

6 October 2026

James Stevenson-Wallace
Chief Executive
Queenstown Lakes District Council

Ratepayer Assistance Scheme

Thank you again for the funding support Queenstown Lakes District Council is providing for the Ratepayer Assistance Scheme (**RAS**) final development (the Project).

It has been some time since we communicated directly with you, and we are writing to provide you with an update on progress and the proposed process as the Project moves into its next phase with the intention to support councils to confirm equity commitments as part of the 2027 LTP process.

Stakeholder update

Councils

Since the Business Case was submitted in November 2025, councils have continued to respond extremely positively to engagement on the RAS by Local Government New Zealand (**LGNZ**), New Zealand Local Government Funding Agency (**LGFA**), Rewiring Aotearoa, Cameron Partners and the Hon. Nick Smith, Mayor of Nelson and the Chair of the RAS Strategic Advisory Group:

- Including the eight Funding Councils that have provided funding for RAS development, 24 councils have now obtained formal approval at Council Meetings to confirm their in-principle support
- 100% of councils that have sought approval have obtained it (i.e. 24 of 24)
- Given time constraints, it has not been possible to contact all councils. However, in addition to the 24 outlined above, LGNZ and Cameron Partners have responded to inbound inquiry from another group of five councils which are also in the process of seeking council support for RAS
- The 24 approved councils represent 62% of NZ ratepayers and, when combined with the other five councils, represent over 76% of NZ ratepayers

Central Government

LGNZ, LGFA, Rewiring Aotearoa and Cameron Partners have been actively engaging with Central Government ministers and officials (DIA, MHUD, MBIE, Treasury and more recently MCERT) since the Business Case was submitted last year.

Given the multiple agencies involved and heavy workload, final advice from officials on RAS was only provided to Ministers in late July 2026. With the run into the general election and as political parties seek to differentiate themselves and announce their policy manifestos (most of which include the RAS - see below) this means a Central Government announcement on RAS is not expected pre-election.

Political parties

So far, four political parties have formally announced RAS in their manifestos:

- Labour, Greens and TOP have indicated they will implement the RAS

- National has announced its intention to establish the Home Energy Fund providing energy loans to ratepayers using the RAS model, including providing the equity as outlined in the Business Case which is based on rates postponement, deferred DCs and IMPACT loans

These specific references and additional feedback received via LGNZ's and Rewiring Aotearoa's advocacy with key stakeholders provides strong confidence that Central Government approval will be received regardless of the make-up of the next government.

Media articles

There has also been significant ongoing media interest in RAS as follows:

- [Government mulls taxpayer backstop for Ratepayers Assistance Scheme that would lend up to \\$5 billion | NZ Herald 10 March 2026](#)
- [Local govt financing tool for households | RNZ – interview with Scott 25 March 2026](#)
- [Council loans for rooftop solar still waiting on government green light | RNZ 19 May 2026](#)
- [Relief for ratepayers with proposed assistance scheme | The Post 12 June 2025](#)
- [Home Energy Fund, Our Plan to Electrify NZ | National Party website 25 June 2026](#)
- [National proposes ratepayer assistance scheme for household solar | Stuff 25 June 2026](#)
- [National promises homeowners low-cost loans to install solar power | RNZ 25 June 2026](#)
- [Labour's announcement | Labour Party website](#)
- [LGNZ welcomes National's home energy fund election policy | LGNZ media release 25 June 2026](#)
- [LGNZ welcomes Labour's SolarSaver election policy | LGNZ media release 8 July 2026](#)
- [Green Party calls on Parliament to get on with solar loans before election - Green Party website 8 July 2026](#)
- [Parties play political football, holding back ready-made solar solution to cost of living | Newsroom 8 July 2026](#)
- [This election, solar power is having its moment in the sun | RNZ](#)

RAS establishment process

As you know, before RAS establishment can formally commence, approval will be required from Central Government, LGFA and councils as:

- Shareholders – to provide the necessary equity funding
- Stakeholders (in addition to the equity) – i.e.:
 - Central Government – policy, legislation, standby facility
 - LGFA – debt / treasury management, subscription to RAS debt and preference shares
 - Councils – agreement to make products available / RAS membership arrangements

As already outlined, Central Government approval is expected post-election.

LGFA approval requires Board approval and an ordinary resolution of the shareholders. The LGFA Board continues to support RAS and the various LGFA approvals required will be considered by directors at its November Board meeting. The LGFA shareholder resolution is expected to take its lead from council RAS approvals given the likely significant cross-over between the 30 existing council shareholders in LGFA and the expected council shareholders in RAS.

Council approval will require public consultation for both the establishment of a CCO and the equity investment (and most likely for the other membership requirements, including joining the joint and several guarantee). This will most efficiently and effectively be sought via the 2027 LTP process (the alternative being a Special Consultative Procedure - SCP).

The intention is to provide the opportunity to all councils to become shareholders (with the objective to maximise council involvement on day one and spread the costs and benefits across the sector) although it will be up to individual councils to decide if, and when to seek approval.

Any council equity approval will be conditional on Central Government and LGFA approvals such that equity drawdowns and practical establishment will not occur until all stakeholder approvals have been obtained.

Next steps

To support councils and in order to minimise costs across the sector, the Steering Group is commencing work to confirm key due diligence information and provide key materials required by councils to consult. Among other things this will include:

- A refresh of the business plan modelling
- Terms sheets for RAS equity, preference shares and debt
- A generic council paper and consultation document
- Legal review by Simpson Grierson

These materials will become available between mid-October and early November 2026.

LGNZ, LGFA, Cameron Partners and Simpson Grierson will be available to support Funding Councils individually, including:

- Briefings for council executives
- Attendance at council workshops and meetings
- Q&A and general support as required

We look forward to keeping you updated as the process progresses.

Thank you again for your support. If you have any questions please feel free to reach out to us.

Yours sincerely



Scott Necklen
Chief Executive
Local Government New Zealand



Mark Butcher
Chief Executive
New Zealand Local Government Funding Agency