcement Officers. These officers are part of Council's regulatory team and undertake a broad range of functions, including bylaw enforcement, permitting, parking enforcement and responding to customer requests.

While the guidance allocates parking services and abandoned vehicles to the Roothing and Transport group, the staff delivering these functions are not dedicated transport officers. This reflects the way many smaller councils operate, where staff routinely undertake work across multiple activity groups. Requiring councils to separately attribute staff costs for individual tasks would create a significant administrative burden

and is likely to result in inconsistent allocation methodologies being applied across the sector.

Decision sought:

- That the Ministry relocate parking enforcement and abandoned vehicles from Group 6 to Group 5 (Public regulatory Services).
- Alternatively, if parking enforcement and abandoned vehicles are to remain in Group 6, MDC requests that the Ministry develop nationally consistent allocation methodologies for staff and corporate support functions that work across multiple activity groups. These methodologies should enable councils to consistently allocate shared costs without requiring detailed time recording or attribution of staff time between activity groups.

c) Is there further information that DIA could provide that would be helpful?

Group 2

MDC seeks additional advice in relation to Group 2 – Community and recreational facilities. MDC’s “Community Facilities” group of activities currently contains:

- Aquatics
- Community Hub Libraries
- Property
- Halls and Recreational Complexes
- Parks, Reserves and Sports Grounds
- Cemeteries
- Public Conveniences

Oftentimes our facilities and land are captured as one entire asset. For example, there are a number of cases where Council doesn’t own all of the facilities but owns the land they sit on i.e. Johnston Park – the rugby clubs own some of the facilities and Council owns the rest. Obviously MDC does not capture the value of the asset that is owned by another entity.

The proposed reporting groups do not align well with the way many councils currently manage or account for integrated land and facility assets. Determining how to separate facilities and land assets will be complex and time consuming, and will involve cost to achieve given the way that MDC currently accounts for these activities.

MDC owns a number of properties where the physical asset is managed by a CCO or a Community Committee or Trust on Council’s behalf (e.g. the Feilding Civic Centre that is managed by the Feilding Civic Centre Trust).

Decision sought:

- MDC requests that the Ministry provide guidance on the classification of community and recreational facilities where ownership, management or operational responsibilities differ from the underlying land ownership, including where facilities are managed by CCOs, trusts or community committees on Council's behalf.

Group 3 – Mandatory Reporting Requirements

The exposure draft for the Regulations for groups of activities for councils' planning and reporting included reference to "Government mandatory reporting requirements" within the Governance, planning and reporting group. The draft guidance document does not include mandatory reporting within the activities and description for this group (Group 3). However, "Government mandatory reporting requirements" is still assigned to this group within the "Index of activities and their groups" in Appendix A.

MDC has questions in relation to the reference to 'Government mandatory reporting.' Is this a reference to the future performance measurement framework that this architecture is designed to support? Does this include mandatory reporting council-wide? What about the mandatory reporting that MDC does for water services (e.g. reporting to the Water Services Authority Taumata Arowai)? Is this separate?

Decision Sought:

- MDC request that the Ministry define 'Government mandatory reporting requirements' and provide examples of the activities intended to be included.

Group 3 - Marketing and Communications

MDC treats marketing and communications as a shared corporate support function that provides services across the organisation. While individual project budgets may include communications expenditure for items such as consultation materials, advertising or design, the staff costs associated with the communications team are not currently recorded or charged back to the activities they support.

If the Ministry expects these support costs to be allocated across the prescribed activity groups, councils will need to develop methodologies to attribute communications staff costs across multiple activities. In the absence of nationally consistent methodologies, councils are likely to adopt different approaches. Alternatively, if councils account for all communications costs within a single activity group, the resulting information may not consistently reflect the resources supporting each activity. Either approach has the potential to reduce the comparability of published information between councils.

MDC agrees with the submission by Taituarā that it is unclear what is meant by 'marketing', especially as it is distinct from communications. We share Taituarā's view that reference to marketing is unnecessary and is difficult to differentiate from economic development and tourism activities, which are already specified in the guidance.

Decision Sought:

- MDC requests that the Ministry clarify whether shared communications staff costs are intended to be allocated across the prescribed activity groups and, if so, provide nationally consistent guidance on how those costs should be allocated.
- That reference to “marketing” within Group 3 be deleted.

Group 4 (Parks and Reserves) and 6 (Roeading and Transport)

Group 4 includes reference to “walking tracks,” while Group 6 includes “footpaths.” Without clear definition, there is potential for some confusion in how to differentiate between these two activities. MDC currently considers any footpath or walkway that is located within the road reserve as a land transport asset, and any off-road walkway as a community facility asset. Providing a clear definition will help ensure that all councils are consistent in how these assets are accounted for.

The guidance in relation to differentiating between community facilities located on reserve land that support the use of the reserve (Group 4) and those that are not part of the use of the reserve (Group 2) is helpful. However, even with this guidance, the separation of some reserves into these different functions will be problematic, particularly for those reserves where there are mixed functions and ownership arrangements. For example, Kowhai Park contains community facilities including the Old Tote Building (Council-owned recreational complex), public conveniences and the Feilding Cricket Pavilion (privately owned). Kowhai Park also contains sports fields (Kōwhai cricket area), playgrounds, walkways and gardens.

Further guidance is needed in relation to how to group community facilities that are in community or private ownership that are located on Council-owned land. Within the Manawātū District there are four community-owned halls located on Council land. These are technically land assets (Group 4) but their primary purpose is as a community and recreational facility (Group 2). Council supports these community-owned halls by contributing to structural and compliance works.

Decision Sought:

- MDC requests that the Ministry provide further guidance on how community and recreational facilities should be grouped where ownership, management or operational arrangements differ between the land and the associated facilities.

Group 5 – Public Regulatory Services

MDC seeks assurance that the “resources consent/planning compliance” description means both our resource consent processing function as well as our planning compliance. It is not clear in the current wording if this means only the compliance function.

MDC assumes that ‘building control’ means building consent processing and inspections, as well as building compliance activities (BWO’s, NTF, PIM’s, etc)? Much

of our PIM work is currently completed by our data management team. This is a corporate overhead function.

Decisions sought:

- MDC requests that the Ministry clarify what is meant by “resources consent/planning compliance,” including whether this includes the resource consent processing functions of council.
- MDC requests that the Ministry clarify the full range of activities included within the term “Building Control.”

Sustainability (Group 8 – Other activities)

MDC generally supports this new group of activities. However, MDC requests that the Ministry expand on what is meant by “sustainability” in this context. Some examples would be useful for us to understand what types of activities this would encompass.

Group 8 – Forestry

MDC considers the reference to “forestry” in group 8 unusual. Is this intended to mean commercial forestry where Council may have a commercial interest? Or forestry set aside for biodiversity purposes? Some further guidance or worked examples might be useful here.

Activities that support specific activities

The guidance notes state that councils should “bunch the services that support an activity together as much as possible” and that cross-council support services, such as HR, IT, finance, iwi liaison, should either be allocated to the activity they most directly support, or otherwise be reported within Governance, planning and reporting. However, these corporate support functions are not themselves identified as activities within the prescribed groups.

It is therefore unclear whether these functions are intended to form part of the prescribed activity groups or simply provide examples of how councils should allocate internal support costs. Further guidance is also needed on how other shared corporate support functions, such as communications, customer services, legal services, governance support, data management and LGOIMA administration, should be treated to ensure consistent reporting across councils.

MDC recognises that some flexibility in how to account for these cross-council support services is beneficial as, depending on the size of the council, some councils may have dedicated support services for different activities, while others may have support staff that work across all of council. However, this flexibility will significantly affect the comparability of published information unless councils apply a common allocation methodology and may result in differences in accounting practices being interpreted as differences in organisational performance.

Decision sought:

- If cross-council support functions are intended to be included within the prescribed activity groups, MDC requests the following:
 - (a) Clear methodologies to ensure national consistency in how these cross-council support functions are to be divided amongst the other groups (e.g. allocated based on revenue? Office footprint? FTEs?).
 - (b) Clarification on whether government (and the Audit Office) expect councils to include such activities in activity statements. That is, do councils have to identify the rationale for delivery of these activities within the group, outline any significant negative effects that this activity may have on the local community, and set performance measures and targets? (i.e. subject to clauses 2-5 of Part 1, Schedule 10 of the Local Government Act 2002).

d) Any other comments?

Within group 1 (Adaptation and emergency management) the reference to “improvements or upgrades to accommodate climate impacts...should be recorded against the activities to which they most directly relate” is helpful in understanding how councils should differentiate between projects that include an adaptation component. One recent example specific to the Manawātū District Council is the replacement of the Churchill Road Bridge that failed during Cyclone Gabrielle. Rather than replacing like-for-like, the freeboard of the new bridge was elevated to increase its resilience to future emergency events.

While MDC generally supports activities that include an adaptation component being recorded against the activity to which they most directly relate (e.g. Churchill Road Bridge being recorded within the “Roading and Transport” activity), MDC recognises that this may result in underestimating or under-reporting in relation to adaptation investment made by councils in response to climate impacts. If this is of concern, it may be worth the Ministry considering alternative ways that investments in adaptation could be recorded.

LGOIMA Information Requests (Group 5)

MDC does not currently charge for LGOIMA requests, in an effort to be as customer-friendly as possible. The administration involved in receiving, allocating and coordinating requests is undertaken as a corporate support function. The time spent preparing responses is generally absorbed within the business areas to which the requests relate, rather than being separately attributed to individual requests.

MDC seeks clarification on how these costs are intended to be accounted for within the prescribed activity groups. If councils are expected to separately record staff time associated with administering and responding to LGOIMA requests, this would create a significant additional administrative burden that is unlikely to improve the quality or comparability of reporting.

Decision Sought:

- MDC requests that the Ministry clarify how the costs associated with LGOIMA requests should be allocated within the prescribed activity groups and develop a nationally consistent approach that supports comparable reporting without requiring disproportionate administrative effort.

Roading and Transport (Group 6)

Public transport services are currently a function of Horizons Regional Council (Horizons). MDC supports this activity through representation on governance groups, and advocacy on behalf of our community at the regional and national level. MDC is also responsible for the installation of new bus stop infrastructure to support bus services operating within our District.

Group 8 – Characterisation of "Other activities"

MDC supports the introduction of a standard "Other activities" group for the purposes of consistent planning and reporting. However, the statement that Group 8 is intended for activities "not considered core services" is not necessary to achieve that objective. Councils can consistently classify these activities without the guidance characterising their relative importance.

Many activities within this group, including social housing, economic development, community grants, events and festivals, play a critical role in creating prosperous, connected and attractive communities. At MDC, many of these services are delivered through council-controlled organisations, including the Manawātū Community Trust, Feilding and District Promotion, and the Central Economic Development Agency (CEDA). Funding provided to these organisations would be reported within this group.

While these activities fall outside the Government's legislative definition of "core services", they remain important investments for many communities. They support local economic growth, attract people and investment, strengthen community capacity, and respond to local priorities identified through democratic decision-making.

MDC is particularly concerned that, in the context of the Government's proposed rates capping regime, describing these activities as "non-core" may unintentionally signal that they are lower priorities for council investment or the first areas in which expenditure should be reduced. This risks influencing public perceptions and future funding decisions in a way that extends beyond the purpose of reporting guidance.

Decisions about the level of investment in these activities should remain matters for locally elected councils, following consultation with their communities. The Local Government Act 2002 recognises local authorities as democratically elected bodies responsible for identifying and responding to the current and future needs of their communities. Accordingly, councils should retain the flexibility to determine the appropriate level of investment in these activities based on local priorities, rather than being influenced by a one-size-fits-all characterisation of them as "non-core".

Decision sought:

- MDC requests that the guidance be amended to describe Group 8 as capturing activities that do not fall within the other prescribed groups, without referring to them as "non-core" or "not considered core services".

This would achieve the objective of consistent reporting while remaining neutral and respecting local democratic decision-making.

Reporting on recovery costs

Should costs associated with the disposal of debris during emergency recovery be recorded against the 'adaptation and emergency management' category or as part of 'waste management'?

MDC considers that costs associated with the disposal of debris arising from an emergency event are most appropriately recorded within the Adaptation and Emergency Management group where the disposal forms part of the emergency response or recovery effort. For example, following significant weather events, councils may be required to clear and dispose of landslide debris, forestry slash or other material as part of restoring access and community safety. These activities are undertaken as part of the emergency response and recovery rather than as part of the routine delivery of waste management services. Recording these costs within Adaptation and Emergency Management would more accurately reflect the purpose for which the expenditure was incurred.

Thank you again for the opportunity to comment on the draft guidance. Should the Ministry wish to discuss any of the matters raised in this submission, MDC would be pleased to provide further information or clarification.

Yours sincerely,



Michael Ford

Mayor

12 August 2026

Infrastructure Regulation Branch

Commerce Commission

By email: infrastructure.regulation@comcom.govt.nz

Dear Commissioners,

Submission on Resilience principles for investment decision-making

The Manawatū District Council (MDC) welcomes the opportunity to provide feedback on the Commerce Commission's draft guidance *Resilience Principles: Decision-making Framework for Critical Infrastructure Providers*.

MDC is responsible for planning, delivering and maintaining a diverse portfolio of critical infrastructure and community assets that support the social, economic and environmental wellbeing of our district. Resilience considerations are already embedded across many aspects of Council's governance, asset management, infrastructure planning, emergency management and investment decision-making.

MDC supports the Commission's objective of promoting consistent, transparent and evidence-based resilience investment decisions. We particularly support the draft guidance's emphasis on proportionality and its recognition that infrastructure providers differ in size, complexity, asset portfolios and organisational maturity. These principles provide an appropriate foundation for strengthening resilience while allowing organisations to progressively improve over time.

MDC considers the guidance should complement and build upon existing planning and asset management processes rather than create a separate resilience planning framework. We encourage the Commission to continue developing practical implementation guidance that enables infrastructure providers to integrate resilience considerations into existing decision-making processes in a way that is both proportionate and achievable.

Executive Summary

MDC is broadly supportive of the proposed resilience decision-making framework.

In particular, MDC supports:

- integrating resilience into existing governance, asset management, risk management and investment decision-making processes;
- recognising that infrastructure providers have differing levels of organisational maturity;

- applying a proportionate, risk-based approach to resilience investment;
- acknowledging uncertainty as an inherent feature of long-term infrastructure planning; and
- encouraging continuous improvement rather than prescribing a single methodology.

To further strengthen the guidance, MDC recommends that the Commission:

- provide additional implementation guidance and worked examples for different infrastructure sectors;
- demonstrate how the resilience principles can be integrated with existing planning frameworks such as Asset Management Plans, Long-term Plans, Water Services Delivery Plans and emergency management planning;
- develop further guidance on identifying and assessing cross-sector interdependencies;
- recognise that resilience investments must balance technical feasibility, affordability, service levels and community expectations; and
- continue supporting flexibility by recognising existing asset management frameworks and sector-specific methodologies rather than prescribing a single approach.

MDC also considers that resilience should be viewed as an integral component of broader infrastructure planning rather than a standalone activity. In practice, resilience outcomes are frequently delivered through asset renewals, network improvements, climate adaptation initiatives, growth planning and service-level investments. Effective resilience decision-making therefore involves balancing resilience objectives with affordability, competing investment priorities and long-term community outcomes.

The following responses address each of the Commission's twelve consultation questions.

Q1 Is the draft guidance clear about its purpose and practical status, including the level of analysis and rigour the Commission expects for more material resilience expenditure proposals?

MDC supports the overall direction of the draft guidance.

The document provides a practical and well-structured framework for resilience investment decision-making and appropriately recognises that resilience should be integrated into ordinary asset management, governance, risk management and investment planning rather than treated as a separate activity. MDC particularly supports the emphasis on proportionality and the recognition that infrastructure providers are at different stages of asset management and resilience maturity. These themes make the guidance applicable across a wide range of providers while allowing organisations to progressively improve their practices over time.

Q2 Is it clear how the draft guidance should be applied proportionately across sectors with different levels of maturity?

MDC considers the guidance appropriately recognises the differing maturity levels that exist across infrastructure sectors. We support the Commission's acknowledgement that providers should continue incorporating resilience considerations while progressively improving capability, rather than delaying investment until maturity is achieved.

MDC suggests the guidance also acknowledge that many local authorities are simultaneously implementing Local Water Done Well reforms and strengthening their asset management systems. During this transition, the Commission should continue applying a proportionate approach to expectations and evidence requirements.

Q3 Are there implementation barriers, overlaps, or accountability issues in the wider resilience and regulatory landscape that may affect how this guidance is applied in practice?

MDC considers the greatest implementation challenges are likely to be:

- availability of consistent hazard information;
- differing levels of asset management maturity;
- capability and specialist resourcing;
- integration of resilience analysis into existing business case processes;
- coordination across multiple regulatory authorities.

While the guidance recognises maturity, additional practical implementation advice would assist providers in moving from existing asset management practices to the more comprehensive resilience assessments envisaged by the guidance. Practical implementation is also affected by the difficulty of determining an appropriate and affordable level of resilience. For some hazards, such as flooding, design and investment decisions can be informed by flood-hazard information, climate-change allowances and relevant technical standards. For other hazards, particularly major earthquakes, the timing and severity of an event are inherently uncertain and it may not be practicable to design infrastructure to avoid all disruption.

These decisions therefore require providers to balance risk, consequences, technical feasibility and affordability, including the level of additional resilience that communities are willing and able to fund. Multi-agency coordination is also important, as actions intended to protect or restore one asset or service may transfer risk to other infrastructure, communities or natural systems.

Q4 What areas should the Commission prioritise in further work (for example, business case guidance, resilience measures, maturity assessment, interdependency information, or reporting)?

MDC supports the Commission continuing to develop practical implementation guidance to accompany the resilience principles. In particular, we consider future work should focus on practical business case guidance, worked examples from different

infrastructure sectors, and tools that assist providers to progressively improve resilience maturity.

Additional guidance on infrastructure interdependencies would also be valuable. Local authorities operate interconnected water, transport and community infrastructure networks, and resilience investment decisions are often influenced by dependencies across sectors. Further guidance on identifying, assessing and incorporating those interdependencies into investment decision-making would assist providers.

MDC also encourages the Commission to develop guidance demonstrating how the resilience principles can be integrated with existing planning frameworks, including Asset Management Plans, Long-term Plans, Water Services Delivery Plans and emergency management planning, rather than creating separate resilience planning processes.

Further guidance would also be useful on critical-asset mapping, identifying alternative service and transport routes, and transparently balancing hazard likelihood, service consequences, affordability and the community's willingness to fund increased resilience.

Q 5. Which aspects of the draft guidance are most helpful for informing your investment decision making, and why?

MDC considers the draft guidance to be particularly helpful in recognising that resilience is not a standalone activity, but should be integrated into existing governance, asset management, risk management and investment decision-making processes. We also support the emphasis on proportionality, recognising that infrastructure providers differ in size, complexity and organisational maturity.

The guidance appropriately encourages decision-makers to consider resilience alongside affordability, service levels and long-term community outcomes, rather than treating resilience as an isolated objective. This integrated approach is particularly helpful because resilience is not always the sole or primary driver of an infrastructure investment. Projects may be initiated because of renewal needs, capacity constraints, safety, compliance, growth, climate adaptation or service-level requirements while also delivering resilience benefits. MDC also welcomes the recognition that resilience decisions often need to be made in the face of uncertainty and that continuous improvement should be expected rather than immediate perfection.

Q6. Which parts of the draft guidance are unclear, unnecessary, or could be improved? Please explain.

Overall, MDC considers the guidance to be clearly written and well structured.

There are, however, opportunities to further improve its practical application. In particular, the guidance could provide additional worked examples illustrating how the principles might be applied to different infrastructure sectors and to investments of varying scale. This would help smaller organisations apply the framework consistently while reinforcing the principle of proportionality.

MDC also suggests more clearly distinguishing between examples of good practice and regulatory expectations. While the document appropriately states that it is guidance,

some sections headed "*What we expect to see*" could be interpreted as minimum compliance requirements. Clarifying that expectations should remain proportionate to the scale, complexity and criticality of the investment would improve consistency throughout the document.

Finally, the guidance could more explicitly acknowledge that many infrastructure providers already consider resilience through existing statutory planning and asset management processes. The framework should build upon these processes rather than be interpreted as creating an additional planning framework.

Q7. Are any principles missing? Are there areas of overlap where the principles could be simplified or streamlined?

MDC does not consider any fundamental resilience principles to be missing from the framework.

However, consideration could be given to placing greater emphasis on organisational learning and continuous improvement following disruptive events. While these concepts are reflected throughout the guidance, highlighting the importance of post-event evaluation and lessons learned would reinforce the iterative nature of resilience planning and support continual improvement over time.

Q8. Are there any missing frameworks or evaluation tools that should be included or referenced?

The draft guidance appropriately references a range of recognised decision-making approaches and provides sufficient flexibility for infrastructure providers to adopt methodologies appropriate to their circumstances.

MDC considers that additional references to established local government asset management guidance, such as the International Infrastructure Management Manual (IIMM), ISO 55000 Asset Management standards, and Treasury's Better Business Case guidance, would further strengthen the document. These frameworks are already widely used across local government and would assist providers in integrating resilience considerations into existing investment planning processes.

The guidance should continue encouraging the use of recognised frameworks rather than prescribing a single methodology. The guidance should continue encouraging the use of recognised frameworks rather than prescribing a single methodology. It could also recognise practical evaluation tools already used by infrastructure providers, including hazard and flood mapping, climate-change projections, asset-criticality assessments, network vulnerability mapping and analysis of alternative service or transport routes. This flexibility is important because different infrastructure activities are subject to different technical standards, statutory planning requirements and investment-assessment processes.

Q9. To what extent do you already apply these principles in your resilience-related decision making processes? If not, what currently guides your resilience-related investment decisions?

MDC applies many of the principles outlined in the draft guidance through its asset management planning, long-term infrastructure planning, emergency management arrangements, climate adaptation work and Water Services Delivery Plan.

In practice, resilience is often incorporated through existing technical and investment processes rather than identified as a standalone objective. Examples include considering flood-hazard information and climate-change effects in infrastructure design and procurement, assessing the criticality of assets, and identifying alternative transport or service routes. However, identifying a resilience vulnerability does not automatically result in additional investment. Decisions must also take account of risk, consequences, competing priorities, practicability, affordability and the community's willingness to fund higher levels of resilience. The draft guidance's integrated approach is therefore consistent with current local government planning practice.

Q10. Do you have practical examples of applying these principles - in a specific sector, or cross-sector - that could be shared to support other users of the guidance?

MDC considers this an important opportunity to demonstrate how resilience principles are applied in practice.

Practical examples include incorporating flood-hazard information and climate-change allowances into stormwater planning, infrastructure design and procurement; identifying critical transport assets and alternative routes to support access and network recovery following disruptive events; and coordinating with regional and emergency management partners where actions affecting flood flows, roads and other critical assets need to be considered collectively.

These examples demonstrate that resilience is commonly delivered through wider renewal, safety, capacity, climate-adaptation and network-planning programmes, even where resilience is not the sole or primary investment driver. They also illustrate that identifying a critical asset, network vulnerability or alternative route is an important first step, but does not by itself establish that additional investment is justified. Providers must still assess consequences, options, affordability and competing investment priorities.

Q11. How should the framework recognise and reflect iwi, hapū, and Māori perspectives, including capability, resources, and relationships that support resilience, particularly in smaller or more isolated communities?

MDC supports recognising the important role that iwi, hapū and Māori organisations can play in understanding local hazards, environmental values and community resilience.

The guidance should encourage meaningful engagement while recognising that statutory engagement requirements already exist under a range of legislation. Wherever possible, the Commission's guidance should complement existing engagement processes rather than create parallel consultation expectations.

MDC also encourages recognition of mātauranga Māori alongside technical and engineering evidence where this contributes to understanding long-term resilience and community wellbeing.

Q12. Which cross-sector vulnerabilities and interdependencies should the framework place the greatest emphasis on, and expect infrastructure providers and the Commission to pay closest attention to?

The framework should place particular emphasis on the interdependencies between electricity, telecommunications, transport, drinking water, wastewater, stormwater, flood-management systems and emergency access. Disruption to one system can significantly affect the operation and recovery of others. For example, water and wastewater services may depend on electricity and communications, while repairs and emergency response depend on functioning roads, bridges, fuel supplies and access routes.

Particular attention should also be given to the interaction between infrastructure and natural systems. During a flood or other emergency, actions taken by one agency to manage river flows, protect infrastructure or restore access may alter risks for other assets and communities. Effective resilience planning therefore requires coordinated decision-making among territorial authorities, regional councils, emergency management agencies, lifeline utilities and transport providers. Providers should consider not only economic impacts but also public health, community isolation, accessibility, recovery capability and the disproportionate effects of service disruption on vulnerable populations.

At the same time, resilience decisions must continue to balance community expectations with affordability and long-term financial sustainability. Local government is well placed to make these decisions through existing democratic processes, including Long-term Plans and Annual Plans, where communities can express their preferences regarding service levels and investment priorities.

Yours sincerely,



Michael Ford

Mayor

18 August 2026

Committee Secretariat,
Environment Committee,
Parliament Buildings,
Wellington.

Submitted via: en.legislation@parliament.govt.nz

Tēnā koutou,

Submission of Manawātū District Council on the Environmental Reporting Amendment Bill

Manawātū District Council (MDC) thanks the Environment Committee for the opportunity to submit on the Environmental Reporting Amendment Bill (the Bill).

Introduction

MDC supports the Bill's objective of ensuring that New Zealanders and decision-makers have access to independent, authoritative and useful information about the state of the environment. MDC therefore supports the amended purpose proposed by the Bill.

Council also supports several elements of the Bill in principle, including the addition of drivers and outlooks to environmental reports, a clearer definition of 'pressures,' the ability to examine interconnected environmental issues, improved environmental indicators and monitoring standards, and the establishment of a standing expert panel.

However, Council has concerns about whether the Bill, as currently drafted, will provide the timely, comprehensive and independent environmental evidence needed by local government. In particular, Council is concerned that the proposed move from three-yearly to six-yearly state-of-environment reporting is not accompanied by sufficient statutory safeguards between reports, including a mid-cycle integrated stocktake; that the commentary regime leaves considerable discretion over topic and timing; that there is no formal government response to environmental findings and data gaps; and that the institutional arrangements for the Strategic Evidence Panel do not fully secure its transparency and independence.

It is further noted that the six-year cycle proposed equates to two full parliamentary terms, such that the ability to objectively evaluate the impact of government environmental policy change made within the first three years may be diluted or obscured by changes to policy made by an incoming government over the second half of the reporting period.

These concerns need to be considered in the context of the wider environmental, planning, climate adaptation and local government reform programme. The importance of reliable environmental information is increasing at the same time as the Bill proposes to reduce

the frequency of New Zealand's principal integrated assessment of environmental conditions.

Background

Manawatū District is a provincial district comprising Feilding, rural settlements and extensive productive rural land. The district extends from the Ruahine Ranges in the east to the Tasman Sea in the west and encompasses hill country, river valleys, fertile plains and coastal environments. Its landscape is shaped by significant river systems, including the Rangitikei, Ōroua, Pohangina and Manawatū rivers and their tributaries. This geographic diversity contributes to the district's productive strengths, but also means that environmental conditions and risks can vary considerably across the district. The primary sector is a significant part of the district's economy and identity, with land, water, weather and environmental conditions directly affecting households, rural communities, businesses and the wider local economy.

In exercising its responsibilities for district planning, drinking water, wastewater, stormwater, local roads, emergency management, infrastructure strategy, asset management and long-term financial planning, MDC must assess how environmental conditions and natural hazards may affect communities, services and investment over several decades. These decisions must be evidence-based and publicly defensible, particularly where they create long-term costs for a provincial and substantially rural rating base.

The district is exposed to interconnected environmental pressures and states, including river and surface flooding, drought and water-security risk, projected changes in rainfall patterns and extreme rainfall, land-use pressures, freshwater health, pressures on indigenous biodiversity, and the resilience of rural and urban infrastructure.

MDC relies on its own operational information, scientific and hazard information held by Horizons Regional Council, and national environmental datasets and assessments. National reporting does not replace regional monitoring or location-specific evidence, but it provides a consistent national benchmark, offers context and data for trends and issues which are pan-regional in scale (e.g. climate change and external threats to indigenous biodiversity and agriculture), supports comparison of long-term trends across environmental domains, and strengthens public accountability for environmental change.

National environmental reporting is therefore an important supporting and accountability layer for MDC's Long-term Plans, infrastructure strategies, growth and land-use decisions, emergency preparedness and future climate adaptation planning.

Reporting Cycle and Transition

Although ***Our Environment 2025*** provides a recent national whole-of-environment baseline, the Bill is proposed to commence on 1 May 2027 and the first state-of-the-environment report under the amended system would not be required until before 1 April 2031. This would create an interval of up to six years between integrated national assessments. During that period, significant planning, adaptation and institutional

reforms are being proposed and others are already being implemented. These include (but are not limited to) new legislation to replace the Resource Management Act 1991 (RMA), new national direction under the RMA, projects under the Fast-track Approvals Act 2024, changes to climate change legislation, changes to Emergency Management legislation, and the reform of local government itself (which could result in changes to the form and functions of regional councils).

Council's concern is not the absence of environmental evidence, but the risk that emerging and cumulative changes across environmental domains, including any effects arising during implementation of significant planning, development and institutional reforms, may not be brought together in a new, authoritative national synthesis at a sufficiently useful point in the reform cycle.

MDC recognises the case for a six-yearly full synthesis: a longer cycle may allow deeper cross-domain analysis, reduce repetitive reporting and lessen demands on central government agencies and data providers. It also acknowledges that the Parliamentary Commissioner for the Environment supported a six-yearly cycle in his 2022 submission because it largely reflected his 2019 recommendations. It is worth noting that those recommendations pre-dated the scale and pace of the current environmental, water services and local government reform programme.

The Commissioner's support however noted recommendations for a mandatory government response and action plan, core indicators prescribed in regulations and reviewed after three years, commentaries focused on materially changed information and emerging issues, and powers to actively collect data. Council therefore considers that the six-year cycle should be assessed as part of a complete package of safeguards, rather than in isolation.

On that basis, MDC does not oppose a six-yearly full state-of-the-environment report in principle. It considers the interval acceptable only if the Act also requires a comprehensive mid-cycle stocktake no later than three years after each full report, updating the core indicators and identifying material changes across all prescribed topics. This would retain the benefits of a deeper six-year synthesis while providing councils and the public with a regular integrated check on whether environmental conditions are materially changing.

Commentary reports and integrated reporting

Council considers that annual commentary reports are a useful addition, but they are not a complete substitute for a current whole-of-environment synthesis. Commentary reports may be topic-specific, may span one or more domains, and need only ensure that each prescribed topic is covered once within each six-year period between state-of-the-environment reports. That approach may improve flexibility, but it does not guarantee the regular availability of a nationally integrated stocktake suitable for councils, communities, and infrastructure providers making strategic decisions across multiple environmental domains. Because the natural environment is interconnected, a commentary focused on one domain may miss changes in pressures or environmental states occurring elsewhere that are contributing to, or affected by, the issue being examined.

Council is also concerned that the proposed commentary framework may not provide sufficient assurance that rapidly changing environmental issues will be assessed and reported when conditions materially change. This is particularly relevant for environmental matters where significant changes may occur over relatively short periods, such as freshwater quality or air pollution events. While the underlying monitoring of these matters may continue more frequently, timely statutory reporting remains important because it brings that information together, interprets its significance and makes emerging trends visible to decision-makers and the public. Council therefore considers that the commentary programme should be sufficiently responsive to revisit prescribed topics where monitoring or other evidence indicates material change, rather than relying solely on the requirement that each topic be covered once during the six-year cycle.

Council also notes the Regulatory Impact Statement's own implementation risk that some environmental areas may be repeatedly overlooked because another issue is seen as more urgent. A requirement to cover each prescribed topic once within six years does not fully address that risk. It ensures eventual coverage, but not that information will be current when councils must make decisions or that changes across climate, freshwater, land, biodiversity and natural hazards will be assessed together.

Strategic Evidence Panel

MDC requires more clarity about the governance design of the proposed Strategic Evidence Panel. The Bill describes the Panel as providing independent advice, but the Secretary sets the terms of reference, appoints members in consultation with the Minister, and may remove members for just cause. The Ministry also provides secretariat support. Council accepts that this model may be administratively workable but considers that the Bill should contain stronger safeguards if the Panel is to carry public confidence as an independent source of strategic advice. At present the Bill contains no express requirement to publish the Panel's advice, no requirement to publish the Secretary's response to that advice, and no explicit requirement for membership to include expertise from local government, climate adaptation, mātauranga Māori, or environmental statistics beyond the broad requirement that members collectively hold relevant expertise.

MDC notes that the Regulatory Impact Statement itself places considerable weight on the value of independent expert advice and on the need for a range and diversity of expertise. It also records that earlier respondents raised cost, resourcing and capacity concerns, particularly for local government and other environmental data holders. Those matters reinforce the importance of a transparent, balanced and trusted panel architecture.

Council considers that the Panel's independence should be demonstrated through its statutory design, not only through its description. The Act should require transparent appointment criteria, publication of the Panel's terms of reference and substantive advice, disclosure and management of conflicts, and a published response where the Secretary does not adopt a material recommendation. The Panel should collectively include expertise in environmental science, official statistics, climate adaptation, mātauranga

Māori, public health, environmental economics, infrastructure and the practical use of environmental evidence by local government. This need not make the Panel representative of sector interests; it would ensure its advice is informed by the systems that collect and use the data.

Data Collection, Standards and Indicator Continuity

MDC also notes that the Bill strengthens the Secretary's role in setting indicators and standards but does not impose direct express duties on local authorities to provide data. While that limits the Bill's direct compliance burden on councils, it is likely to create practical expectations around data interoperability and timing. Council therefore considers that any national indicator-setting or standards-setting process that materially affects local-government-held data should involve meaningful consultation with local government and should be supported by realistic implementation pathways and funding arrangements where change is required.

New section 14B is especially relevant. It requires the Secretary to specify scientific environmental monitoring standards and methods, but unlike new section 14A, which expressly requires consultation with the Government Statistician before indicators are set, it does not expressly require consultation with councils, iwi, monitoring agencies or other affected data providers before standards and methods are introduced or materially changed. Council considers that this is a significant omission.

Council's concern is not that the proposed reporting cycle itself will increase costs for councils. The risk arises at implementation: new standards, methods or data specifications may require changes to monitoring programmes, systems, metadata, quality assurance or reporting timetables. Council acknowledges that the Planning Bill and Natural Environment Bill also contain monitoring and reporting requirements that may generate some of the information required under this Bill. However, those requirements are primarily directed at assessing the implementation and effectiveness of national direction, plans and environmental limits, and may not capture wider environmental trends, cumulative pressures or emerging issues.

The legislation should therefore require early consultation, transparent assessment of implementation implications, reasonable transition periods and appropriate funding where national requirements create material new costs.

Indicator continuity is equally important. The Bill does not expressly require a stable core set of indicators, reasons to be published when indicators change, parallel reporting when methods change, or preservation of comparability across reporting cycles. Without those safeguards, apparent changes in environmental condition may reflect a change in indicator or methodology rather than a real environmental trend.

This continuity will be particularly important if local government reform results in changes to regional council functions or structures. Regional councils hold long-running environmental datasets, monitoring programmes and specialist expertise, and any

transfer of responsibilities will need to preserve data stewardship, monitoring continuity and institutional knowledge.

Data and Evidence Priorities and Government Accountability

Council supports the proposed Data and Evidence Priorities Report, but its value will depend on what follows. Under the Bill it must be produced within six months of each state-of-the-environment report, meaning it may operate on the same six-year cycle. The Bill does not require a government response, an implementation plan, named delivery agencies, funding decisions or public progress reporting.

The need to address these gaps is not new. The Parliamentary Commissioner for the Environment has previously identified significant gaps and inconsistencies in New Zealand's environmental information and the difficulties these create for understanding environmental change. The Data and Evidence Priorities Report provides an opportunity to systematically identify and prioritise those deficiencies.

The Regulatory Impact Statement and Cabinet material also acknowledge that the amendments will not fill all environmental data gaps, and that sustained investment will be required. Council is concerned that gaps could be repeatedly identified without a clear mechanism for addressing them. A formal government response should set out which priorities are accepted, how they will be progressed, who is responsible and how progress will be reported. This would preserve the independence of the evidence while ensuring accountability for the response.

Reporting Against Statutory Outcomes and Limits

New sections 8(3) and 11(3) provide that reports may compare environmental findings with relevant policy outcomes, targets, limits or goals set in legislation. Council considers that reporting against applicable statutory limits and outcomes should be mandatory. A national reporting system intended to support environmental stewardship should not leave it entirely discretionary whether the public is told if legislated environmental requirements are being achieved.

Reports should distinguish binding statutory limits and outcomes from non-statutory government priorities. Where evidence permits, they should also describe the significant statutory, policy, investment or management responses already in place and the available evidence about whether those responses are influencing outcomes. This would complete the feedback loop without turning independent reporting into policy advocacy.

Independence of Environmental Reporting

The Bill transfers sole responsibility for producing and publishing environmental reports to the Secretary, while the Government Statistician's role is narrowed to producing statistics and participating in specified consultations. It also removes the joint ministerial recommendation currently required for topic regulations. Council understands the

objective of clearer accountability but considers that the changes concentrate significant influence over reports, indicators, standards and topics in a single office.

Formal statistical assurance is important to maintain consistency, comparability, transparent methodology and public confidence, particularly where findings may be politically or economically contentious. Council therefore supports either retaining joint production or requiring the Government Statistician to publish an independent statistical assurance statement covering the statistics, methodologies, consistency and comparability used in each report.

Topic Regulations and Local Usefulness

The scope of reporting will also depend heavily on the Environmental Reporting (Topics for Environmental Reports) Regulations. The Bill leaves those topics to regulations recommended by the Minister for the Environment, rather than jointly by the Environment and Statistics Ministers. Council considers that the regulations should be developed and amended through a transparent process involving the Government Statistician, the Strategic Evidence Panel, local government, iwi and relevant science and monitoring bodies. The evidence supporting topic selection should be published.

National-level reporting should also be capable of informing decisions below the national scale. National averages can obscure significant variation between regions and catchments. Indicators and underlying data should therefore be spatially disaggregated to regional, catchment or local scales where data quality and methodology permit, with clear explanations where this is not possible. Data should be provided in accessible, machine-readable and geospatially usable formats, with metadata, uncertainty statements and documentation of methodological changes.

Te Tiriti, Mātauranga Māori and Environmental Information

The earlier consultation recorded support for stronger Māori participation, core Māori indicators, appropriate incorporation of mātauranga Māori and resourcing for participation. Council considers that the Strategic Evidence Panel should expressly include mātauranga Māori expertise and that iwi and hapū should be appropriately involved in developing relevant indicators, standards and methods. This involvement must protect culturally sensitive knowledge and respect appropriate Māori data sovereignty and governance.

Review of the Amended Framework

Council considers that the amended reporting framework should be reviewed within three years of commencement. This would allow Parliament to assess whether the commentary reports are providing sufficiently current and integrated information, whether the indicator and monitoring-standard processes are working effectively, whether data-sharing

arrangements are adequate, and whether the Strategic Evidence Panel is operating independently and transparently.

An early review would be preferable to waiting until the first full six-year reporting cycle has been completed. It would not affect the Parliamentary Commissioner for the Environment's ability to examine the environmental reporting system independently under the Commissioner's existing functions.

Recommendation

MDC recommends that the Committee amend the Bill to:

1. Retain the proposed six-year cycle for full state-of-the-environment reports only if the Bill also requires a comprehensive mid-cycle stocktake no later than three years after each full report, identifying material changes across all prescribed topics and updating the core environmental indicators. If that safeguard is not adopted, retain a three-yearly integrated reporting requirement. Council considers this mid-cycle stocktake a fundamental safeguard within the proposed six-year reporting model.
2. Strengthen the commentary reporting provisions by requiring a publicly available forward work programme, regular updating of material indicators and appropriate consideration of cumulative and cross-domain environmental effects. The framework should also provide for prescribed topics to be revisited where monitoring or other evidence indicates material or rapidly emerging environmental change. It should also preserve a stable core set of indicators and require transparent documentation of changes to indicators or methods so that environmental trends remain comparable over time.
3. Require environmental reports, where applicable, to assess progress against statutory environmental outcomes, targets and limits rather than leaving that assessment entirely discretionary. Reports should also, where evidence permits, describe significant existing responses and the available evidence of their effectiveness.
4. Require the Government to publish a formal response to each state-of-environment report and Data and Evidence Priorities Report, including the action proposed in response to significant findings and evidence gaps. The response should identify responsible agencies, implementation steps, funding implications and arrangements for public progress reporting.
5. Require meaningful consultation with local government, iwi and other affected data providers before environmental indicators, monitoring standards or methods are set, together with transparent assessment and appropriate funding of any significant implementation costs. This should include a statutory consultation requirement before monitoring standards, methods or topic regulations are made or materially amended, reasonable transition periods and protection of long-term data series.

6. Provide the Secretary with clear and proportionate powers and responsibilities to secure the data necessary to populate core environmental indicators, subject to statutory protections, consultation with affected data providers, transparent cost assessment and appropriate funding where new obligations arise.
7. Strengthen the role of the Government Statistician by retaining joint production of environmental reports or requiring the Government Statistician to publish an independent statistical assurance statement on the quality, methodology, consistency and comparability of each report.
8. Strengthen the independence and transparency of the Strategic Evidence Panel through clear appointment criteria, an appropriate range of expertise, publication of substantive advice and publication of the Secretary's response to that advice.
9. Ensure that environmental data and indicators are published, where practicable, at useful national, regional and catchment scales and in accessible formats that can be incorporated into local government planning, infrastructure and adaptation processes. Publication should include underlying data, metadata, uncertainty information and machine-readable and geospatial formats where practicable.
10. Provide appropriate mechanisms for iwi and hapū participation, mātauranga Māori expertise and Māori data governance within the environmental reporting system.
11. Request an independent statutory review of the amended reporting framework within three years of commencement, before the first complete six-year cycle has elapsed, while preserving the Parliamentary Commissioner for the Environment's existing independent oversight role.

Conclusion

MDC supports the objective of improving the quality and usefulness of environmental reporting. Council does not oppose a six-yearly full synthesis in principle but considers that the framework must also provide a mandatory mid-cycle integrated stocktake and regularly updated core indicators. Greater flexibility, better indicators, stronger standards and more forward-looking analysis are worthwhile reforms. However, those improvements should not come at the expense of the currency, independence, comprehensiveness or practical usefulness of New Zealand's environmental evidence base.

The decisions facing councils are increasingly long-term and consequential. MDC must plan for infrastructure, growth, natural hazards, environmental management and climate adaptation while managing affordability pressures for a provincial and substantially rural community.

The national environmental reporting system must provide a sufficiently regular and authoritative foundation for those decisions. It should also ensure that significant environmental findings and evidence gaps lead to transparent consideration and accountability, rather than publication alone.

MDC asks the Committee to amend the Bill accordingly.

MDC does not wish to speak to this submission.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michael Ford', with a long, sweeping horizontal stroke extending to the right.

Michael Ford

Mayor



1 September 2026

Ministry of Business, Innovation and Employment
Tourism and Hospitality
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Tēnā koutou

Feedback from the Manawatū District Council on the Investment Framework for Tourism

The Manawatū District Council (MDC) thanks the Ministry of Business, Innovation and Employment (MBIE) for the opportunity to provide feedback on the proposed IVL Investment Framework for Tourism.

Manawatū District is not traditionally considered a high-tourism area; however, visitor activity has grown in recent years. The District's visitor offering includes rural touring experiences such as The Country Road, alongside walking and cycling experiences, including Te Araroa, Tour Aotearoa, mountain biking and other outdoor and nature-based activities associated with places such as Tōtara Reserve Regional Park and Ruahine Forest Park. The District's visitor economy is predominantly domestic, with domestic visitors accounting for approximately 87% of tourism expenditure (Infometrics, March 2026).

Feilding provides a focal point for visitors, while events and attractions across the wider rural District draw visitors into smaller communities and rural areas. These include agricultural events such as Central District Field Days, the Cross Hills Gardens Country Fair and Kimbolton Sculpture Festival.

While tourism is not on the scale experienced in some parts of New Zealand, growing and dispersed visitor activity creates demand for appropriate infrastructure and amenities. This includes roads and pathways that provide access to visitor destinations and experiences, as well as signage and wayfinding infrastructure that enables visitors to safely navigate the District. MDC therefore has an interest in ensuring the IVL investment framework recognises the infrastructure needs of emerging and developing visitor destinations, as well as areas already experiencing high levels of international tourism.

The following responses focus on those matters within the consultation document that are most relevant to MDC, particularly in its role as a provider of infrastructure and services that support visitor activity.

Question 1: Are these objectives clear enough for discretionary tourism-related investment?

MDC generally supports the proposed investment objectives. However, MDC requests clarification as to what is meant by “retain and enhance the social contract” under Objective 2, as it is not clear what outcome this is intended to achieve or how it would guide investment decisions.

The reference to “increased infrastructure capacity to attract and support visitors” under Objective 1 is of particular relevance to local authorities, given their role in providing much of the public infrastructure and amenities that support visitor activity. MDC therefore supports the recognition of infrastructure capacity within the investment objectives.

Question 2: Do the proposed investment categories and sub-categories sufficiently support the stated framework objectives and assessment criteria?

MDC broadly supports the proposed investment categories and sub-categories. In particular, MDC supports visitor-related infrastructure being identified as a distinct investment category.

MDC considers the proposed sub-categories appropriately recognise the range of infrastructure that supports visitor activity, including visitor facilities and amenities, transport and access infrastructure, and visitor and destination management infrastructure. For MDC, this includes roads and pathways that provide access to and support outdoor and nature-based visitor experiences, as well as signage and wayfinding infrastructure that enables visitors to safely navigate between destinations.

Question 3: Is there enough information to understand what types of investments are likely to be supported? What additional information or guidance would you want to see?

MDC considers that further guidance would be beneficial to help potential applicants understand the types of investments that are likely to be supported.

In particular, greater clarity is sought on how visitor-related infrastructure that provides benefits to both visitors and local communities would be considered. Many of the examples identified in the framework, such as public toilets and amenities, car parks, rest stops and trail networks, are mixed-use assets that support both residents and visitors. Similar questions may arise in relation to infrastructure supporting freedom camping, where facilities may serve visitors while also providing broader community benefits. The framework should make clear how the tourism-related benefits of these investments would be assessed and whether mixed-use infrastructure would be eligible for IVL funding.

MDC also considers that the framework should provide clarity on whether there are any expectations regarding user charges for IVL-funded infrastructure, particularly where infrastructure is also used by local communities. Care would be needed to ensure that

any such expectations do not result in local residents bearing additional costs for infrastructure investment driven primarily by visitor demand.

MDC also seeks clarification on what is meant by investment categories being areas where discretionary tourism-related funding could support a “strategic system shift”. It is not clear what this means for individual investment proposals, including whether local or regional infrastructure projects would need to demonstrate wider tourism system benefits to be eligible for funding. For example, MDC is considering the development of an adaptive mountain biking trail at Mt Lees Reserve. Projects of this nature illustrate the need for clear guidance on the eligibility of locally significant visitor infrastructure, particularly where infrastructure supports both tourism outcomes and recreational opportunities for the local community.

Question 4: Which investment categories and specific types of investments do you think are most important for IVL investments to address immediate tourism needs?

MDC considers visitor-related infrastructure to be an important priority for IVL investment in addressing immediate tourism system needs.

Local authorities provide and maintain much of the public infrastructure and amenities that support visitor activity, including public toilets, carparks, roads and pathways, signage and wayfinding, and recreational facilities. While this infrastructure also provides benefits to local communities, visitor activity can increase demand on these assets and create additional costs for councils.

For MDC, pathways are a significant visitor-related infrastructure cost, particularly given the District's outdoor and nature-based visitor offering. Signage and wayfinding can also involve significant establishment and ongoing maintenance costs, particularly where signage is required on or adjacent to the state highway network.

MDC considers that the costs associated with providing infrastructure to support tourism should not fall disproportionately on local authorities and their ratepayers. IVL investment provides an appropriate mechanism for international visitors to contribute towards the infrastructure that supports their experience and helps communities accommodate visitor activity.

Question 5: Which investment categories and specific types of investments do you think are most important for IVL investments to prioritise on over the next five years, and why?

MDC considers that visitor-related infrastructure should remain a priority for IVL investment over the next five years. As visitor numbers increase, investment will be required to ensure that infrastructure and amenities can continue to accommodate visitor demand and maintain a high-quality visitor experience.

Priority should be given to infrastructure where there is evidence of existing or reasonably foreseeable visitor demand and where visitor activity is placing, or is expected to place, additional pressure on local infrastructure and amenities. This should include consideration of emerging and regional destinations where patterns of visitor activity are changing.

Given the constrained fiscal environment facing both central government and local authorities, IVL investment should be targeted to areas of demonstrated need and where it can provide clear and enduring benefits.

Question 6: Are these the right overall set of principles to guide tourism-related IVL investment decisions?

MDC generally supports the proposed investment principles of strategic alignment, value for money, strategic impact, and partnership and deliverability.

MDC considers these principles provide an appropriate basis for assessing and prioritising IVL investments. However, further clarity is required regarding the practical application of the partnership and deliverability principle, particularly in relation to expectations for co-investment. This is addressed further in our response to Question 7.

Question 7: Are any principles missing, duplicative or difficult to apply in practice? Where do we need to be clearer?

MDC considers that further clarity is required regarding the application of the partnership and deliverability principle, particularly what constitutes “appropriate co-investment arrangements”.

The proposed framework should recognise the changing local government funding environment when considering co-investment. Councils are likely to face increasing constraints on their ability to co-invest in tourism-related initiatives as greater emphasis is placed on the delivery and funding of core services.

In its draft guidance on the proposed regulations for groups of activities, MCERT identifies tourism within the proposed “Other activities” group and states that this group is intended for activities that are not considered core services. This is significant in the context of the Local Government (System Improvements) Amendment Bill, which proposes a greater emphasis on core services in local authority decision-making and financial management. While this would not prevent councils from investing in tourism-related activities, it is likely to make securing local authority co-investment more difficult where tourism initiatives are competing for limited funding against core infrastructure and services.

The IVL Investment Framework should therefore avoid an assumption that local authority co-investment will necessarily be available for otherwise suitable visitor infrastructure projects. The assessment of what constitutes appropriate co-investment should recognise councils' financial circumstances, competing statutory obligations and infrastructure priorities, and the extent to which infrastructure demand is attributable to visitors.

MDC also seeks clarification regarding the “strategic impact” principle, which states that investments should generate significant and enduring system-wide benefits. It is unclear how this principle would be applied to visitor infrastructure projects that may provide significant benefits at a local or regional level but may not, individually, demonstrate system-wide benefits. MDC considers that otherwise suitable local or regional infrastructure projects should not be disadvantaged solely because their benefits are geographically concentrated.

Question 8: What information would applicants need to support a transparent and clear submission process?

MDC supports a transparent and clearly communicated submission process. Applicants should have access to clear information on investment priorities, eligibility requirements, assessment criteria, co-investment expectations, information requirements and key dates before committing resources to developing a proposal.

MDC also considers that further information is required on how the alternative investment pathways would operate, particularly the targeted invitation pathway. The framework indicates that targeted invitations may be used where a defined capability, location, mandate or partnership is required, but it is not clear how organisations would be identified or selected to submit proposals.

To support transparency and fairness, the framework should clearly set out the circumstances in which targeted invitations may be used, how potential applicants will be identified, and how proposals progressed through this pathway will be assessed relative to proposals received through the regular investment process.

MDC also considers there would be merit in exploring whether the IVL investment model should include a two-tier approach to funding for territorial authorities. This would consist of an annual allocation of funding to territorial authorities for smaller-scale visitor infrastructure and amenity needs, and a contestable fund for larger or more strategically significant investments. This could help ensure that IVL investment is distributed across a broader range of communities and visitor destinations, including emerging destinations that may be less likely to secure funding through a nationally contestable process.

Question 9: Would an expression of interest process help applicants submit early-stage ideas?

MDC supports the introduction of an expression of interest (EOI) stage as part of the annual IVL investment process.

An EOI process would provide applicants with an opportunity to test early-stage ideas against the Government's investment priorities before committing significant time and resources to developing a full proposal. This would be particularly beneficial for infrastructure proposals, which can require considerable work and investment to develop to a stage suitable for a full funding application.

To maximise the benefit of the EOI process, applicants would need sufficient information about the Government's investment priorities and assessment criteria, as outlined in our response to Question 8. The timeframe provided for preparing an EOI will also be important and is addressed in our response to Question 10.

Question 10: What would be a reasonable timeframe for preparing an expression of interest or full proposal? Does this depend on the type of proposal (eg infrastructure vs workforce development)?

MDC considers that the proposed timeframe for preparing an expression of interest (EOI) is too short, particularly for local authorities. The proposed process provides for investment priorities to be published in early July, with EOIs closing in late July. This

provides limited time for councils to identify suitable projects, coordinate across relevant teams and prepare an EOI.

A longer EOI period would be preferable. Alternatively, providing early indications of likely investment priorities, together with EOI templates and guidance ahead of the formal opening of the process, would enable potential applicants to undertake some preparatory work.

The timing of final funding decisions also creates practical difficulties where an IVL proposal requires local authority co-investment. The proposed process provides for funding outcomes to be announced post-Budget and before 1 July. This coincides with the period in which councils are finalising and adopting their Long-term Plans or Annual Plans, which must be adopted by 30 June.

Where Council co-investment is required, councils need sufficient certainty about the availability and level of IVL funding for any Council contribution to be considered through their statutory planning and budgeting processes. MDC recommends that the investment process recognise local government planning cycles and, where local authority co-investment is required, provide funding decisions or sufficient funding certainty early enough to inform those processes.

Recommendations

Manawatū District Council recommends that MBIE:

1. Clarifies what is meant by “retain and enhance the social contract” within Objective 2.
2. Provides further guidance on the eligibility and assessment of mixed-use visitor infrastructure that benefits both visitors and local communities.
3. Clarifies what is meant by a “strategic system shift”, including how local and regional infrastructure proposals will be considered.
4. Prioritises visitor-related infrastructure, including pathways, signage and wayfinding infrastructure, where visitor activity is creating, or is reasonably expected to create, additional demand on local infrastructure and amenities.
5. Ensures the assessment of “appropriate co-investment arrangements” recognises the financial constraints facing local authorities and does not assume that local authority co-investment will necessarily be available.
6. Clarifies how the “system-wide benefits” requirement will apply to otherwise suitable local or regional infrastructure projects whose benefits may be geographically concentrated.
7. Provides greater transparency around alternative investment pathways, particularly the circumstances and criteria for targeted invitations.
8. Explores a two-tier IVL funding model that provides territorial authorities with access to an annual funding allocation for smaller-scale visitor infrastructure needs, alongside a contestable fund for larger or strategically significant investments.

9. Introduces an EOI process that enables applicants to test early-stage proposals before committing significant resources to a full proposal.
10. Provides applicants with sufficient advance information, guidance and time to prepare EOIs, including early indications of likely investment priorities where possible.
11. Aligns the IVL investment process with local government planning and budgeting cycles, including providing sufficient funding certainty to inform those processes where local authority co-investment is required.

MDC again thanks MBIE for the opportunity to provide feedback on the IVL Investment Framework for Tourism.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'Michael Ford', with a long, sweeping horizontal stroke extending to the right.

Michael Ford

Mayor

11/09/2026

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Tēnā koutou,

Feedback from the Manawatū District Council on the National Engineering Design Standards Proposal Document

The Manawatū District Council (MDC) thanks the Water Services Authority Taumata Arowai for the opportunity to provide feedback on the proposed National Engineering Design Standards Framework (NEDS).

The case for change presented in the proposal document is that the current use of different engineering standards by councils has resulted in a fragmented system, with inconsistent requirements across the country. The proposed NEDS seek to address this through a nationally consistent framework intended to make the planning, design, approval and construction of water infrastructure more efficient and cost-effective.

MDC supports the objective of improving consistency where this can reduce unnecessary duplication, cost and uncertainty. However, MDC does not consider that the existence of local variation in engineering standards is, in itself, evidence of a problem that requires those standards to be replaced by a new national code-based framework. Local requirements can be appropriate and necessary to reflect the capacity, operation, maintenance and resilience needs of the receiving network.

MDC's Engineering Standards for Land Development, like those of many councils, are based on the existing national standard NZS4404:2010. MDC considers that, before establishing a new national code-based framework, the Authority should consider whether the simpler and more cost-effective approach would be to review and update NZS4404:2010 and use this as the national baseline for water infrastructure design. This would provide a common national foundation while continuing to allow provider-specific requirements where these are necessary to respond to network or local conditions.

MDC has also considered the submission prepared by Water New Zealand and supports a number of the principles and recommendations it contains. In particular, MDC agrees

that the NEDS framework needs to retain sufficient flexibility to accommodate legitimate local conditions, affordability, innovation and resilience, and that Codes of Practice need to be practical and workable across the range of provider and network contexts. MDC also supports Water New Zealand's emphasis on proportionality, affordability and whole-of-life value, and the need for representative sector involvement as the detailed requirements and Codes of Practice are developed and tested.

MDC's position differs from Water New Zealand in the level of support for the proposed NEDS framework. Water New Zealand supports the proposed framework as a sound foundation for achieving greater national consistency. MDC is more cautious and considers that the case for replacing established local engineering standards with an extensive new national code-based system has not yet been demonstrated. MDC also takes a different view on the role of national Codes of Practice and the assessment of alternative solutions. These differences are explained further in this submission.

MDC is concerned that an outcomes-based framework supported by national deemed-to-comply codes could create unintended complexity. While the proposed performance standards are intended to allow flexibility and innovation, experience with other outcomes-based regulatory frameworks demonstrates the potential for different interpretations and for deemed-to-comply pathways to become the default in practice. The NEDS framework therefore needs to ensure that appropriate local standards and alternative solutions remain genuinely viable and are not subject to disproportionate evidential, approval or liability requirements.

A further concern is that, although the proposed national codes of practice would be optional, a nationally published deemed-to-comply pathway could become the default benchmark used by designers, reviewers, insurers and auditors. Alternative solutions may then carry additional design, evidence, approval and liability costs. This could make an optional code effectively mandatory in practice and discourage proportionate, innovative or locally appropriate solutions.

If the Authority proceeds with national codes of practice, MDC considers that they should be limited, modular and clearly subordinate to the mandatory performance requirements. They should operate as non-exclusive means of demonstrating compliance. Water service providers should retain the ability to specify additional or alternative requirements where these are reasonably necessary to respond to receiving network or local conditions, provided these are consistent with the mandatory NEDS requirements.

Responses to individual questions

- 1. The overall NEDS framework.** *Is the proposed NEDS framework clear, practical and useable for the sector? What would make it more practical?*

The three-layer concept is understandable, but MDC considers that further work is required to ensure the framework is practical and workable for water service providers. The relationship between mandatory performance standards, national codes of practice, local engineering standards and other provider-specific requirements, and alternative solutions needs to be much clearer.

The framework should explicitly recognise the ability of water service providers to respond to legitimate network and local conditions within the national compliance system. Local requirements remain necessary because connection and vesting decisions directly affect the capacity, operation, maintenance, resilience and future cost of the receiving network.

MDC also supports Water New Zealand's recommendation to establish a mechanism for sharing approved alternative solutions and supporting evidence where these have wider applicability, including to inform future updates to the national Codes. This could reduce duplication and assessment costs while supporting innovation across the sector. MDC considers that shared solutions should remain guidance rather than becoming prescribed standards, with providers retaining the ability to determine their suitability for local circumstances.

To make the framework practical, MDC recommends that the Authority do the following:

- a) express the mandatory layer as a limited set of measurable performance requirements and test methods, rather than detailed design rules;
- b) recognise the ability of water service providers to specify additional or alternative requirements where these are reasonably necessary to address receiving network capacity, configuration, operational requirements, local hazards or other relevant local conditions, provided these are consistent with the mandatory NEDS requirements;
- c) ensure a national code pathway has no legal or administrative preference over an approved local or project-specific solution;
- d) publish a simple and nationally consistent process for assessing alternatives, including decision timeframes and proportionate evidence requirements;
- e) distinguish clearly between requirements for new assets and triggers applying to repairs, maintenance, renewals and upgrades of existing assets;
- f) establish a mechanism for sharing approved alternative solutions and supporting evidence where these have wider applicability;

- g) coordinate requirements with water services bylaws, Water Services Strategies, drinking water rules, environmental performance standards, resource consent conditions, planning requirements and FENZ responsibilities; and
- h) provide implementation funding, training, digital tools and an adequate transition period, particularly for smaller providers.

Do you think this framework will be enduring as the Authority regularly reviews, updates and adds to the standards and codes of practice over time?

MDC considers that the framework could be enduring if it remains genuinely outcomes-based and is founded on stable principles. However, a growing library of detailed codes risks becoming increasingly complex to navigate, maintain and keep internally consistent. Frequent changes to national requirements could also impose repeated costs on council bylaws, specifications, procurement documents, digital systems, staff training, consultants and development agreements.

An enduring framework therefore needs formal change control and versioning, regulatory impact and whole-of-life cost assessment, sector consultation, and appropriate minimum transition periods. Requirements should not change simply because preferred technical practice changes. Changes to the mandatory layer should be evidence-based and respond to an identified material risk or demonstrable system-wide benefit.

2. Common Objectives. *Do you think the proposed common objectives capture the most important outcomes that water infrastructure must support?*

The seven objectives broadly capture the core technical outcomes. MDC supports them as a starting point, provided they remain high-level and are applied in a risk-based way. 'Context suitability and network integration' should explicitly recognise the receiving network's capacity, existing configuration, operational practices, maintainability, local hazards and planned level of service.

Are there other objectives you think should be included in the NEDS?

Yes. MDC recommends that a specific objective be added for proportionality, affordability and whole-of-life value. Suggested wording is:

Proportionality, affordability and whole-of-life value - Requirements and compliance evidence are proportionate to the scale, risk, function, service level and local context of the infrastructure, and support the most efficient whole-of-life outcome for customers and communities.

This should be a substantive decision criterion, not only explanatory guidance. It is particularly important for smaller and constrained schemes. For example, a national requirement relating to firefighting flow and pressure could require substantial upgrades in a network such as Sanson. The relationship between firefighting service expectations, water service provider responsibilities and funding responsibilities needs to be clearly resolved and should not be transferred into drinking water standards without explicit policy, affordability and proportionality analysis.

MDC made a submission on Standards New Zealand's consultation on DZ PAS 4509:202X – Firefighting Water Supplies – Code of Practice. A copy of this submission is attached for your information. This submission raises proportionality concerns and seeks the inclusion of flexible, site-specific solutions for achieving firefighting water supply outcomes, particularly in rural and non-reticulated areas. It is not clear from the proposal document how the NEDS fits with this proposed Code of Practice.

MDC also supports Water New Zealand's recommendation that asset criticality and the risk being managed should inform the development of mandatory performance requirements. The level of performance required should be proportionate to the risk and consequences of asset failure, including consideration of whether different minimum requirements are appropriate for different risk or criticality profiles.

MDC supports Objective 4 (Lifecycle performance and asset integrity), including its explicit recognition of maintainability and operability. MDC considers that, when this objective is translated into performance requirements, it should ensure that whole-of-life operational and maintenance needs are considered at the design and acceptance stages. This should include matters such as safe access, compatibility with the provider's operating model, the ability to isolate and maintain assets, and appropriate supporting asset information, manuals, telemetry and availability of spares.

3. Codes of Practice. *Should codes of practice be structured by component, lifecycle activity, or both?*

MDC considers that, before determining how individual codes of practice should be structured, the Authority should first determine which matters genuinely benefit from national standardisation and which are better addressed through local engineering standards and professional judgement.

For those matters where a national code of practice is appropriate, MDC considers that a modular, component-led structure is likely to be easier for day-to-day design and review, supported by a small number of cross-cutting lifecycle modules for matters such as commissioning, handover, asset data, operation, maintenance and decommissioning. This would avoid unnecessary duplication across separate lifecycle chapters while recognising that some requirements apply across multiple infrastructure components.

MDC also supports Water New Zealand's recommendation that proportionality, affordability and whole-of-life value be considered when determining the technical requirements contained in the codes of practice. The level of specification should be proportionate to the performance outcome being sought, particularly where different design approaches can achieve the required outcome at materially different cost.

Codes of practice should remain focused on providing practical pathways for demonstrating compliance with the mandatory performance requirements and should not develop into exhaustive national design manuals.

Does the proposed structure reflect how sector users apply compliance pathways?

Only partly. Designers and reviewers commonly work by asset or component, while operators and asset managers work across lifecycle activities. The more important practical issue is that providers approve connections and accept vested assets into existing networks. They need to assess network effects, operational compatibility, access, future renewal and local service constraints, not merely whether a component matches a national detail.

MDC considers that national standardisation is likely to provide the greatest value in areas such as common definitions, asset data fields, as-built information, commissioning evidence, handover requirements, performance test methods and standard drawing conventions. Detailed sizing, configuration, material selection and local hydraulic or stormwater design may require greater flexibility to reflect receiving network conditions and should remain subject to provider-specific requirements where these are necessary to achieve the mandatory performance requirements.

Any code should state clearly that:

- a) it is one non-exclusive means of demonstrating compliance;
- b) water service providers retain the ability to specify additional or alternative requirements where these are reasonably necessary to address receiving network capacity, configuration, operational requirements, local hazards or other relevant local conditions, provided these are consistent with the mandatory NEDS requirements;

- c) no adverse inference arises merely because a national code is not used;
- d) alternative solutions are assessed against the mandatory performance requirements, rather than against the detailed solution contained in the code; and
- e) evidence requirements are risk-based, proportionate and comparable across compliance pathways.

4. The Prioritisation Approach. *Do you think the two prioritisation questions capture the most important things we should consider when prioritising the first set of NEDS? Is there anything else we should consider?*

They are relevant but incomplete. “Would national direction make a material difference?” should require evidence that local variation is causing a material problem, rather than treating variation itself as a problem. “How quickly can the area be standardised and codified?” risks favouring topics that are easy to codify rather than those where national standardisation would deliver the greatest benefit.

MDC’s position is consistent with Water New Zealand’s view that the expected material benefit of national standardisation should be given greater weight than how readily an area can be codified. MDC also supports Water New Zealand’s recommendation that the scale and frequency with which requirements are applied should inform the assessment of material benefit, and that dependencies between different areas of NEDS should inform the sequencing of development.

The prioritisation assessment should also consider:

- a) the net whole-of-life benefit after implementation, transition, assurance and alternative-solution costs;
- b) whether national intervention is the least-cost and least-restrictive response to the identified problem;
- c) the need for local variation due to geography, climate, hazards, network configuration, receiving environments and service levels;
- d) the effect on affordability for small communities and constrained schemes;
- e) interaction with existing regulation, consent conditions, standards and provider accountabilities;
- f) technical maturity, evidence quality and the risk of locking in a preferred solution or inhibiting innovation;
- g) provider capability, workforce and digital-system impacts;
- h) whether the proposed requirement can be objectively tested and audited;

- i) the scale and frequency with which the requirement is applied; and
- j) dependencies between different areas of NEDS that may affect the appropriate sequencing of development.

Looking at the full lifecycle of water supply, wastewater and stormwater infrastructure (from design and construction through to operation, maintenance and decommissioning), what are the areas where you currently see the most challenges and inefficiencies?

MDC considers that the most significant lifecycle challenges and inefficiencies are:

- a) incomplete or inconsistent as-built records, asset attributes and geospatial data;
- b) variable commissioning, testing, defect close-out and handover information;
- c) assets designed without sufficient consideration of whole-of-life operational and maintenance requirements, including safe access, isolation and future renewal;
- d) unclear and inconsistent evidence requirements for alternative solutions;
- e) poor integration between new development infrastructure and the capacity or operating constraints of existing networks;
- f) uncertainty about how new requirements apply to existing assets, including at the point of maintenance, renewal or upgrade; and
- g) duplication or conflict between regulatory instruments, consent requirements and provider standards.

Which areas do you think would benefit most from having a consistent national standard and code of practice?

MDC considers that the first tranche should focus on nationally useful interfaces, information and evidence requirements where consistency can deliver clear benefits, before moving into more detailed areas of engineering design where local context may be more significant.

Priority	MDC view
High priority	Common asset data definitions and minimum attributes; as-built and geospatial formats; commissioning and acceptance evidence; handover information; common terminology; and performance test methods.

Priority	MDC view
Selective priority	Outcome-based requirements for resilience, failure containment, safe access, isolation, whole-of-life operability and maintainability, network integration and monitoring, where national benchmarks can accommodate local risk, network and service context.
Lower priority for national codification	Detailed network sizing, local firefighting capacity, prescriptive materials or products, standard physical configurations, and detailed stormwater or hydraulic design where local context and receiving-network conditions are decisive.

Additional matters

Existing infrastructure and compliance triggers

MDC requests that the Authority clearly define how NEDS will apply to the maintenance, repair, renewal, upgrade and replacement of existing water services infrastructure. In particular, the framework should specify when work on an existing asset triggers a requirement to meet current NEDS requirements, and the extent to which any resulting obligation applies beyond the asset or component being worked on.

MDC would strongly oppose routine maintenance or minor works triggering disproportionate upgrades to existing infrastructure or connected networks. Compliance triggers should be risk-based and proportionate, take account of affordability and the remaining life and condition of existing assets, and provide for staged implementation where appropriate. These triggers should be subject to specific consultation before being finalised.

Water services bylaws

The proposal states that councils must implement water services bylaws setting out the process for inspection and approval. MDC is already reviewing its water services bylaws in response to the new requirements of the Local Government (Water Services) Act 2025 (“the Act”). Territorial authorities must complete their initial review of water services bylaws for consistency with the requirements of the Act no later than 27 August 2027 (s263 of the Act), with any amended or replacement bylaw made no later than 27 August 2030. MDC has already drafted amendments to its Trade Waste Bylaw and will be consulting on these amendments, along with its draft Trade Waste Discharge Plan, in March 2027.

MDC understands that statutory consultation on NEDS is scheduled for mid-2027, with a transition period during 2028/29. This creates a sequencing issue given the statutory timeframe for councils to undertake their initial review of existing water services bylaws.

MDC requests that the Authority provide clear guidance on how councils should take the developing NEDS into account when undertaking their initial bylaw reviews, and clarify the relationship between NEDS and the inspection, connection and approval provisions that will need to be included in water services bylaws. Model provisions and appropriate sequencing and transition arrangements should be provided sufficiently early to inform councils' bylaw work. Requirements confirmed too late could result in councils and water organisations having to revisit and amend bylaws shortly after completing statutory reviews or adopting replacement bylaws.

Administration and assurance

The proposal states that water service providers will administer the new arrangements. For councils such as MDC that continue to deliver water services through an in-house business unit, the practical implications of this role need to be clarified.

MDC requests that the Authority clarify how in-house water service providers will be expected to demonstrate compliance for their own infrastructure works, including what verification or independent assurance will be required, how any potential conflicts between compliance and infrastructure owner/operator functions should be managed, and what compliance information must be provided to the Authority.

Any assurance requirements should be proportionate to the nature and risk of the work and should avoid imposing unnecessary additional processes or costs on in-house providers.

Technical representation

The proposal notes that a technical reference group will provide specialist advice as the NEDS are developed. MDC considers that the technical reference group should include representation from small and medium-sized councils, rural and mixed networks, operators and asset managers with appropriate expertise covering drinking water, wastewater and stormwater, alongside other sector expertise. This will help ensure that the NEDS are practical and proportionate across different provider scales, network types and operating environments. This is consistent with Water New Zealand's recommendation that the Codes be developed and tested with a representative cross-section of the sector to ensure they are workable across different provider and network contexts.

MDC wishes to register its interest in participating in relevant technical workstreams as the NEDS are developed.

Water Services Strategies and investment planning

MDC understands that the NEDS are expected to have a transition period during 2028/29, before moving into a steady-state system from 2030/31. This creates a significant sequencing issue for water service providers that must adopt their first Water Services Strategies by 30 June 2027, before the detailed NEDS requirements and their potential cost implications are known.

MDC requests that the Authority provide guidance on the assumptions providers should make about NEDS when preparing Water Services Strategies and associated investment programmes before the detailed requirements are finalised. The Authority should also clarify how subsequent NEDS requirements are expected to be incorporated into adopted investment programmes, particularly where compliance would require additional or accelerated capital expenditure.

Implementation arrangements should recognise existing investment commitments and provide sufficient flexibility and transition time to avoid undermining affordability or requiring significant reprioritisation of adopted programmes.

Cost-savings claims

The proposal document includes estimates of potential OPEX and CAPEX savings over the lifecycle of water services infrastructure. MDC requests independent validation of these forecast savings and disclosure of the assumptions and evidence underlying the estimates. As noted in Water New Zealand's submission, the technical requirements ultimately adopted through NEDS will themselves have direct implications for infrastructure costs.

Any assessment of the net benefits of NEDS should account for the full costs of implementation, including bylaw and specification changes, training, systems, assurance and verification requirements, assessment of alternative solutions, transition costs, and any additional investment in existing infrastructure that may be triggered through renewal, upgrade or other compliance requirements.

The assessment should also consider how costs and benefits are distributed across different provider types and network sizes, including small and medium-sized providers and constrained schemes.

Liability and decision rights

MDC requests that the Authority clarify how liability will be allocated under the proposed NEDS framework, particularly where a water service provider approves or accepts an asset that has been designed and constructed in accordance with a national codes of practice but subsequently proves to be defective or fails to perform as expected. The liability implications of approving alternative solutions should also be made clear, so that providers are not inadvertently incentivised to favour the national code pathway because it is perceived to carry less risk.

The NEDS framework should also preserve the ability of water service providers to decline or condition connection or vesting where there are legitimate concerns about receiving network capacity, operational compatibility, maintainability or whole-of-life risk, even where an individual asset otherwise complies with the national performance requirements or a code of practice.

More generally, liability settings should appropriately reflect the respective responsibilities of designers, constructors, developers, water service providers and other relevant parties under the NEDS framework.

Recommendations

Manawatū District Council recommends:

1. That the Authority consider whether reviewing and updating NZS4404:2010 could provide a simpler and more cost-effective national baseline for relevant aspects of water infrastructure design before developing an extensive new suite of national codes of practice.
2. That the NEDS framework allow water service providers to specify additional or alternative requirements where reasonably necessary to address receiving network capacity, configuration, operational requirements, local hazards or other relevant local conditions, provided these are consistent with the mandatory NEDS requirements.
3. That national codes of practice operate as non-exclusive means of demonstrating compliance, with alternative solutions assessed against the mandatory performance requirements rather than against the detailed solutions contained in national codes, and without disproportionate evidence, administrative or liability requirements.
4. That the Authority establish a mechanism for sharing approved alternative solutions and supporting evidence where these have wider applicability, including to inform future updates to the national codes, while ensuring that shared solutions remain guidance rather than prescribed standards.
5. That proportionality, affordability and whole-of-life value be included as a common NEDS objective, so that requirements and compliance evidence are proportionate to scale, risk, function, service level and local context. These considerations should inform the technical requirements contained in the codes

of practice, with mandatory performance requirements also taking account of the risk being managed and asset criticality, including whether different minimum requirements are appropriate for different risk or criticality profiles.

6. That the performance requirements developed under Objective 4 ensure that whole-of-life operational and maintenance needs are considered at the design and acceptance stages, including safe access, isolation, compatibility with provider operating practices and appropriate supporting asset information.
7. That the Authority expand its proposed prioritisation assessment to consider evidence of material problems arising from current variation, net whole-of-life benefit, proportionality and affordability, the need for local variation, interaction with existing requirements, technical maturity and implementation impacts, rather than prioritising areas primarily because they can readily be standardised.
8. That the first tranche of NEDS prioritise areas where national consistency can provide clear value, including common asset data and as-built information, commissioning and acceptance evidence, handover requirements, terminology and performance test methods, before detailed design matters where local network and site context may require greater flexibility.
9. That the Authority clearly define when maintenance, repair, renewal, upgrade or replacement of existing infrastructure triggers compliance with current NEDS requirements, with triggers that are risk-based, proportionate and affordable and do not result in routine maintenance or minor works requiring disproportionate upgrades to existing assets or networks.
10. That the Authority provide early guidance, model provisions and appropriate transition arrangements explaining how NEDS should be reflected in water services bylaws, enabling councils to meet their statutory bylaw review obligations without unnecessary duplication or subsequent rework.
11. That the Authority clarify how in-house water service providers will demonstrate compliance, including verification or independent assurance requirements, management of potential conflicts and information requirements, with assurance requirements proportionate to the nature and risk of the work.
12. That the Authority provide early guidance on the assumptions water service providers should make about NEDS in Water Services Strategies adopted before the standards are finalised, and provide transition arrangements that allow subsequent NEDS requirements and costs to be incorporated into adopted investment programmes in an affordable and orderly manner.
13. That the Authority independently validate the forecast OPEX and CAPEX savings from NEDS and publish the underlying assumptions and evidence, taking account of the full implementation and transition costs and the distribution of costs and benefits across different provider and network types.
14. That the Authority clarify liability allocation under NEDS, ensure that alternative compliance pathways do not create disproportionate liability for water service providers, and preserve providers' ability to decline or condition connection or vesting where receiving-network, operational or whole-of-life risks are unacceptable.

15. That the Authority clarify how NEDS will interact with PAS 4509 and other firefighting water supply requirements, including the respective responsibilities of water service providers and other parties, and ensure that any firefighting requirements applied through NEDS are subject to explicit affordability and proportionality assessment and allow appropriate site-specific solutions.
16. That the Authority ensure the NEDS and codes of practice are developed and tested with a representative cross-section of the sector, including small and medium-sized councils, rural and mixed networks, and operators and asset managers with appropriate expertise covering drinking water, wastewater and stormwater.

Closing Matters

Manawatū District Council supports greater national consistency where it can demonstrably reduce unnecessary duplication, cost and uncertainty. MDC considers that the NEDS framework should focus national standardisation where it will deliver clear benefits, while retaining sufficient flexibility for water service providers to respond to receiving network conditions, local risks and operational requirements. The framework should be proportionate, affordable and focused on achieving efficient whole-of-life outcomes.

MDC thanks the Authority for the opportunity to provide feedback and welcomes the opportunity to participate in further consultation and relevant technical work as the NEDS are developed.

MDC agrees to this submission being made publicly available.

Yours sincerely,



Lyn Daly

Acting Chief Executive

Attachments:

- Submission from the Manawatū District Council on DZ PAS 4509:202X Firefighting Water Supplies – Code of Practice

18 September 2026

Committee Secretariat
Governance and Administration Committee
Parliament Buildings
WELLINGTON 6143

Dear Sir/Madam

Submission from the Manawātū District Council on the Local Government (Management of Local Authorities) Amendment Bill

Thank you for the opportunity to make a submission on the Local Government (Management of Local Authorities) Amendment Bill.

Introduction

The Manawātū District Council (Council) supports the draft submission from Taituarā below, and its recommendation that the Bill **does not** proceed:

- Submission of Taituarā – Local Government Professionals Aotearoa regarding the Local Government (Management of Local Authorities) Amendment Bill

Council recognises the importance of elected members having appropriate access to information and advice and of chief executives and council staff being accountable for implementing the decisions and direction of the governing body. However, Council considers that the Bill creates unnecessary uncertainty around the established distinction between governance and management.

Governance and Management

Effective local government depends on a clear and constructive relationship between elected members, who are responsible and democratically accountable for governance and decision-making, and the chief executive, who is responsible for managing the organisation and implementation of Council decisions.

Council is concerned that the proposed powers for a governing body to direct and supervise the chief executive's management of the local authority could blur this distinction and encourage governing bodies to become involved in operational matters.

This is particularly concerning where chief executives or other officers exercise statutory or regulatory functions that are intended to be performed independently and impartially. The legal advice obtained by LGNZ and Taituarā identifies uncertainty about how the proposed direction and supervision powers would interact with these functions and with powers already delegated to the chief executive.

Independent Advice

Council also shares Taituarā's concerns regarding proposed section 42(3B), which provides for individual elected members to obtain advice from persons other than the chief executive.

Council supports elected members having access to appropriate information and independent advice where required. However, the Bill does not adequately address how independently commissioned advice would be authorised, funded, shared with other elected members, or managed where multiple members seek separate advice on the same matter. These uncertainties could create significant governance, financial and legal risks for councils.

Council therefore supports Taituarā's recommendation that proposed section 42(3B) be deleted. If it is retained, Council supports appropriate safeguards requiring independent advice to be commissioned by the governing body as a whole (in place of individual elected members) and managed within an approved and transparent budget.

Conclusion

Manawatū District Council recommends that the Bill **does not** proceed.

If the Committee nevertheless recommends that the Bill proceed, Council supports the amendments and safeguards proposed in the Taituarā submission, including:

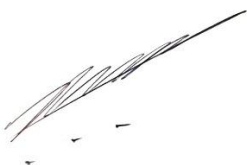
- Clarifying that the governing body's direction and supervision powers are subject to the Local Government Act 2002, other enactments and the general law.
- Maintaining and clarifying the chief executive's independence in relation to the employment of staff and organisational structure.
- Appropriately addressing the health and safety responsibilities and liabilities associated with increased governing body direction of management.
- Deleting proposed section 42(3B) or alternatively restricting the commissioning of independent advice to the governing body and requiring appropriate budgetary controls.

Council considers that these amendments would reduce, although not eliminate, the governance, legal and financial risks created by the Bill.

The Manawatū District Council does not wish to be heard in support of this submission.

Please feel free to contact our Governance and Assurance Manager (Ash.Garstang@mdc.govt.nz) if you have any questions or concerns about this submission.

Yours sincerely



Michael Ford

Mayor