

11.6 ESTABLISHING A JOINT WORKING GROUP ON REGIONAL GOVERNANCE OPTIONS

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Pouwhakahaere Whakamahere Kaupapahere me ngā Ratonga

WHAKARĀPOPOTOTANGA EXECUTIVE SUMMARY

The Government has signalled change for the local government system with the release of the draft proposal *Simplifying Local Government*. This report responds to the draft proposal and recommends a regional process for exploring system change across the councils within the Wellington region. The Mayoral Forum has discussed this and:

- is aligned and positive on change for the region; and has discussed a range of options
- has agreed the functions of the Regional Council remain critical
- recommends a process that: explores integrating services with a focus on the most effective use of resources; adopts the principle of a merger not a takeover; and which ensures staff wellbeing is properly managed
- notes that there are a range of options for the region – including a number of unitary councils
- notes the importance of local voice
- highlights the commitment to partnership with iwi
- maintains that the cost of local government needs to be acceptable and affordable
- seeks an enduring solution that will serve the region well for future generations.

The recommended approach is to establish a regional joint working group to progress the next steps on information-gathering, service mapping and communication with the goal of engaging the community on future governance options for the Wellington region, including amalgamation, and effective service delivery.

This would be alongside direct engagement with central government to progress these options so that they can be planned and implemented, including any necessary legislative changes that may be required.

KAUPAPA PURPOSE

This report seeks approval to proceed with exploring options for local government reform within the Wellington region, by joining and contributing to resourcing a joint working group on future governance options including regional amalgamation, with other councils.

NGĀ TŪTOHUTANGA RECOMMENDATIONS

That the Council | Te Kaunihera o Porirua:

1. Receive the report
2. Note that 56.4% of voters in the 2025 non-binding referendum supported Porirua City Council working with other councils in the region to explore the possibility of creating a single

council, combining relevant services and functions regionally, while keeping appropriate services and decision making local.

3. Agree to investigate future governance options for the Wellington region, including amalgamation, given the government's announcement to introduce legislative options for reorganising local government..
4. Agree that the Mayor lead Porirua City Council's discussions with other councils in the region that also agree in principle to this approach, as well as any discussions with the Minister for Local Government.
5. Agree that Porirua City Council will join a joint working group to develop next steps on information-gathering and a public engagement plan to generate discussion and debate on future governance options including amalgamation and effective service delivery.
6. Agree that the joint working group will work with mana whenua when it is developing the indicative work programme.
7. Agree that following initial work of the joint working group, officers will report back with an indicative work programme which identifies decision-making points for elected members.
8. Agree that Wellington City Council take the lead in establishing and coordinating the joint working group, given it is the largest council in the region and has greater resources to support the work.
9. Agree to a set of principles by which the work will be guided:
 - a. improved effectiveness and efficiency in supporting population and economic growth and environmental protection
 - b. effective local government representation, including the level at which governance decisions are best made
 - c. ensure mana whenua is included in future local authority governance arrangements and representation is consistent with Treaty settlements and obligations under the Treaty of Waitangi
 - d. promote and enhance the region's reputation as a place of opportunity, creativity, and innovation
 - e. ensure affordability for residents and ratepayers and long-term financial sustainability.
10. Agree that the joint working group will regularly report back to councils in the region in the working group, during the information-gathering and service mapping phases.
11. Agree that the council will approve a public engagement plan for any options to change regional governance and service delivery.
12. Agree that Porirua City Council will work with councils in the region on options for progressing this discussion based on the principles outlined in these recommendations.
13. Agree that officers will report back with advice independent to the joint working group about the impacts of proposed changes to governance arrangements for Porirua City and its residents.

Reports contain recommendations only. Refer to the meeting minutes for the final decision.

HE WHAKAMĀRAMA BACKGROUND

1. This process has been initiated by discussions at the Mayoral Forum, following the release of *Simplifying Local Government*, a draft proposal from the Government to change the local government system – both governance and service provision.

Government proposal

2. The Government has released a proposal signalling change to the system of local government. The process aims to create local proposals for reorganisation and realignment – “for simpler, clearer and more cost effective” service delivery.
3. It proposes removal of the regional councillors and their replacement with a Combined Territories Board (CTB), a regional mayoral group of all the constituent councils, with the option of a Crown Observer. For the Wellington region this would include mayors from eight Territorial Local Authorities (TLAs) (Porirua, Masterton, Carterton, South Wairarapa, Kāpiti, Upper Hutt, Hutt City, and Wellington).
4. The CTB would:
 - a. Take over all the roles and functions of the Regional Council, and
 - b. Develop a regional reorganisation plan, within two years, detailing how the councils can work together to deliver services more effectively and efficiently.
5. The Government’s push for greater efficiencies in local government is unfolding against a backdrop of wider reforms. These include the consolidation of water service delivery into new regional entities from 1 July 2026, and the Resource Management reforms currently before Parliament. The latter introduce significantly greater prescription and mandate much higher levels of consistency in consenting and planning processes across neighbouring councils. Alongside the proposed introduction of rates-capping requirements, these reforms collectively signal a clear direction from central government: reduce duplication, streamline decision-making, and ensure councils operate within tighter financial, regulatory, and service-delivery parameters.

Mayoral Forum Discussion

6. The local Mayors have met and agreed that this region should progress a Wellington region-specific approach that allows the community to decide the future shape of local government in the region rather than first establishing a CTB under the *Simplifying Local Government* draft proposal and then developing a regional reorganisation plan. The region-specific approach would offer a more streamlined and cost-effective process and still aim to achieve the broader objectives of the Government proposal.
7. This agreement is subject to each council formally endorsing this approach, so that steps can be put in place to progress it. This would include engaging with Ministers and central government agencies.
8. Porirua City and Hutt City both conducted non-binding referenda during 2025 council elections and received majority support for exploring options for amalgamation which combine relevant services and functions, while keeping appropriate services and decision-making local. Fifty-six percent of Porirua City voters in the election supported the council exploring these options.
9. The Wellington Regional Mayoral Forum has agreed that they should each seek support from their councils to explore future regional governance options.
10. This report takes this next step in this process.

Wellington Regional Triennial Agreement

11. The Wellington Regional Triennial Agreement has also been drafted following mayoral discussions. This includes agreement that the councils in the region will work together on issues including:
 - a. developing a preferred option for the form and function of local government in the region that delivers long term enduring outcomes; and

- b. identifying opportunities for joint service delivery models and support existing shared delivery of services.

12. This Agreement is also included in this meeting for approval.

NGĀ MATAPAKI ME NGĀ KŌWHIRINGA

DISCUSSION AND OPTIONS

13. There are three broad options available to councils to progress future governance proposals.

Option One – Simplifying Local Government Draft Proposal

14. The region would progress reform through the process outlined in *Simplifying Local Government*.
15. The draft proposal by the Government sets out a process where the eight local councils form a CTB that would take over the governance of the functions of the Greater Wellington Regional Council and within 2 years develop a regional reorganisation plan focused on more effective service delivery across the region.
16. Regional reorganisation plans would be likely to also include changed governance arrangements for the region and would be submitted to the Minister of Local Government for approval. Having gained approval, the plan would then be implemented. The stated objective of this process is for simpler, clearer and more cost-effective service delivery.
17. This proposal includes options such as the role of a Crown Appointee and raises questions about how mayoral resources could be spread across a much broader portfolio while delivering on their existing elected roles.
18. This process is not preferred by local mayors or the chair of the regional council as it would likely result in structural changes being driven primarily through the new CTB rather than through locally initiated processes.

Option Two - Advocate for bespoke legislation for the region (preferred)

19. The region would advocate for bespoke central government legislation. This would be on the basis of a proposal developed by local councils (including the regional council) and this would include demonstrated community support.
20. Rather than the region relying on the Local Government Commission's (LGC) existing framework, Parliament would directly legislate a new governance model for the region - defining boundaries, representation arrangements, responsibilities, and transition mechanisms. This pathway would enable reform to occur more rapidly and provide greater flexibility to design a custom model that may sit outside the LGC's statutory constraints. Councils could explore seeking resource for reorganisation from the Government.
21. Pursuing a bespoke approach for local government reform would provide an alternative to the Government proposal on the basis that:
 - a. Amalgamation has been comprehensively discussed previously in the region, and this work could be built on;
 - b. It would allow the region to move more quickly to align on future governance options and then consider service delivery effectiveness; and
 - c. It would achieve the intent of the proposed changes by the Government but be driven more clearly by local community voices and outcomes.

Option Three – Use the existing legislative process

22. The third option for the region would be to work within the existing LGC reorganisation process.

23. Under the currently established statutory pathway, councils may jointly submit a draft reorganisation initiative outlining the case for amalgamation or other structural change, supported by evidence of engagement with their communities. The LGC then determines whether to undertake an investigation, assesses potential benefits and costs, considers alternative proposals, and consults publicly on a draft reorganisation plan. A final proposal only proceeds if it withstands public consultation and, where triggered, a binding referendum of electors. If endorsed, the Minister implements the proposal through an Order in Council, followed by a transition process.
24. This option is not preferred by local mayors as it takes the reorganisation plan out of the hands of democratically elected councils.

Establishing a joint working group

25. A joint working group supporting the Mayoral Forum would be established to coordinate the development of local government reform options for the Wellington region.
26. Wellington City Council proposes to take a leadership role in establishing and coordinating the working group—subject to the agreement of other councils—given that it is the largest council in the region and has comparatively greater resources to support the work.
27. A secretariat would be established as part of the joint working group, with each council allocating resources to enable cross-council information gathering and analysis. The working group would focus initially on defining the opportunities and trade-offs associated with potential reforms, rather than pre-determining a preferred structure.
28. Initial actions would include:
 - a. mapping the current services and functions of all regional, city, and district councils;
 - b. undertaking a gap analysis to identify evidence gaps, modelling requirements, and updates needed to meet the expectations of the Government's *Simplifying Local Government* policy settings;
 - c. identifying and collating existing amalgamation-related reports, advice, modelling, and insights from previous reform processes;
 - d. commissioning any additional technical, financial, or specialist policy advice required; and
 - e. a public engagement plan to generate discussion and debate on regional amalgamation.
29. Once the joint working group has a view about the shape and size of the services at each council, engaged councils can undertake work to determine what might be needed to draw together a plan for looking at future options for regional governance, including amalgamation. This work would determine what project team and further resource commitments will be needed.

Overarching principles to guide the Joint Working Group

30. As this work progresses, underpinning principles would guide decision-making, including:
 - a. improved effectiveness and efficiency in achieving population and economic growth and environment protection;
 - b. effective local government representation, including the level at which governance decisions are best made;
 - c. ensure mana whenua representation is consistent with Treaty settlements and obligations under the Treaty of Waitangi;

- d. promote and enhance region's reputation as a place of opportunity, creativity, and innovation; and
 - e. ensuring affordability for residents and ratepayers and long-term financial sustainability.
31. These principles align with the Simplifying Local Government criteria of:
- a. Big Picture Fit (d) and (e)
 - b. Affordable now and in the future (e)
 - c. Better services (a)
 - d. Clear leadership (d)
 - e. Local say (b)
 - f. Treaty arrangements (c)
 - g. Can it be done (a)

Engagement with Key Government Partners

32. Relevant Ministers and leaders and/or local government spokespersons of all parliamentary parties will be engaged early to confirm support for a locally driven process. As Chair of the Mayoral Forum, the Mayor of Wellington will lead this engagement with representatives from the Forum.

Recommended Option

33. Option Two, advocating for bespoke legislation for the Wellington region is the recommended option. This would enable agreement to be reached across the councils in the region to work together to develop reform options. The options would then be considered by each council before working with the Minister and/or Local Government Commission on approval and implementation.

KŌRERO WHAKAKAPI

CONCLUSION

34. The Government's release of the *Simplifying Local Government* signals its intention to reform local government, with a focus on simpler, clearer, more cost-effective service delivery. The process it proposes, with the creation of a CTB and preparation of a regional reorganisation plan, is not optimal for Porirua City or the Wellington region. A better approach is to pursue a region-specific process, involving bespoke legislative change and with a joint working group established and resourced to undertake the detailed work.

NGĀ MŌHIOHIO TAUTOKO SUPPORTING INFORMATION

E TINO WHAI WĀHI ANA KI TE AHUNGA RAUTAKI A TE KAUNIHERA CONTRIBUTION TO COUNCIL'S STRATEGIC DIRECTION

The issues discussed in this report contribute to all of the strategic priorities of the city, as they are focused on providing enduring local government system reforms that will serve Porirua and the region well for future generations.

The principles that have been agreed to by the Mayors support the effective delivery of services across the region and enhance the region's reputation.

NGĀ WHIRIWHIRINGA Ā-PŪTEA FINANCIAL CONSIDERATIONS

Cost and Financial Implications

If it is agreed that the Council support exploring options for future regional governance, including amalgamation, as part of the joint working group, resourcing would be found from within existing council staffing and/or budgets (regionally). If this project was to progress to align with local government elections in 2028, a dedicated regional team would be required.

Some reprioritisation of staff or budget resources may be required, or, if necessary, agreed through the Annual Plan processes in June 2026.

NGĀ WHAKARITENGA Ā-TURE STATUTORY REQUIREMENTS

As this project progresses there will be a number of legal considerations, particularly with the preferred option of bespoke legislation. These will be addressed within any detailed project planning.

TE WHAKAMANA I NGĀ MĀTĀPONO O TE TIRITI RECOGNITION OF TREATY PRINCIPLES

Overarching principles to guide the work of the joint regional working group include ensuring mana whenua representation is consistent with Treaty settlements and obligations under the Treaty of Waitangi.

HIRANGA SIGNIFICANCE

The decision in this report is rated as being of low significance in accordance with the Council's Significance and Engagement Policy. Subsequent decisions on progressing any options for reform are likely to be rated as high significance.

TE KŌRERORERO TAHI ME NGĀ WHAKAWHITIWHITI KŌRERO ENGAGEMENT AND COMMUNICATIONS

A communication and engagement plan is a key component of this project to ensure that the public and ratepayers across the region are informed and engaged in the discussion on local government reform, amalgamation and service delivery options.

NGĀ ĀPITI HANGA ATTACHMENTS

Nil