

20/02/2026

Hon Chris Bishop, Minister responsible for RMA Reform, & Hon Simon Watts, Minister of Local Government
Department of Internal Affairs

Emailed to: simplifyinglocalgovernment@dia.govt.nz

Dear Ministers Bishop and Watts,

The Manawatū District Council (MDC) thanks the Department of Internal Affairs for the opportunity to provide feedback on government's Simplifying Local Government proposal. We understand that this feedback will inform the drafting of new legislation that will be introduced to the House in mid-2026. MDC supports the principle of simplification, but considers the proposed governance reorganisation is premature and should be paused until key reforms are settled.

Background – Manawatū District

The Manawatū District has a population of approximately 33,700 people and covers nearly 2,600 square kilometres. It incorporates the full or partial catchment of several rivers (the Manawatū, Rangitikei and Oroua) stretching from the boundary with Palmerston North City and the Ruahine Ranges in the east to twelve kilometres of Tasman Sea coastline in the west. Towards the coast, much of the District consists of flood plains and extensive areas of highly productive land. These characteristics mean MDC requires flexibility to respond to local conditions and community priorities.

MDC is located within the Manawatū-Whanganui Region. This region accounts for approximately 8% of New Zealand's total land area and has a total population of approximately 260,700 people (as of June 2025). As noted in Annex A of the "Simplifying Local Government" draft proposal document (November 2025), the Manawatū-Whanganui Region includes the Manawatū-Whanganui Regional Council (trading as "Horizons"), the Horowhenua, Manawatū, Rangitikei, Ruapehu, Tararua and Whanganui District Councils, and the Palmerston North City Council. The Horizons region also includes parts of the Stratford, Taupō and Waitomo Districts.

Consultation Questions

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

MDC supports the following objectives of the Simplifying Local Government proposal:

- to reduce duplication and complexity
- improve clarity and accountability for regional decision-making
- enable more cost-effective and more aligned decision-making across councils in a region.

However, MDC is not convinced that forced regional reorganisation via regional reorganisation plans is necessary to improve efficiency and ‘fit’ of service delivery to local context. As illustrated in this submission, councils like MDC have already utilised shared service relationships and alternative approaches to delivering services that achieve the efficiency savings that central government is seeking through these reforms.

MDC agrees that there is potential for councils to reduce costs and duplication by local authorities within a region working more collaboratively. However, MDC does not support central prescription. Government’s reform agenda has tended towards increased centralisation and central direction, with implications for where decisions and delivery sit across tiers of government.¹

The regional government partnership (16 regional and unitary councils collectively known as Te Uru Kahika) commissioned Castalia to provide independent analysis of whether the eight functions currently delivered by regional and unitary councils are appropriately carried out by regional government, or should be assumed by a different level of government. Their key finding was that “*for most regional and unitary authority functions where national direction and funding signals are strong and spillovers are material, continued regional and unitary authority (RUA) delivery makes sense.*”¹ These findings reinforce the need for these reforms to be paused until such time as central government has completed its current review of regional council functions and roles are settled.

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

Any structural reform must be locally-led

While the proposal is presented as a governance reform rather than an operational one, MDC recognises that, in practice, it may function as a pathway toward future structural change. Regional reorganisation plans provide a mechanism by which local authorities can work together to determine optimal delivery models for local authority functions. However, MDC is concerned that the combination of strong central oversight, commissioner powers, and Ministerial approval could undermine the extent to which outcomes are genuinely locally determined.

Governance reorganisation should be a public conversation and requires a clear democratic mandate

MDC considers that a proposal to fundamentally change the structure of local government should be subject to a comprehensive public conversation and a clear democratic mandate. The proposal would remove democratically elected regional councillors and replace them with a Combined Territorial Board model that was not part

¹ Functions of Regional and Unitary Authorities in New Zealand – Report to Te Uru Kahika (Castalia Limited, October 2025).

of the information available to voters at the time of the most recent local government elections.

MDC is concerned that there is currently limited public understanding of the governance changes proposed and their implications for regional representation. The proposal therefore risks weakening public confidence in local democracy by removing an entire tier of directly elected representation without clear evidence of community support.

MDC acknowledges that Government may consider that its wider reform agenda provides a mandate to pursue change. However, the removal of democratically elected regional councillors represents a significant shift in local democratic representation. MDC considers that communities should retain the ability to determine who represents them at the regional level, and that any reform of this nature should only proceed where there is clear public understanding and demonstrated community support.

The proposal raises concerns in relation to localism, democratic legitimacy, and sequencing risk

International experience suggests that large-scale local government restructuring is most successful when it is carefully sequenced and supported by adequate transition timeframes. For example, in England, recent moves to reorganise local government into single-tier unitary authorities have been progressed through multi-year processes with structured transition arrangements. Similarly, Denmark's 2007 municipal reform involved significant restructuring of councils and responsibilities, but was implemented following extensive preparation and legislative change. These examples reinforce MDC's view that structural reform in New Zealand should be staged and should not proceed until the replacement resource management system and the review of regional council functions are complete.

Decisions sought:

1. That Government not progress legislative change that removes democratically elected regional representation until there is clear public understanding of the proposal and demonstrated community mandate.

Impacts on Long-term Planning

The uncertainty and timing of this proposal complicates long-term planning

Regional councils and territorial authorities in the Horizons Region are commencing planning for their 2027 Long-term Plans. The uncertainty associated with this proposal significantly constrains the ability of councils in the region to plan effectively for the next 10 years. There is a lack of clarity around how long their elected officials will be in office and responsible for regional-council decision-making, and a lack of clarity around which activities they will remain responsible for following the formation of the Combined Territories Board (CTB) and how such activities will be planned for and funded. MDC considers this reinforces the need for Government to pause structural reform until the future legislative framework for resource management and regional functions is settled.

These uncertainties have direct implications for MDC's 2027-37 Long-term Plan, including in relation to:

- Planning assumptions and uncertainty – our LTP will need to include assumptions around potential structural and service delivery change within a 2-4 year horizon (depending on CTB establishment and plan timeframes). Planning under this level of uncertainty increases the risk of either overly conservative decision-making (resulting in higher costs for ratepayers) or incorrect assumptions that require rework and duplication of effort.
- Inter-council collaboration – the reorganisation plan may accelerate shared services or joint delivery arrangements that affect operating models, costs and delivery risk.
- Regional dependencies - Regional transport planning, resource management arrangements, and CDEM governance may shift, affecting MDC projects reliant on regional alignment.
- Governance disruption risk – uncertainty may reduce strategic focus and delay delivery of locally important projects and services.
- Consultation load - Overlap of engagement requirements (LTP consultation and reorganisation consultation processes) could strain capacity and require careful sequencing.

Overall, MDC considers that progressing governance reform in parallel with major legislative reform creates avoidable uncertainty, inefficiency, and cost for councils and ratepayers. MDC therefore reiterates its view that structural reform should be paused until the replacement resource management system and the review of regional council functions are complete.

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

MDC acknowledges the issues identified in the proposal’s ‘need for change’ section, including challenges attracting specialist staff, inefficiencies created by duplication of capability, and the complexity that can arise when projects require approvals or consents from more than one local authority.

MDC considers that a Combined Territorial Board (CTB) model may have merit as a means of improving regional coordination and accountability. If regional governance reform is to proceed, MDC considers a CTB comprised of elected local representatives is preferable to alternative models involving Crown Commissioners.

However, MDC considers that progressing governance reorganisation at this time is premature. Any future structural reform should be locally led, evidence-based, and developed in partnership with councils and communities. Significant uncertainty remains regarding the replacement resource management system and the Government’s review of regional council roles and functions. MDC supports a staged approach that confirms the future role of regional government and key legislative settings before structural change is implemented.

MDC also notes that any reform that removes democratically elected regional councillors raises questions of democratic mandate, governance capability, and continuity of regional decision-making. MDC’s specific concerns regarding the CTB model, including representation, voting, governance settings and Crown participation, are outlined further in responses to Questions 4 and 5.

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

The proposal does not adequately consider the impact of the changes to governance on local mayors

Under this proposal, the Mayor of the Manawatū District would be required to lead decision-making on local matters as well as to be a member of the CTB that makes decisions on regional matters. Current mayors were elected without the opportunity to consider this fundamental change to their workload and breadth of responsibilities. There is potential that the increased workload may necessitate additional resourcing at local authorities to support the mayor or may result in delays to local decision-making.

MDC also notes that the proposal does not clearly outline how CTB leadership would be determined (including who would chair the CTB), or how effective governance capability would be maintained. Clarity on leadership arrangements is important to ensure accountability, effective decision-making, and continuity of regional governance.

Voters elect district and regional representatives with different expectations about the roles they will perform and the issues they will prioritise. Replacing regional councillors with a CTB therefore raises concerns about whether representatives elected to focus on district-level priorities will consistently bring the same regional mandate and policy focus to decisions that have region-wide implications.

This concern is reinforced by the fact that mayors were elected on the basis of a clearly defined district or city governance role. The proposed expansion of that role to include regional representation was not part of the information available to voters at the time of the election, and it is therefore unclear whether the current electoral mandate extends to the additional responsibilities proposed under the CTB model.

Despite these concerns, MDC considers the CTB model is preferable to the proposed alternatives involving Crown Commissioners. MDC does not support the appointment of Crown Commissioners to replace democratically elected regional representatives, as this would further weaken local democratic accountability and public confidence in regional decision-making.

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

MDC opposes the appointment of Crown Commissioners to the CTB

MDC considers that a Combined Territorial Board comprised of elected mayors is preferable to alternative models involving the appointment of Crown Commissioners.

Consistent with MDC's localism position and commitment to democratic accountability, MDC's preference is that only elected representatives participate in regional governance decision-making.

If a Crown Commissioner must be appointed, MDC strongly opposes that Commissioner having any voting authority. Granting decision-making power to unelected Commissioners would weaken democratic legitimacy, reduce accountability to communities, and undermine public confidence in regional decision-making.

MDC does not support the replacement of regional councillors with Crown Commissioners, either as an interim measure or as an alternative governance model.

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

Effective representation requires proportional voting

Yes. If the proposal to replace regional councillors with a CTB proceeds, MDC considers it is essential that voting arrangements reflect proportionality and ensure effective representation across all communities within a region.

As demonstrated in Annex B of the proposal document, voting models based solely on “one mayor, one vote” or “pure population” create risks of inequitable outcomes and loss of confidence in regional decision-making. In particular, poorly designed voting arrangements could enable domination by a single large authority, disadvantaging rural and provincial communities.

MDC therefore supports a proportional voting approach that balances population-based representation with adjustments to ensure smaller communities and communities of interest can participate meaningfully in regional decision-making.

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

Regions should determine their own voting methodology

MDC supports the proposal’s intent to balance democratic legitimacy with effective representation. However, MDC considers that voting arrangements should not be determined through a nationally prescribed formula. Regions vary significantly in geography, population distribution, infrastructure needs, and communities of interest.

MDC’s preference is that each region develop and agree its own voting methodology, guided by clear principles and objectives, including democratic legitimacy, effective representation, and effective governance. This would enable voting arrangements to reflect local context and build confidence that decision-making is fair and balanced across both urban and rural communities.

For the Manawatū-Whanganui Region, MDC considers a hybrid model that accounts for both population and land area is likely to provide a more appropriate balance. Land area is relevant because larger districts often carry greater infrastructure, environmental management and resilience responsibilities. Population remains relevant because larger communities require a greater scale of services.

A simple example of this for the Manawatū-Whanganui region is as follows:

TABLE 1

Territorial Authority	Land Area (km ²)	Population
Palmerston North City Council	395	90,500
Horowhenua District Council	1,064	38,400
Manawatū District Council	2,657	34,000

Rangitikei District Council	4,484	16,000
Whanganui District Council	2,373	49,200
Ruapehu District Council	6,734	13,450
Tararua District Council	4,365	18,950

TABLE 2

Land Area (km ²)	Vote proportion	Applicable TA's from the Manawatū-Whanganui Region
<1000	1	PNCC
>1000	2	HDC, WDC, MDC, TDC, RDC, RuaDC

TABLE 3

Population	Vote Proportion	Applicable TA's from the Manawatū-Whanganui Region
Up to 20,000	1	RuaDC, RDC, TDC
20,000 - <40,000	2	MDC, HDC
40,000 - <60,000	3	WDC
60,000 - <80,000	4	-
>80,000	5	PNCC

TABLE 4

Territorial Authority	Total Voting Proportion (Table 2 + 3)
PNCC	6 (21.4%)
WDC	5 (17.9%)
HDC and MDC	4 (14.3% each)
RDC, RuaDC, TDC	3 (10.7% each)

If land area is weighted as per Table 2 and population weighted as part Table 3, this gives a total voting proportion for the territorial authorities in the Manawatū Whanganui Region as outlined in Table 4. The advantage of this type of voting allocation is that a minimum of three mayors representing different communities must vote in favour of a motion for it be passed.

MDC appreciates that this model is simplified and that additional factors may need to be considered, including catchment complexity and regional infrastructure demands. MDC supports the principle that voting arrangements should be developed at a regional level, rather than imposed through a nationally prescribed formula, provided they meet the intent of democratic legitimacy, effective representation, and effective governance.

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

MDC notes that no changes are proposed to regional boundaries, even though, for example, the Manawatū-Whanganui Region includes parts of the Stratford, Taupō and

Waitomo Districts. Given that fewer than 250 people live in isolated communities located outside the Manawatū-Whanganui Region, MDC's preference is for these isolated communities to be adopted by the adjacent district. The mayor of the adopted district would then represent their interests on the CTB. The expense associated with having a local councillor attending the CTB to represent the needs of such small populations is unlikely to be cost-effective.

However, MDC notes that in some regions the number of people living in isolated communities is much higher. For example, approximately 3,900 people living in the Rotorua District are within the Waikato Region – these people make up just over 5% of the region's total population. In such regions, representation on all relevant CTBs and a voting share proportionate to the areas of their district that are part of that region may be the most appropriate option.

In the absence of a reorganisation of district boundaries to align with regional council boundaries, MDC supports the use of a threshold to determine which approach is applied. MDC considers a threshold of 1,000 people per isolated population is appropriate. Involvement of the Local Government Commission in determining which approach is best for each isolated population is not considered necessary.

Decision sought:

1. That a threshold of 1,000 people per isolated population is used to determine whether an isolated population is adopted by its adjacent district, or has a voting share proportionate to the area of their district that is within that region.

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

Manawatū District Council supports the intent of regional reorganisation plans as a mechanism for councils within a region to collaboratively consider how services and functions can be delivered more effectively and efficiently.

However, MDC considers that requiring CTBs to prepare and consult on regional reorganisation plans within two years is high risk given the scale, scope, and interdependence of local government reform currently underway. This proposal is being advanced alongside significant reforms that directly affect the roles, responsibilities, governance arrangements, and delivery models of local authorities, including (but not limited to):

- replacement of the Resource Management Act 1991 with a new planning system;
- reform of the Civil Defence Emergency Management Act 2002;
- amendments to the Local Government Act 2002;
- ongoing implementation of water services reform;
- proposed reform of waste and litter legislation; and
- related changes to planning, climate adaptation, and regulatory functions.

The draft proposal recognises that a Government review of regional council roles and functions will be undertaken prior to CTBs being established, and that the outcomes of this review must be taken into account when developing regional reorganisation plans. MDC considers this creates a significant sequencing risk, as CTBs would be required to

design future governance and service delivery arrangements while the statutory functions and responsibilities they are planning around remain subject to change.

In MDC's view, this increases the likelihood of premature or sub-optimal reorganisation decisions and creates uncertainty for councils and communities at a time when long-term planning and investment decisions must be made.

MDC therefore considers that structural reform should be paused until the replacement resource management system and the review of regional council functions are complete. If Government proceeds with the proposed approach, MDC is willing to work constructively within the two-year timeframe, provided councils retain the ability to develop locally appropriate solutions that reflect regional circumstances and community priorities.

Shared services arrangements and inter-council collaboration

MDC's existing approach demonstrates that locally-led collaboration is already delivering efficiencies

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

Manawatū District Council's experience demonstrates that effective shared services and inter-council collaboration can be achieved without enforced structural reorganisation or amalgamation. MDC has a long history of entering into voluntary, locally led shared service arrangements where there is a clear service delivery benefit.

Current shared services include:

- Animal control services delivered jointly with Rangitikei District Council.
- Building control services provided through a shared services arrangement with Palmerston North City Council.
- Fly-tipping investigation services provided by MDC to Palmerston North City Council under contract.

MDC has also previously delivered Environmental Health Services to Rangitikei District Council under a shared services arrangement, demonstrating that councils can successfully act as either service provider or service recipient depending on capability, scale, and local need.

These arrangements were established through practical collaboration, shared governance, and contractual agreements, rather than through mandated regional reorganisation. They demonstrate that councils are already capable of working together in flexible and targeted ways to improve efficiency, resilience, and service outcomes for their communities.

MDC's experience with shared regulatory services, particularly in building control, also highlights the importance of ensuring that central government regulatory and audit frameworks support rather than constrain collaborative delivery models. While strong assurance and accountability are essential, the cumulative impact of audit, accreditation, and compliance requirements can place pressure on shared services, particularly for smaller councils, reducing flexibility and limiting locally tailored solutions.

Overall, MDC considers that voluntary, locally driven collaboration, supported by enabling legislation and proportionate regulatory settings, provides a more effective and adaptable pathway than compulsory regional reorganisation. This approach preserves local democracy and accountability while still enabling councils to share services where it delivers clear community benefit.

In addition to these operational collaborations, Mayors, Horizons Chair and Chief Executives have come together with one voice under a Mayoral Forum to contribute constructively to the conversation on creating a simpler, more effective local government system. The Forum acknowledges the need for change and are open to exploring new ways of working that deliver better outcomes for communities.

Regional Governance and Partnership Arrangements

In addition to shared service delivery arrangements, MDC actively participates in regional governance and partnership forums that support coordinated planning and delivery across the Manawatū-Whanganui Region. Examples include:

- Participation in the Regional Transport Committee, supporting integrated regional transport planning and investment decision-making.
- Involvement in the Joint Action Climate Group, working collaboratively with councils and partners to coordinate regional climate change responses.
- Participation in Te Utanganui – the Central New Zealand Distribution Hub initiative, a collaborative partnership involving Manawatū District Council, Palmerston North City Council, Rangitāne o Manawatū, CEDA and other partners to advance coordinated regional freight, logistics and infrastructure planning and investment, enhancing resilience and economic outcomes across central New Zealand.
- Working alongside and in cooperation with Horizons and other councils (regionally and nationally) to support civil defence preparedness, resilience response and recovery activities. MDC also provides competent trained staff for CDEM Group initiatives, such as recent deployments to support the severe weather event affecting Gisborne and the Bay of Plenty.
- Participation in regional partnership accords, including the Ōroua River Declaration and the Manawatū River Leaders' Accord, which support coordinated catchment management and shared commitment to improving freshwater outcomes across council boundaries.
- Partnering with Horizons Regional Council via the Feilding Flood Resilience Governance Group to progress an integrated programme of work to reduce the risk and impact of flooding across Feilding.
- Membership in the Tangimoana Adaptation Working Group with the Tangimoana Community Committee, Horizons Regional Council and Massey University,

building on the Deep South-Horizons Project, working with the community to develop an adaptation plan and improve resilience to climate change impacts.

Collectively, these arrangements demonstrate that councils in the Manawatū-Whanganui Region are already working collaboratively to improve efficiency, resilience and service outcomes through locally-led partnerships. MDC considers this provides a strong foundation for ongoing improvement without the need for premature or centrally directed structural reorganisation.

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

MDC supports the regional reorganisation plan criteria of:

- Big-picture fit;
- Affordable now and in the future;
- Better services;
- Clear leadership;
- Local say;
- Treaty arrangements; and
- Can it be done.

MDC agrees that the proposed criteria will assist CTBs in developing regional reorganisation plans. However, what may be in the best interests of one council may not be in the best interests of others in the region. The preferred delivery model for one activity may also not be appropriate for other activities. While different delivery arrangements may generate efficiencies for individual services, the administrative burden, loss of integration, and potential confusion for communities must also be considered.

Some of the examples given in the proposal document are not reflective of the Horizons region. For example, within the treaty arrangements section reference is made to arrangements for rivers as agreed in Treaty settlements. The majority of iwi/hapū in the Manawatū District are yet to settle.

MDC also notes that many of the outcomes sought through the criteria, particularly affordability and better services, can be achieved through targeted shared service arrangements and regional partnerships without requiring structural consolidation. MDC's existing shared service and regional collaboration arrangements (outlined above) demonstrate that locally-led approaches can deliver efficiency and service improvements while maintaining local accountability.

Combining smaller councils into one larger council does not always translate to cost savings. For example, when MDC was exploring options for the delivery of water services as part of the Local Water Done Well proposal, a regional options appraisal project looked at a multi-council Water Service Council Controlled Organisation. This project concluded that the seven council arrangement was not financially beneficial for Manawatū ratepayers, with Manawatū District Council providing cross-subsidisation to

most of the other councils within the region throughout the entirety of the 30 year period that was modelled. MDC adopted a stand-alone in-house model for the delivery of water services in the Manawatū District. This model was accepted by the Secretary of Local Government as being financially sustainable.

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

MDC supports existing arrangements for Māori engagement and participation currently available across local government, including:

- appointments to council committees;
- participation in joint committees;
- involvement in joint entities established through Treaty settlement arrangements; and
- membership of advisory groups.

MDC also supports the requirement for CTBs to comply with all existing provisions of the Local Government Act 2002, including establishing and maintaining processes for Māori to contribute to decision-making and ensuring opportunities for consultation with Māori. MDC notes that the proposal requires mandatory consultation with communities, iwi, hapū, Māori and stakeholders as part of the reorganisation planning process.

MDC's primary concern is the impact of the proposal on Māori representation and democratic legitimacy. The proposal would remove democratically elected regional councillors, including those elected through Māori constituencies in regions where these currently exist. MDC is concerned that a governance model comprised solely of mayors may not provide equivalent representation for Māori perspectives, including mātauranga Māori, and may not reflect the intent of existing Māori constituencies.

MDC notes that Horizons Regional Council currently has two Māori constituencies (Raki Māori and Tonga Māori), and that continuation of these constituencies has been confirmed through a binding referendum process. MDC is concerned that the proposed reform would effectively override this democratic outcome and remove Māori constituency representation at the regional level. Given the significance of this change, MDC considers that any reform should preserve democratic legitimacy and avoid undermining community confidence in local government decision-making processes.

If the CTB model proceeds, MDC considers Government should clarify how Treaty arrangements and Māori representation will be reflected in CTB governance arrangements. This may include options such as dedicated iwi/Māori representation at the CTB table and/or voting arrangements that ensure Māori perspectives are meaningfully embedded in regional decision-making.

Decision sought:

2. That any reform of regional governance ensure Māori representation is maintained through clear and effective mechanisms, and that where Māori constituencies currently exist, equivalent representation arrangements are provided within the CTB model to ensure continuity of Māori participation in regional decision-making.

If given the opportunity, the Manawatū District Council wishes to speak to this submission.

Yours sincerely



Michael Ford

Mayor