

Item 1: Simplifying Local Government – Head Start Pathway

SESSION TYPE: Workshop

PURPOSE:

To share information provided by central government on the Head Start pathway for simplifying local government and provide an opportunity to discuss options for participation in the Head Start process.

DATE/START TIME:

Thursday, 14 May 2026 at 3:30pm

TIME BREAKDOWN:

Presentation: 30 minutes. Debate/Discussion: 1 hour

Prepared by:



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Title: General Manager Strategy and Policy
11 May 2026

Reviewed and Authorised by:



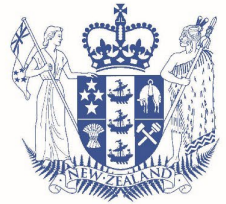
Name: Michelle Morss
Title: Interim Chief Executive
11 May 2026

ATTACHMENTS:

A	Letter from Minister for Local Government
B	Beehive announcement
C	Head Start Pathway Policy Document
D	DIA Head Start website: Simplifying Local Government - dia.govt.nz (URL, not attachment)

Hon Simon Watts

Minister of Climate Change
Minister of Local Government
Minister of Revenue
Minister for Auckland



5 May 2026

Dear Mayors

ANNOUNCEMENT OF HEAD START PATHWAY FOR SIMPLIFYING LOCAL GOVERNMENT

We are writing to provide you with early notice of the Government's decision to introduce a Head Start pathway to enable fast progress on proposals for Simplifying Local Government.

We appreciate that your council may wish to be involved in submitting an outline proposal for the Head Start. We wanted to give your organisation an indication of what will be announced and where further information can be found, to support swift proposal development.

Head Start pathway

Submissions on the Simplifying Local Government proposal highlighted a desire from councils for greater flexibility, including the opportunity to move quickly where ready. We have listened to your feedback, and today we are announcing the new Head Start pathway for Simplifying Local Government.

The Head Start pathway is a voluntary, streamlined option for councils that are ready to progress regional reorganisation now. The pathway will be open to territorial and/or unitary authorities that want to come together to form new unitary authorities. The Head Start is designed for those local authorities that are ready and willing to move immediately, rather than waiting for wider, compulsory reform after the 2028 local elections.

Whether councils apply to use the Head Start pathway or not, delivering the new planning system will remain core business. This pathway is about removing uncertainty and giving your council the confidence to plan and deliver now.

Instead of developing a regional reorganisation plan, councils will submit an outline proposal focused on structural change. Proposals can cover all or part of a region, and may include the formation of one, or a small number of, unitary authorities. Successful proposals will be implemented ahead of the 2028 local elections.

Proposals will be due by 9 August 2026. The Government will decide by September 2026 which proposals will proceed to detailed design before making final decisions in 2027. Detailed information on the Head Start pathway—including proposal requirements and assessment criteria—will be available on the Department of Internal Affairs website: dia.govt.nz/simplifying-local-government.

Backstop and broader reform

Councils that do not progress through Head Start will continue to focus on delivering the new planning system, including developing the first generation of plans. Reform for those councils will not occur until after the 2028 local elections, through the compulsory backstop process. Regional councillors will remain in their roles until the 2028 local elections.

This gives councils more time to concentrate on planning system implementation before any mandatory changes take effect, while still providing a strong indication of when and where future reform will occur. The Government will make final decisions on the detail of the backstop approach in 2027.

Get in touch

Local government partnership directors at the Department of Internal Affairs are your primary points of contact on the Head Start pathway. Alternatively, you can email simplifyinglocalgovernment@dia.govt.nz.

Thank you for your engagement so far on Simplifying Local Government. We look forward to receiving outline proposals and working with your council to ensure local government is simpler and more effective in delivering for communities and ratepayers.

Yours sincerely,



Hon Chris Bishop
Minister Responsible for RMA Reform



Hon Simon Watts
Minister of Local Government

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5 MAY 2026

Councils invited to fast-track local reform



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[Local Government \(/portfolio/nationalactnew-zealand-first-coalition-government-2023-2026/local-government\)](/portfolio/nationalactnew-zealand-first-coalition-government-2023-2026/local-government)

[RMA Reform \(/portfolio/nationalactnew-zealand-first-coalition-government-2023-2026/rma-reform\)](/portfolio/nationalactnew-zealand-first-coalition-government-2023-2026/rma-reform)

The Government is giving councils a three-month window to put forward proposals to simplify and strengthen local government in their regions, RMA Reform and Infrastructure Minister Chris Bishop and Local Government Minister Simon Watts say.

“New Zealand’s local government system is too complex, too costly, and too hard to navigate,” Mr Bishop says.

“We currently have 78 city and district, regional, and unitary councils across the country – a high number for a country of our size.

“Councils shape the places we live and the services we rely on. But too often, the system is tangled in duplication, disagreements, and decisions that defy common sense.

“Councils are critical to delivering the new planning system, which will pass into law this year, enabling housing growth and supporting infrastructure investment.

“We gave careful thought to sequencing this work after resource management reform, but the benefits of doing it now are too large to ignore.

“These reforms are tightly linked. Fixing the planning system while leaving local government untouched would just lock in the same problems. We’re not prepared to do that. It makes far more sense to tackle both together so councils can plan once, adapt once, and get on with delivering.

“A simpler, more efficient local government system will make it easier to deliver those priorities.

“In November last year, Ministers put forward a proposal to simplify local government by reducing duplication, improving accountability, and making it easier for councils to deliver for their communities. The proposal would remove the elected regional councillors and require councils to work together on region-wide plans to simplify structures, cut duplication, and deliver services more efficiently.

“We’ve now completed consultation on that proposal, which received more than 1,100 submissions from councils, sector groups, iwi, and the public.

“What we heard was consistent. There’s strong support for change, but many councils want more flexibility to get on with reform in a way that works for their region.

“Several mayors have told us they’re ready to move now, with clear ideas about what should change and how to do it.

“We’re giving them the opportunity to get on with it through a ‘head start’ pathway.

“But that opportunity won’t sit open forever. If councils don’t step up and put forward credible proposals, the Government will step in and make those decisions.

“Our message to councils is simple: lead your own reform, or we will do it for you. Either way, change is coming.”

Mr Watts says the Government’s new Head Start pathway will enable councils to pitch their own reorganisation ideas.

“From today, councils have three months to work with others in their region and put forward proposals for how they want to reorganise their local government arrangements,” Mr Watts says.

“Proposals should focus on creating larger, more efficient unitary authorities that streamline functions, reduce duplication and improve decision-making.

“We’re giving councils real flexibility. Proposals don’t need to cover an entire region, but they must show clear support, strong leadership, and real benefits for communities.”

Officials will assess proposals against clear criteria, including:

- Can it actually be done? The proposal needs to be realistic and able to be delivered on time.

- Does it support the new planning system? It should make it easier, not harder, to roll out new planning rules and plans.
- Does it simplify things? It should reduce duplication and make decision-making clearer and more efficient.
- Will it deliver better value? It should improve efficiency, save money over time, and support better infrastructure and services.
- Are communities still well represented? It needs to keep a strong local voice and fairly represent different communities, including urban and rural areas.

Cabinet will then decide which proposals to progress, with decisions later this year. Endorsed proposals will then be developed in detail and signed off in 2027, with changes implemented ahead of the 2028 local government elections.

Mr Watts says some councils are already progressing this work, and the Government wants to support that momentum.

“Councils told us they want reform, but they also want a bigger role in shaping it. Head Start gives them that opportunity while keeping change moving,” Mr Watts says.

“This is about Government not getting in the way. With the Head Start approach, those ready to move can get on with designing arrangements that better serve their communities, without waiting for others.

“For areas that do not come forward through the head start pathway, the Government will implement a backstop process to ensure reform still happens across the country. This will involve a standardised approach, including transitional governance arrangements while changes are put in place.”

Final decisions on local government reform for those councils will be taken by Cabinet in 2027, with changes expected to take effect for the 2028 local elections.

Note to editors:

Who can submit a proposal?

Proposals must be submitted by groups of councils, not individual councils acting alone.

To be eligible:

- A proposal must come from two or more territorial authorities (city or district councils).
- The group must either:
 - represent a majority of the territorial authorities directly affected, or
 - represent a majority of the population in the affected area.
- Regional councils cannot submit proposals.
- Existing unitary authorities (except Auckland Council) can be part of a proposal.

Proposals can:

- Cover all or part of a region.
- Include neighbouring councils from different regions (where it makes sense).
- Result in one or more unitary authorities (generally one, but in some cases two or three per region).

What is a proposal expected to do?

Proposals should focus on creating unitary authorities.

This means:

- Combining regional and local council functions into a single organisation.
- Reducing duplication and simplifying decision-making.
- Creating a structure that works better at a regional or subregional level.

What criteria will proposals be assessed against?

All proposals will be assessed by officials against clear criteria before decisions are made by Cabinet.

Proposals must show:

1. Deliverability

- The proposal is realistic and can be implemented in a timely way.
- It can be in place by, or soon after, the 2028 local elections.

2. Supports the new planning system

- It will help councils deliver the new planning system.
- It avoids disrupting important work like spatial planning, environmental planning, and infrastructure delivery.

3. Simpler local governance

- It reduces duplication and complexity.
- It improves how decisions are made across the region.

4. Economies of scale

- It enables more efficient delivery of services.
- It supports better infrastructure planning and investment.
- It enables effective delivery of key functions like transport, catchment management.

5. Maintains a strong local voice

- Communities continue to be represented fairly.
- Local decision-making is preserved where it matters.
- Urban and rural interests are balanced.

What happens next?

- Councils have three months from today to develop and submit outline proposals.
- Officials will carry out a rapid assessment of proposals.
- Ministers will recommend which proposals should proceed.
- Cabinet will agree in principle which proposals move forward to detailed design.
- Final decisions are expected in 2027, with changes implemented ahead of the 2028 local elections.

What if a council doesn't take part?

- If councils choose not to use the Head Start pathway, or aren't ready to, the Government will step in to ensure reform still happens through a backstop process.
- Under the backstop, the Government will set a standard approach to reorganising local government.
- It is likely to include simplifying structures and reducing duplication, similar to the goals of the Head Start pathway.
- There will be transitional governance arrangements (such as a board of mayors or other interim body) while changes are put in place.
- The backstop process will be finalised in 2027, with changes expected to take effect from the 2028 local elections.
- The aim is to ensure every part of the country benefits from a simpler, more effective local government system, whether councils choose to lead reform themselves or not.



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Te Kāwanatanga o Aotearoa

New Zealand Government

Head Start pathway

Simplifying Local Government



Ministerial foreword

Local government plays a central role in shaping how New Zealand grows and develops. Councils understand their communities and regions, and they are key partners with central government in delivering housing, infrastructure, and environmental management.

The Government knows councils are managing significant change, with multiple reforms happening at once. Alongside implementing a new planning system, councils told us through submissions on the [Simplifying Local Government proposal](#) that they wanted greater flexibility, including the ability to shape future governance arrangements themselves and, where they are ready, to move more quickly.

The Head Start pathway is a direct response to that feedback. It provides a voluntary, streamlined option for councils that want to lead the transition early, while continuing to deliver the new planning system. Head Start enables locally led solutions, so councils can set their own direction and pace rather than waiting for wider reform settings to apply.

The Government has been clear that regional governance needs to be simpler and more effective over time. Head Start is voluntary. Councils that do not opt in will not face mandatory change until after the 2028 local elections, giving them space to focus on delivering the first generation of plans under the new planning system.

Together, the Head Start pathway and the backstop approach provide certainty and confidence, supporting councils to lead where they are ready, while setting the system up to work better for the long term and delivering the new planning system.



A handwritten signature in black ink, appearing to read 'Chris Bishop'.

Hon Chris Bishop
Minister Responsible for RMA Reform



A handwritten signature in black ink, appearing to read 'S Watts'.

Hon Simon Watts
Minister of Local Government

The Simplifying Local Government proposal

In November we consulted on a draft proposal to establish regional boards of mayors, replacing regional councillors, to lead the development of reorganisation plans for a region. The proposal can be found at dia.govt.nz/Simplifying-Local-Government#Proposal.

What we heard

Consultation on this proposal resulted in more than 1,150 submissions, including around 70 from councils and local government sector bodies, and around 60 from iwi/Māori organisations. Submitters generally agreed with the need for reform but raised issues with the specific proposal.

There was more support for regional reorganisation plans than combined territories boards (CTBs). Many submitters had concerns about council capacity to progress these reforms at the same time as other government initiatives. Some suggested changes to the timing, membership, or remit of CTBs.

Many submitters supported keeping regional councillors in place until the 2028 local elections – as a practical measure to support mayors and maintain democratic legitimacy.

Submissions highlighted the important relationships regional councils have with iwi Māori, and the Treaty settlement redress arrangements that relate to regional council functions.

Other issues raised in submissions included:

- preserving and supporting local democracy, including balancing urban and rural interests, with some support for Crown observers
- retention of regional service delivery, particularly environmental management and river catchment management
- mayoral workloads and adopting a regional perspective; and
- funding and process concerns.

Councils told us they wanted greater flexibility to take locally led approaches to reform. Some councils and mayors have been clear that they are ready to move faster, building on existing regional arrangements such as mayoral forums rather than establishing a board of the region's mayors.

The Head Start pathway responds directly to that feedback, giving councils that are ready the opportunity to take the lead, shape their own regional solutions, and progress at pace.

What we are doing

We have listened to feedback and refined our approach.

We will introduce a streamlined Head Start pathway for councils that are ready to develop and progress reorganisation proposals, with the aim of creating unitary authorities within a region through bespoke legislation.

We will legislate for councils not progressing through Head Start to enter a compulsory backstop process after the 2028 local elections.

We will replace regional councillors at the 2028 local elections with an interim body (for example, a board of mayors, Crown commissioners, or a combination of both). The precise model will be confirmed later. Retaining regional councillors until the 2028 local elections will provide capacity during a period of substantial change.

How this fits with the new planning system

We know councils are navigating significant change, with multiple reforms happening at once.

The Head Start pathway gives councils that are ready to move early the confidence to get on with delivering the new planning system now, while they shape the governance arrangements ahead of the 2028 local elections.

By progressively aligning governance with how the new planning system is designed to work, Head Start enables councils to lead the transition on their own terms, rather than waiting for wider reform to commence.

Delivering the new planning system remains core business for all councils and continues in parallel, whichever pathway councils choose.

Head Start pathway

From 5 May 2026, two or more territorial and/or unitary authorities can submit an outline proposal to establish a new unitary authority covering part or all of a region. Proposals will need to be submitted by 9 August 2026.

A unitary authority combines the functions of a regional council and a city or district council into a single organisation. This can simplify governance, reduce duplication, and improve regional coordination.

Councils participating in the Head Start pathway will continue implementing the new planning system alongside any reorganisation activity.

Who can submit an outline proposal?

Any two or more territorial and/or unitary authorities (except for Auckland) including cross-boundary groupings, may submit if they represent a majority of either the:

- directly affected territorial authorities, or
- population across directly affected areas.

Proposals cannot be submitted by minority groupings, individual territorial authorities or unitary authorities, regional councils, individuals or other organisations.

Eligibility criteria

Proposals must be submitted by two or more territorial authorities that together represent a majority of either directly affected territorial authorities or a majority of the population across directly affected districts. The following examples illustrate how this may work.

What types of reorganisation can be proposed?

Outline proposals must provide for the establishment of new unitary authorities. The most straightforward approach is for all councils in a region to combine to form a single unitary authority.

We will also consider outline proposals for subregional unitary authorities and potential cross-boundary proposals, where:

- existing territorial authorities are combined and regional council functions are transferred
- the proposed arrangements would result in fewer local authorities overall
- the proposed arrangements would deliver clearer accountability and effective delivery of key functions, including regional planning, transport, and catchment management.

More than one unitary authority in a region is only likely to be approved if:

- the region is large and has more complex issues
- the proposal clearly meets the criteria and doesn't lead to the fragmentation of key regional functions where collaboration is required, such as catchment management.

Working with iwi/Māori

Treaty settlement arrangements will continue to be provided for. We will work with applicants and iwi/Māori affected by the Head Start pathway to support the continuation of effective relationships and uphold settlement redress.

Councils will be expected to engage with relevant post-settlement governance entities (PSGEs) to demonstrate how existing Treaty settlement arrangements could be transferred to new unitary authorities with equivalent effect. The Government will also work with PSGEs directly on proposed arrangements. Councils will have an opportunity to further engage with Māori as they continue to develop outline proposals ahead of final decisions in 2027.

Example 1: Majority of directly affected councils

A region contains three territorial authorities: Council A, Council B and Council C. Council A and Council B jointly submit a proposal that affects Council C.

- ✓ This proposal would be eligible for consideration because Councils A and B form a majority of the directly affected territorial authorities, regardless of population size.

Example 2: Majority of population

A region contains four territorial authorities: Councils A to D. Councils A and B jointly submit a proposal that also impacts Councils C and D. Councils A and B together represent more than 50% of the population of the directly affected area, even though Council C and Council D are larger in land area.

- ✓ This proposal would be eligible for consideration because the proposing councils represent a majority of the population, even if they do not represent all councils.

Example 3: Minority of directly affected councils

A region contains five territorial authorities: Councils A to E. Council A and Council B jointly submit a proposal that also affects Councils C, D and E. Councils A and B together do not represent more than 50% of the population or the majority of affected councils of the directly affected area.

- ✗ This proposal would not be eligible for consideration because, while it involves two councils, it does not represent a majority of councils or population.

Example 4: Subregional unitary authorities

A region contains five territorial authorities: Councils A to E. Council A, Council B, Council C and Council D jointly submit a proposal for two unitaries for the region affecting Council E.

- ✓ This proposal would be eligible for consideration because the proposing councils are a majority of the directly affected territorial authorities, regardless of population of the directly affected areas.

Example 5: Subregional proposal - part of region

A region contains seven territorial authorities: Councils A to F. Council A, Council B and Council C jointly submit a proposal for a unitary for the three councils within their part of the region. The other four councils are unaffected.

- ✓ This proposal would be eligible for consideration because there are more than two territorial authorities proposing amalgamation and the majority of territorial authorities and population affected by the proposal are in favour of the proposal. Reorganisation plans for the remainder of the region (Councils D to F) will be required after the 2028 local body elections.

Note: eligibility is not acceptance, and eligible proposals will still need to pass the assessment.

How will outline proposals be assessed?

Five criteria will be used to assess the proposals:



Deliverability: Proposals are realistic and demonstrate how new arrangements can be implemented in a timely manner.



Supports the new planning system: Shows clear support for implementing the new planning system – including progress on spatial and natural environment plan development – and avoids or minimises disruption to that work.



Simplifies local governance: Proposes more efficient regional governance arrangements, consolidating decision-making and improving alignment between a region's councils.



Economies of scale: Supports regional strategic planning and effective delivery of key regional functions (such as transport and catchment management), and demonstrates responsible and affordable asset management, infrastructure investment, and service delivery.



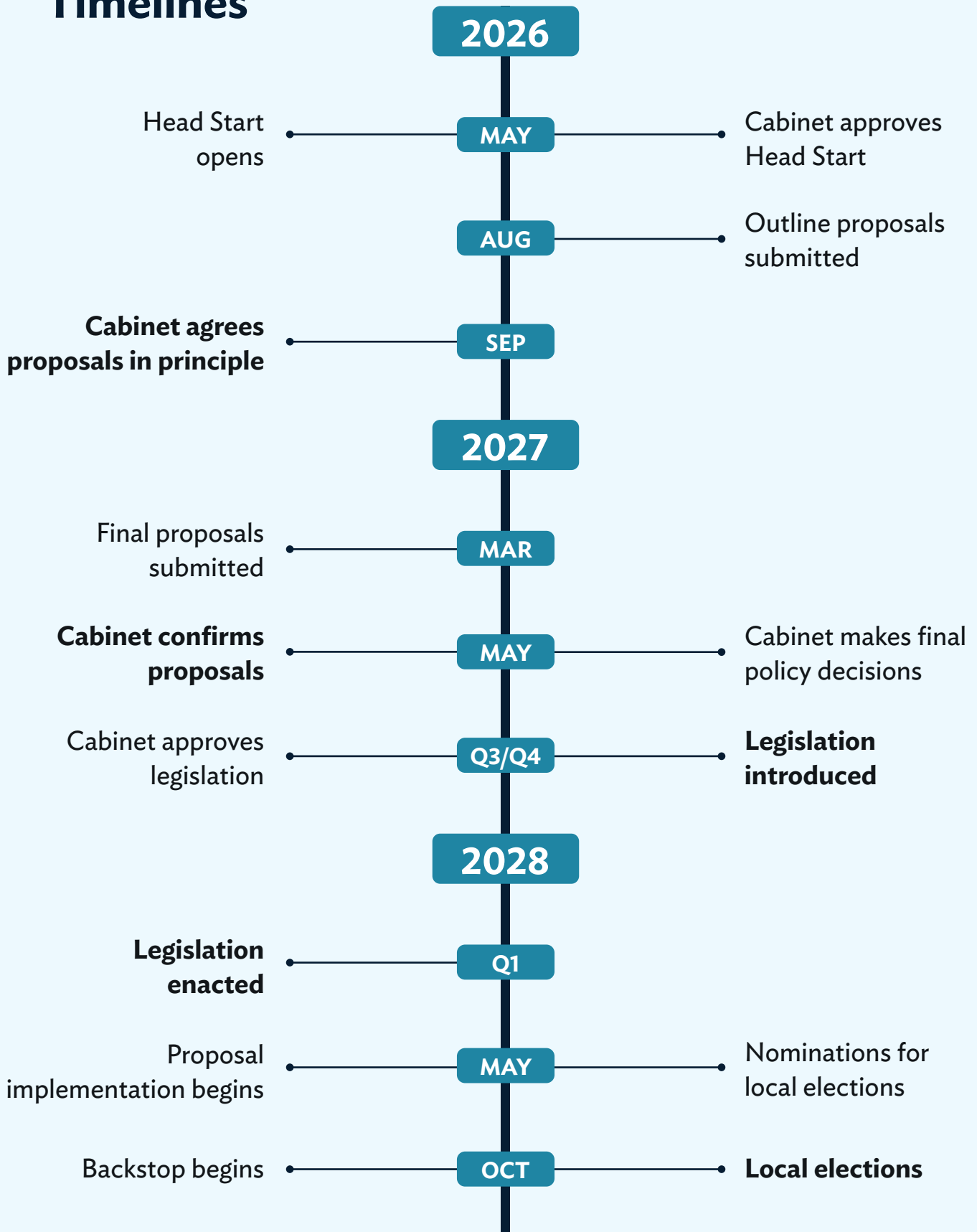
Maintains local voice: Demonstrates fair and effective representation for communities of interest and how decisions will be made at the local level, balancing urban and rural interests.

Next steps for Head Start

Once outline proposals have been assessed, Cabinet will decide which proposals are accepted into the detailed design phase of the Head Start pathway.

Once agreed in principle, any support required to develop detailed reorganisation proposals will be determined with submitters and agreed by Cabinet.

Timelines



Status of regional councillors

We previously proposed replacing regional councillors with boards of mayors.

Submitters suggested that retaining regional councillors until the end of their current elected periods would:

- support the transition to the new planning regime, including the first generation of spatial and natural environment plans
- retain institutional knowledge needed to make the transition
- provide additional governance capacity and capability during a period of substantial change.

It is our intention that regional councillors will not be elected at the 2028 local elections. They will be replaced by an interim body, for example a board of mayors, Crown commissioners, or a hybrid model. We will confirm the exact model in 2027, when successful Head Start proposals are approved.

Current regional councillors will stay on through to the end of the 2028 term to lead regional councils in their roles in the new planning system, particularly regional spatial plans.

Backstop legislation

Progress through the Head Start pathway will help inform the design of backstop arrangements for other regions.

Councils that do not progress through Head Start will continue to focus on delivering the new planning system, including development of the first generation of plans. Reform for those councils will not occur until after the 2028 local elections, through the compulsory backstop process.

This approach gives councils more time to concentrate on planning system implementation before any mandatory governance changes take effect, while still providing a strong indication of when and where future reform will occur.

Regions and councils not progressing through the Head Start pathway will be subject to a backstop process. During the transition, regional council governance would be exercised by an interim body, with the precise model to be confirmed in 2027. Legislation for the backstop will be enacted before nominations open for the 2028 local elections. This will ensure candidates understand any new roles and responsibilities, and electors can vote with clarity.

The final models of governance will be informed by lessons from the Head Start, feedback from consultation on the Simplifying Local Government proposal, and further advice from officials.

Rapid review update

A rapid review of regional council functions was completed to help guide councils during reorganisation planning. It was intended to identify functions that could potentially be centralised or ceased.

The review found that the key opportunities for centralisation are already being considered through existing government work programmes. For example, a national regulator for compliance and enforcement is being considered as part of the new planning system.

The RMA Expert Advisory Group recommended that, in the new planning system, compliance and enforcement functions should be transferred to a national regulator with regional compliance hubs. Policy work on this proposal is expected to be progressed after the Planning and Natural Environment Bills pass. The Government then expects to engage with local authorities and others to discuss the merits of different approaches.

The review concluded that other functions are still best delivered at a regional or local scale. In general, centralisation would involve high transition costs, be disproportionate to the problem identified, and is unlikely to materially improve regional or system outcomes. In some cases, the status quo is functioning effectively or could benefit from targeted modification rather than substantial change.

Transport is one key regional function that requires further consideration as a part of Head Start proposals. Transport responsibilities are currently split across central (NZ Transport Agency) and local government, with territorial authorities responsible for local roading while regional councils are responsible for network planning and public transport.

Outline proposals do not need to resolve all issues relating to any transfer of regional functions. However, proposals should:

- address the need to consolidate regional transport functions (such as in a regional unitary authority, regional joint committee or regional council controlled organisation)
- propose interim arrangements with respect to the new planning system compliance and enforcement functions, until Government decisions have been made
- explain how effective river catchment management can be maintained.

Resources

For further information, including guidance and how to engage with officials and access support, see dia.govt.nz/Simplifying-Local-Government

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