The Otago Central Lakes Deal

A partnership between Central Government and Queenstown Lakes District Council, Central Otago District Council and Otago Regional Council

New Zealand Government
Te Kāwanatanga o Aotearoa

Vision

Otago Central Lakes – From Premier Destination to Hub for Investment

To leverage New Zealand's premier tourist destination by attracting investment to deliver a business and lifestyle experience that is a magnet for new and international investment, entrepreneurship and production, to amplify the region's growth, economic diversification and resilience.

Otago Central Lakes is the fastest growing region in the country, renowned for its natural beauty, quality of life and appeal as a place to visit and do business.

The Deal's vision is to build on these strengths to attract investment, create new opportunities and support a strong, diverse economy that benefits local communities.

The Deal is about making growth work better for local communities

The Deal brings together central and local government, mana whenua and the private sector to work together to support and respond to that growth.

The Deal will support growth through a resilient, connected and future-ready transport system that is easier, safer and more reliable for residents and visitors.

It will also expand access to healthcare, increase affordable housing choices, strengthen energy resilience and support better local jobs by growing and diversifying the regional economy.

The partners will explore new ways to fund and finance the infrastructure and services needed for growth, and to share visitor-related costs more fairly, reducing pressure on existing ratepayers and helping deliver improvements sooner.

The Government and Otago Central Lakes will work together as long-term partners to lead how growth is supported. An Oversight Board, regular meetings with Ministers and a regional forum for business and stakeholders will keep planning, investment and delivery joined up and the Deal on track.

City and regional deals

City and Regional Deals between central and local government enable greater regional collaboration and coordination, enhanced private sector involvement, improved local government decision making and funding and financing, promoting innovative and collaborative ways of working between central and local government, and ensuring resilient cities and regions.

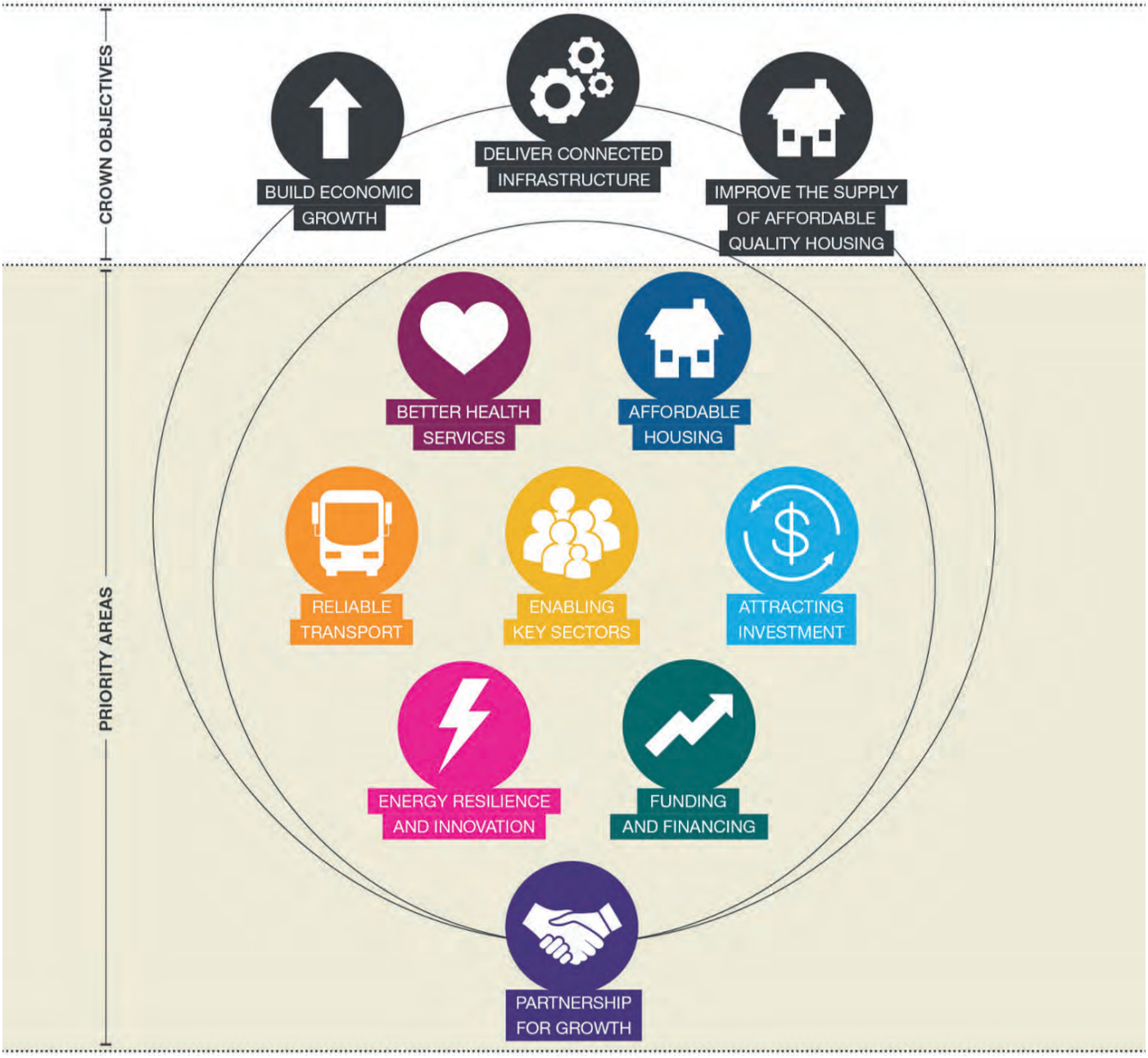
The Otago Central Lakes Deal is the third deal between local and central government.

Working together to shape a thriving Otago Central Lakes

Otago Central Lakes is growing quickly and is one of New Zealand's most desirable places to live, work and visit. That growth brings major opportunities, but it also puts pressure on the services and infrastructure communities rely on every day.

The goal of the Deal is to create a more affordable, connected, resilient and economically diverse region, while protecting the quality of life that makes it a great place to live, work and visit.

To deliver on this goal, the Deal is built around eight interconnected priority areas that work together to support the outcomes the district needs. Each area supports the others, helping align growth with the housing, infrastructure, services, investment and partnerships needed for communities to thrive.



Better health services

As the Otago Central Lakes grows, people need better access to healthcare closer to home. The Deal supports more local services now, as well as planning for the health facilities the region may need in the future.

It also commits Otago Central Lakes and the Government to partnering to deliver the Central Lakes Clinical Services Plan.

More services closer to home

This includes more mental health, addiction, cancer care, radiology, blood testing and other community-based services.

Better maternity care

The Deal will explore a local maternity care model that supports both planned and urgent maternity needs closer to home.

Planning for the future hospital services

The Deal will look at whether a future hospital is needed for Otago Central Lakes, including consideration of the best location, timing and infrastructure needed.

If a hospital site is confirmed, councils would work with the Government on enabling the infrastructure required to service the site. Central Otago District Council has indicated that land could be made available if Cromwell is identified as the preferred location.

What this could mean for residents

More healthcare services available locally resulting in less travel for routine appointments, tests and treatment.

Better access to mental health, maternity and specialist services.

Long term planning for health facilities that match population growth.

Stronger coordination between local and central government on the region's health needs.

Affordable housing

Housing affordability is one of the biggest challenges facing communities across Otago Central Lakes. High demand from residents, visitors, second homes and short-term accommodation means the local housing market faces pressures that are different from many other parts of New Zealand.

The Deal provides an opportunity for councils and the Government to work together on planning, funding and development tools that could increase the supply of quality, affordable housing and help more people live close to where they work and study.

More affordable housing and choice

The Government and councils will consider a range of measures to increase affordable housing in the right locations.

This will include investigating the case for targeted regulation (inclusionary zoning), alongside build-to-rent development, employer-led housing for key workers and voluntary partnerships between developers and registered community housing providers.

Renewed commitment to tackle housing together

The Deal provides for the strengthened delivery (and wider application to Central Otago) of the Queenstown Lakes District Joint Housing Action Plan. This includes using all the planning tools available through the Government's housing reform programme, working with developers, employers and community housing providers to meet the housing needs of the community.

What this could mean for residents

More affordable, well-located homes for local people including workers, families, older and young people who want to stay in the region, with housing closer to jobs, schools, services and public transport.

Stronger partnerships to deliver practical housing solutions with councils, government, mana whenua, community housing providers, employers and developers working together to increase affordable housing and support long-term affordability.

Reliable transport

Resident and visitor growth is placing increasing pressure on the transport network across Otago Central Lakes.

The Government and the region will work together to plan and deliver a resilient, connected and future-ready transport system that is safer, more reliable and provides better travel choices.

Agreed transport priorities and stronger regional connections

The Deal will initially focus on progressing priority transport projects already identified for the Whakatipu, and on developing the funding and financing pathways needed to deliver them.

It will then support comprehensive transport network planning across the wider Otago Central Lakes sub-region, including investigating specific solutions for key routes and connections, so future priorities are coordinated, ready for investment and deliver safer, more reliable travel for communities.

More travel choices

The Deal will support better public transport between communities and explore new options for busy areas, including offline mass transport where it makes sense, alongside complementary bus services.

Smarter transport management

The Deal will explore parking and congestion reduction initiatives, including time of use charging and parking and other initiatives to improve traffic flow, make journeys more reliable, and get more value from existing transport infrastructure.

Fairer ways to pay

The Deal will explore different ways for visitors, users and private partners to contribute to the cost of transport improvements, reducing reliance on local ratepayers.

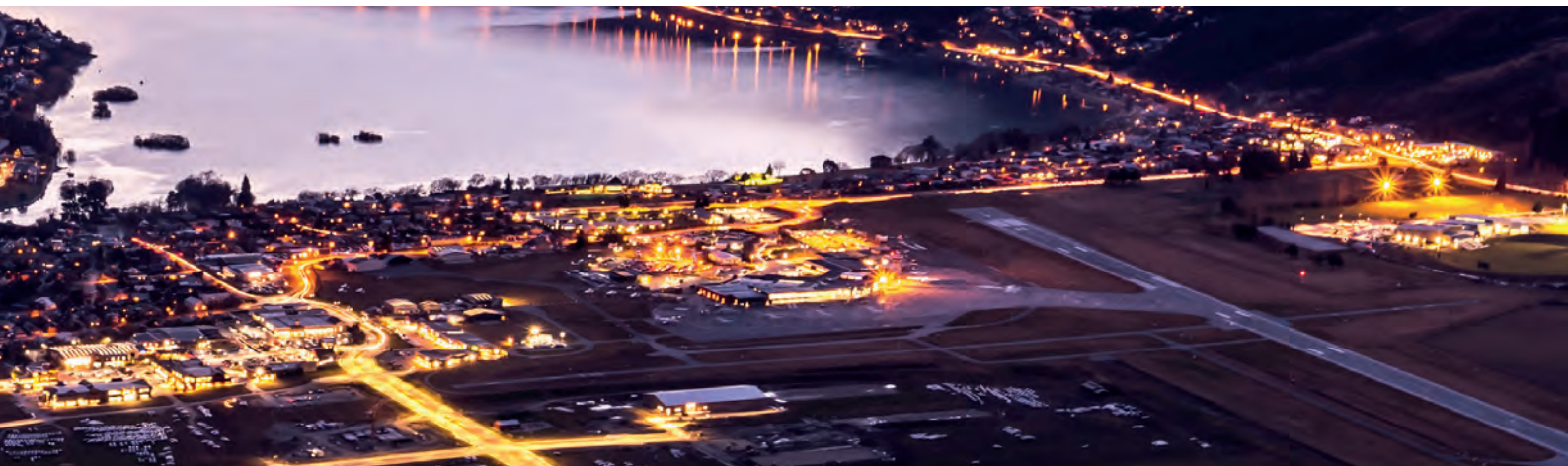
What this could mean for residents

Less congestion and more reliable travel, particularly in the busiest parts of the network.

Better public transport between Queenstown, Wānaka, Cromwell and Alexandra.

More transport choices so people do not always have to rely on private vehicles.

Safer and more resilient roads and bridges connecting communities across Otago Central Lakes.



Enabling key sectors

The Deal will support growth in key sectors such as tourism, technology, film, innovation, agriculture and renewable energy with the aim of creating more diverse jobs and business opportunities.

This will help the region move beyond relying too heavily on a small number of industries and build a stronger, more resilient economy for local communities.

Increased support for film and technology sectors

The partnership will support Otago Central Lakes as a centre of excellence for tourism productivity research and help grow the region's technology and film sectors.

The Deal will make it easier for film productions to work in the region by improving approvals, guidance and support, especially where public land is involved.

More education and research opportunities

Queenstown Lakes District Council will work with the Ministry of Education to explore joint community, sports and secondary school facilities at 516 Ladies Mile.

The Government will work with Otago University to advance plans for a Queenstown campus focused on technology, innovation and applied research, helping grow the region's tech sector and creating stronger links between tertiary education, local businesses and industries such as tourism.

Better support for agriculture and renewable energy

Identify opportunities for infrastructure improvements to help improve water security, agricultural productivity and energy supply.

What this could mean for residents

More opportunities and career pathways for local people to study and train in technology-related fields without leaving the region.

Stronger links between education, business and industry, helping local companies adopt new technologies and become more productive.

Stronger water security and infrastructure to support rural communities and food production.

A simpler process for film productions, helping attract work that supports local jobs and businesses.

Attracting investment

The Deal will help Otago Central Lakes and New Zealand attract new investment by working closely with New Zealand Trade and Enterprise and local businesses to harness the region's national and international reputation to create more local jobs, support local businesses and build a more diverse economy.

What this could mean for residents

Support for new businesses and local business growth, creating better job and career opportunities.

Better connections between local businesses, investors and government agencies.

A strong, more diverse economy that is less reliant on a small number of industries.

Energy resilience and innovation

A growing region needs a reliable and affordable energy supply. The Deal will support upgrades to the electricity network, new energy ideas, and ways to spread the cost of major upgrades over time to reflect growth.

More reliable electricity

Transmission upgrades are vital to ensure energy supply and security to the region and its residents and businesses. The proposed transmission line project will help support homes, businesses and essential services as the region grows.

Fairer costs for major upgrades

The Government will support energy providers and regulators to look at how to spread the cost of large electricity upgrades over time.

Easier access to solar and home energy improvements

The Government will explore options for homeowners to spread the cost of solar panels, batteries and other improvements through their rates bill, instead of paying the full cost upfront.

Testing new energy ideas

Otago Central Lakes and the Government will examine the regulatory regime for energy to trial new energy technologies, with proper checks and approvals, to improve resilience and affordability so that they can be applied nationally.

What this could mean for residents

A more reliable power supply for homes, business and local services.

Better planning for the region's future energy needs.

More affordable ways for some households to access solar panels or energy upgrades.

Support for renewable energy and new technology.

Fairer ways to share the cost of critical electricity updates.

Funding and financing

Growth requires significant investment in infrastructure, services and community facilities. The Deal is a commitment to explore new funding and financing tools so growth and visitor-related costs can be shared more fairly, reducing pressure on existing ratepayers and helping deliver critical infrastructure sooner.

Visitor costs

The Government recognises the additional costs that tourism places on the sub-region and will explore ways to contribute to these costs, with the aim of introducing solutions in 2027.

Share of mining royalties

Explore sharing a portion of mining royalties with local councils.

Infrastructure Funding and Financing Act arrangements

Costs could be spread over time and charged to those who benefit from growth, helping deliver infrastructure sooner and reduce pressure on ratepayers.

Asset recycling

Councils could sell, lease or redevelop suitable public assets and reinvest the value into infrastructure and services for growth. The Government will consider providing a contribution to projects that are funded by Council asset recycling on a case-by-case basis.

What this could mean for residents

More funding options to help pay for infrastructure needed to support growth, including transport, community facilities and other major projects.

Less reliance on existing ratepayers to fund growth-related costs.

Better long-term planning for infrastructure needs across the region.

Partnership for Growth

The Deal will create a stronger partnership between local councils, central government, mana whenua and key regional partners. Better partnerships help to align decisions about growth, infrastructure, housing, transport, health, energy and economic development across Otago Central Lakes.

In practice this means:

- Councils and the Government will work together on the big issues that cross council boundaries.

- Ministers, Mayors and the Regional Chair will meet every six months to provide strategic oversight and leadership for the Deal.

- Building on Queenstown Lakes District Council's Grow Well Whaiora partnership, a new oversight board will help guide and monitor delivery of the Deal. Councils will support the Deal by establishing a Joint Council Committee.

- Mana whenua, the private sector and key community partners will be part of the wider partnership approach through advisory groups and community engagement. These partners will also have the opportunity to attend forums with Ministers.

Mayor Tamah Alley
Central Otago District Council

Mayor John Glover
Queenstown Lakes District Council

Chair Hilary Calvert
Otago Regional Council

Hon Chris Bishop
Minister for Infrastructure

Hon Simon Watts
Minister of Local Government

CENTRAL OTAGO DISTRICT COUNCIL

Otago Regional Council

QUEENSTOWN LAKES DISTRICT COUNCIL