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27 August 2025

The Governance and Administration Committee  
Committee Secretariat  
Governance and Administration Committee  
Parliament Buildings  
Wellington

Email: [ga.legislation@parliament.govt.nz](mailto:ga.legislation@parliament.govt.nz)

Dear Sir/Madam

**Waikato Regional Council Submission to Local Government (System Improvements) Amendment Bill**

Thank you for the opportunity to submit on the proposed Local Government (System Improvements) Amendment Bill. Please find attached the Waikato Regional Council's (the council's) submission, formally endorsed by the council's Strategy and Policy Committee on **21 August 2025**.

Should you have any queries regarding the content of this document please contact Sydney Green, Policy Advisor, Policy Implementation directly on (07) 8586074 or by email [sydney.green@waikatoregion.govt.nz](mailto:sydney.green@waikatoregion.govt.nz).

Regards,

Tracey May  
**Director Science, Policy and Information**

## Submission from Waikato Regional Council on the Local Government (System Improvements) Amendment Bill

### Introduction

1. We appreciate the opportunity to make a submission on the Local Government (System Improvements) Amendment Bill.
2. The council recognises that this Bill has the potential to influence the way in which we operate, in particular our statutory obligations around core services and the “the wellbeings”.
3. Council supports the overall direction of the Bill, however, we highlight concerns around the clarity of multiple definitions, and the implications these changes might have for servicing our communities. We note that legislative changes alone do not address significant challenges related to funding, workforce capacity, and resource availability within the current scope of infrastructure responsibilities.
4. We look forward to future consultation processes to incorporate the proposed amendments into relevant statutes and would welcome the opportunity to comment on any issues explored during their development.

### The submission

5. The council’s main submission points on the Bill are summarised below, with comments on specific provisions listed in table format.

#### Refocusing purpose of local government

6. Local government exists to serve its community, to provide the services and functions that the community asks of it, and to ensure that statutory responsibilities are delivered in the most effective and efficient manner.
7. Council does not have a preference on whether the term ‘wellbeing’ remains or is amended by legislation. Much can, and has, been read into the specific terminology used. We believe that the focus of local government is to deliver the functions and services that our communities seek from us. To provide governance and democracy at the scale that enables appropriate community representation, and to ensure that the community can hold elected members and staff accountable for the responsible investment of public money.
8. Communities will continue to demand local government deliver outcomes to manage and improve social, cultural, economic and environmental wellbeing, whether or not there is an explicit statement of this in legislation. Amendments made through the Bill to ensure that social, cultural, economic, or environmental outcomes are achieved in the most efficient and effective manner are supported. However, the council argues it is important to consider a long-term lens when creating policy around affordability. Affordability is a concept that is not easily defined, as it is an agglomeration of effects which requires context and to be weighed against other fiscal influences, many of which are outside council’s control.
9. The council **supports** the intention to keep rates affordable in principle and in practice. We acknowledge removing the “wellbeings” and refocusing the statutory purpose of local government is to focus council’s investment on delivering core services and infrastructure; However, this Council has continued to focus investments on core services, including in the past when these wellbeings have been removed. Therefore, we note that expectations need to be managed as to what the removal of ‘wellbeing’ terminology in the Act will actually achieve. As noted in the accompanying Regulatory Impact Statement, removing specific reference to ‘wellbeing’ will not automatically lead to significant savings for councils.

#### Potential unintended consequences of removing the four wellbeings

10. We support clearer provisions that enable elected members to access the information they need to fulfil their governance responsibilities. We suggest clear guidelines or protocols would assist in managing this in an appropriate, transparent and efficient manner. An example of clear guidelines we recommend are those on open government by the Public Service Commission<sup>1</sup>.
11. Further to this point, we highlight a consideration on how the proposed changes may interface with existing obligations under the Local Government Official Information and Meetings Act (LGOIMA), and the potential need for additional resourcing to meet heightened transparency requirements. Other Acts have tests related to 'vexatious or frivolous', something similar to this may assist in with piece of legislation. Information to enable good governance should be freely available to elected members, where matters venture beyond good governance questions then guidance on appropriateness of seeking repeatedly more detailed requests would be of benefit.
12. Councils are already facing significant challenges related to funding, workforce capacity, and resource availability within the current scope of core infrastructure responsibilities. The proposed amendments do not appear to address these systemic constraints. Without a corresponding increase in support through alternative or additional resourcing tools, it is unrealistic to expect councils to meet expanded or redefined obligations. To achieve the government's stated objectives, significant change across both central and local government decision-making, funding and delivery is needed.
13. We **agree** that expressly including environmental management and catchment management as core services mitigates the risk that key regional functions could be omitted. Further by suggesting amendments that ensure integration to other pieces of legislation this would incorporate those other matters that local government is required to do through legislation without having an exhaustive list that would dilute the concept of 'core functions.' Recognising these additional statutory requirements supports councils to address the aspirations of a wide range of communities, including those who advocate for environmental, cultural, or partnership outcomes.

#### Procedural/timing implications

14. To ensure effective implementation of the legislation, we **recommend** that there is sufficient time allowed between enactment of this Bill and the next round of Long-Term Plans (LTPs) – if the Bill were to proceed as currently drafted. LTPs are developed over an 18-to-24-month period, and sufficient lead in time will ensure the council can make decisions in accordance with the new legislation, throughout the LTP planning and development phases.

#### Unclear definitions

15. It is unclear in Clause 27 of Schedule 7 what model standing orders are to be adopted. We **recommend** that these compulsory standing orders are significantly updated from the 2003 standards.
16. We have concerns that change from the status quo to an outdated set of model standards will cause two main direct and indirect issues for council, including:
  - a. The direct forced cost that Council will have to pay in order to purchase the standard, and to seek clarity that government will fund the development of any new standard. As a ballpark figure, our staff would require 22 copies minimum. If we were to provide a copy to each external member appointed to a committee, we would need another 47 copies. For our council alone, that is between \$2338.82 and \$4996.57, extrapolated across all councils this would be a considerable cost.

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<sup>1</sup> [Open Government - Te Kawa Mataaho Public Service Commission](#)

- b. The indirect cost to transparency and public trust this forced adoption may have for the Council and the community, should elements of the 2003 Standards remain.
17. We are aware that Standards NZ has copyright of the model standards from 2003. In the early 2000s, this copyright meant that councils could not share the standard, copy it, or make it public. It is unclear in the bill if this copyright remains, and we have concerns around the impact this secrecy will have to the Councils current transparency with the community on standing orders.
18. We seek that if the Bill requires compulsory adoption of Standing Orders, that revised Standing Orders are developed, with full engagement with local authorities, that the process is fully funded by central government, and that revised Standing Orders are freely available for copy and distribution to members of our communities upon request.
19. We **request clarity** in the definitions of core services in Clause 7. We consider that a flexible definition should apply that specifically includes environmental protection, flood management, and climate resilience for regional councils.
- a. We note that while this clause broadly reinstates the 2012 version of section 11A, the reference to 'the avoidance or mitigation of natural hazards' is now absent and has been replaced with 'civil defence and emergency management.', they are different roles that are performed by councils.
  - b. We **seek clarity** on whether this change in wording is a narrowing of core services to exclude the 'avoidance or mitigation of natural hazards' from the core services, or if 'civil defence and emergency management' would still encompass flood management and drainage, control works and climate resilience work.
20. We seek further clarification on section 32(b), and what the workable definitions of both "consultants" and "contractors" are. We support definitions of consultants and contractors as per the 2018 guidance from the Public Service Commission<sup>2</sup>.
21. We **have concerns** that the definitions of "flood protection" do not clearly fit within the current LGA definition of network infrastructure. As the Bill sits currently, it is unclear whether flood protection and control works fall within stormwater collection and management. This discrepancy leaves flood protection open to be defined as a potential emergency response, rather than long-term mitigation of natural hazard risk. We also propose that the term 'flood protection' is replaced with more commonly used term of 'flood management and drainage.'

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<sup>2</sup> [Contractors-and-Consultants-Guidance.pdf](#)

## SUBMISSION ON LOCAL GOVERNMENT (SYSTEM IMPROVEMENTS) AMENDMENT BILL

Provision	Submission	Waikato Regional Council stance
<i>1. Section 10 (Purpose of local government)</i>		
<p>The purpose of local government is—</p> <p>(a) to enable democratic local decision-making and action by, and on behalf of, communities; and</p> <p>(b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses; and</p> <p>(c) to support local economic growth and development by fulfilling the purpose set out in paragraph (b).</p>	<p>We <b>propose</b> revising section 10(1) to read:</p> <p>The purpose of local government is—</p> <p>(a) to enable democratic local decision-making and action by, and on behalf of, communities; and</p> <p>(b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions, <u>environmental management, flood management and drainage, and climate resilience</u>, in a way that is most cost-effective for households and businesses; and</p> <p>(c) to support local economic growth and development by fulfilling the purpose set out in paragraph (b).</p> <p>or</p> <p>To keep the purpose as amended in the Bill, with the inclusion of the following</p> <p>(d) undertake roles and responsibilities as required by legislation.</p>	<p>We agree that retaining references to environmental management and climate resilience in the purpose ensures councils have clear authority to address the breadth of current and emerging needs, particularly where these may not fit easily within a narrow “core services” definition. This acknowledges that interests such as partnership commitments, local cultural values, and sustainability are central to effective local government.</p> <p>Alternatively, if the amendments proposed are not supported suggest the inclusion of either (d) into this clause, or (fa) as suggested by the submission point below.</p>
<i>2. Core services definition (Section 11A)</i>		
<p><b>11A: Core services to be considered in performing role</b></p> <p>(1) The following services are the core services of a local authority:</p> <p>(a) network infrastructure:</p> <p>(b) public transport services:</p>	<p>We <b>recommend</b> modifying the core services definition as follows:</p> <p>11A: Core services to be considered in performing role</p> <p>(1) The following services are the core services of a local authority:</p> <p>(a) network infrastructure:</p>	<p>We agree that specifically including environmental management and catchment management as core services mitigates the risk that key regional functions could be omitted. Recognising these roles supports</p>

(c) waste management: (d) civil defence emergency management: (e) libraries, museums, reserves, and other recreational facilities.	(b) public transport services: (c) waste management: (d) civil defence emergency management: (e) libraries, museums, reserves, and other recreational <u>or community</u> facilities. (f) <u>regulatory functions, environmental management, catchment management, flood management and drainage , and climate resilience activities undertaken by regional councils.</u> <u>Or</u> (fa) <u>Other activities and services as required by legislation</u>	councils to address the aspirations of a wide range of communities, including those who advocate for environmental, cultural, or partnership outcomes.  Alternatively, we have suggested (fa) that refers to other enabling or conferring legislation that direct statutory roles or responsibilities. This amendment provides a general reference to other legislation that directs councils to undertake activities, rather than to have an exhaustive list under the core services definition.
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#### Submitter details

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