

Property Council New Zealand

Submission on the Simplifying Local Government Consultation – A draft proposal

20 February 2026

For more information and further queries, please contact

Bella Leddy

bella@propertynz.co.nz

0297786114

20 February 2026
Department of Internal Affairs
Via Email: SimplifyingLocalGovernment@dia.govt.nz

Submission on the Simplifying Local Government consultation – A draft proposal

1. Summary

- 1.1. Property Council New Zealand (“Property Council”) welcomes the opportunity to provide feedback on the Department of Internal Affairs (“DIA”) draft proposal to simplify local government (‘the proposal’).
- 1.2. New Zealand’s local government system has become increasingly complex, fragmented, and inefficient. Property Council broadly supports the intent of the proposal to improve regional coordination, enable clearer leadership, and support faster, more consistent delivery of housing and infrastructure.
- 1.3. However, simplification must be carefully designed to ensure reforms improve outcomes in practice. Governance changes should be accompanied by clear statutory direction, strong capability, and a focus on delivery, not just structural change.

2. Recommendations

2.1 At a high level, Property Council recommends:

- Any legislative references to ‘spatial plan committees’ under the Planning Bill 2025 is aligned with this proposal and references to Combined Territory Boards;
- Combined Territory Boards include a limited number of skills-based appointed members to complement mayoral representation;
- Mayoral appointees to Combined Territory Boards are supported by Deputy Mayors;
- Proportional voting is balanced with safeguards to ensure smaller councils are not marginalised;
- Combined Territory Boards are enabled to establish joint or cross-boundary governance arrangements;
- Regional reorganisation plans are required to demonstrably justify materially improved infrastructure delivery, funding alignment, and growth outcomes relative to the status quo;
- Regional reorganisation plans mandate the establishment of regional or shared consenting services;
- Combined Territory Boards are required to undertake targeted engagement with infrastructure and development providers;
- Combined Territory Boards consider climate change mitigation and emissions reduction as part of spatial planning and infrastructure-related consultation; and
- The Government provide clear statutory direction on transition and implementation arrangements.

3. Introduction

- 3.1. Property Council is the leading not-for-profit advocate for New Zealand’s most significant industry, property. Our organisational purpose is, “Together, shaping cities where communities thrive.”
- 3.2. The property sector shapes New Zealand’s social, economic, and environmental fabric. Property Council advocates for the creation and retention of a well-designed, functional, and sustainable built environment, in order to contribute to the overall prosperity and well-being of New Zealand. We aim to unlock opportunities for growth, urban development, and productivity to improve New Zealand’s prosperity.
- 3.3. We connect over 10,000 property professionals and represent the interests of over 550 members organisations across the commercial, industrial, retail, and residential sectors. Our members are from the private, public, and charitable sectors.
- 3.4. This document provides Property Council’s feedback on DIA’s draft proposal to [Simplify local government](#) and recommendations are provided on issues relevant to Property Council’s members. Reflecting the diversity of our membership, Property Council members may wish to comment in greater detail on issues specific to their business. Accordingly, we support individual members providing separate submissions addressing those matters.

4. Combined Territory Boards and resource management reform

- 4.1. Property council acknowledges that Ministers have decided Combined Territory Boards (‘CTBs’), if established, will be the decision-making body for spatial plan chapters and natural environment plan chapters under the new resource management reform. Decisions relating to spatial planning and natural environment outcomes have significant, long-term implications for land use, infrastructure investment, and regional economic growth.
- 4.2. The development and implementation of regional reorganisation plans and spatial plans will be operationally complex and resource intensive. Given the strategic importance and technical complexity of these functions, it is essential that CTBs are appropriately designed, supported, and resourced to undertake these responsibilities effectively.
- 4.3. We recommend that any legislative references to ‘spatial plan committees’ under the Planning Bill 2025 is aligned with this proposal and references to CTBs.

5. Simplifying Regional Governance and CTB design

- 5.1. Property Council supports the objective of reducing duplication between regional councils and territorial authorities. We support amalgamation where it results in economies of scale and efficiencies.
- 5.2. The proposed CTB model has merit in simplifying governance and improving alignment across councils within a region. Clearer regional leadership can support more coordinated planning, infrastructure investment, and service delivery.
- 5.3. However, governance simplification must translate into operational simplification. Structural reform alone will not improve outcomes unless it results in faster decision-making, clearer accountability, and improved delivery.

CTB composition

- 5.4. Property Council supports strong democratic leadership and local knowledge through mayoral representation. However, CTBs will be responsible for complex strategic decisions and would benefit from additional skills-based property expertise.
- 5.5. A hybrid governance model, combining mayors with a limited number of private and/or public appointed members, would strengthen decision-making, improve continuity, and support delivery-focused outcomes. For example, appointed members with infrastructure financing, planning, or governance expertise could support more informed decisions on complex regional infrastructure programmes.
- 5.6. We recommend that CTBs include a limited number of skills-based appointed members to complement mayoral representation. This should be mandated to include a significant portion of skills-based members from the private sector..
- 5.7. We recommend that mayoral appointees to CTBs are supported by Deputy Mayors to share the additional workload.

Voting arrangements

- 5.8. Property Council supports proportional voting arrangements in the CTB for the spatial plan, reorganisation plan, etc, as it better reflects population, growth pressures, and infrastructure demand across a region. For example, high-growth urban areas often face disproportionate infrastructure costs and delivery pressures that are not reflected under equal voting models.
- 5.9. We recommend proportional voting is balanced with safeguards to ensure smaller councils are not marginalised and that decision-making remains collaborative, transparent, and efficient.
- 5.10. Property Council notes that members have raised concerns regarding how decisions made by CTBs will be resolved, funded, and implemented in practice. There is uncertainty around how disagreements will be managed where voting consensus cannot be reached, how decisions will be given effect where individual councils disagree with outcomes affecting assets or functions, and how implementation will be funded. Property Council considers that greater clarity on these matters will be important to support effective CTB functioning more generally.

Communities crossing regional boundaries

- 5.11. Property Council supports representation models that recognise functional urban areas and growth patterns rather than rigid administrative boundaries. For example, housing markets, labour catchments, and transport networks often span multiple council or regional boundaries.
- 5.12. We recommend that CTBs are enabled to establish joint or cross-boundary governance arrangements where communities and growth patterns span regional boundaries.

6. Infrastructure coordination

- 6.1. Effective infrastructure delivery depends on clear regional accountability. Fragmented governance and overlapping decision-making have contributed to infrastructure delays and constrained urban growth.

- 6.2. Regional reorganisation plans, which are intended to set out how governance and functions will be structured at a regional level, must move beyond high level intent and be required to demonstrate how proposed governance changes will improve infrastructure delivery in practice. This includes identifying where functions will be consolidated, shared, or delivered through regional entities, and how these changes will reduce duplication, improve delivery timeframes, and better align infrastructure funding with growth.
- 6.3. We recommend that regional reorganisation plans are required to demonstrably justify materially improved infrastructure delivery, funding alignment, and growth outcomes relative to the status quo.

7. Improving planning and consenting outcomes

- 7.1. From a property sector perspective, one of the most significant opportunities in the proposal is to simplify planning and consenting interfaces across council.
- 7.2. Developers frequently face multiple consent processes, inconsistent rules, and different interpretations across regional and territorial authorities for the same project. This adds cost, uncertainty, and delay. For example, members commonly report receiving resource consents with certain conditions only to find at building consent stage, a different team interprets the building code requirements differently, triggering redesign late in the process.
- 7.3. Property Council recommends that regional reorganisation plans mandate the establishment of regional or shared consenting services.

8. Consultation requirements

- 8.1. Property Council supports consultation that is targeted and proportionate. Consultation requirements should explicitly provide for engagement with infrastructure and development providers who are responsible for delivering growth.
- 8.2. Without meaningful engagement with delivery partners, there is a risk that CTB decisions are theoretically sound but operationally unworkable. Growth strategies that assume infrastructure delivery timeframes or funding mechanisms that do not align with market realities can stall development and delay housing supply.
- 8.3. We recommend CTBs are required to undertake targeted engagement with infrastructure and development providers where decisions affect growth sequencing, infrastructure timing, or delivery feasibility.

Climate accountability

- 8.4. Property Council supports sustainable thriving cities. Early and coordinated consideration of climate impacts can improve long-term infrastructure resilience, reduce the risk of future retrofit costs, and support more efficient urban form. Embedding these considerations at a regional level provides greater consistency across councils and improves certainty for investment decisions
- 8.5. We recommend CTBs consider climate change mitigation and emissions reduction as part of spatial planning and infrastructure-related consultation.

9. Transition and Implementation

- 9.1. Property Council emphasises the importance of clear transition arrangements. Governance reform creates risk if roles, responsibilities, and processes are unclear during implementation. Without sufficient capability and resourcing, there is a risk that reform diverts capacity away from core service delivery.
- 9.2. We recommend that the Government provide clear statutory direction on transition arrangements, ensure councils are adequately resourced to implement reform, and develop standardised guidance and templates for regional reorganisation plans, regional spatial plans and natural environment plan chapters.

10. Conclusion

- 10.1. Property Council members invest, own, and develop property across New Zealand. We wish to thank the Department of Internal Affairs for the opportunity to provide feedback on the 'Simplifying Local Government' draft proposal.
- 10.2. Property Council supports the intent of the proposal to simplify local governance and strengthen accountability. To realise these benefits in practice, the reforms must be accompanied by clear delivery responsibilities, robust governance capability, and mandated mechanisms that improve infrastructure delivery and support urban growth.
- 10.3. For any further enquiries, please do not hesitate to contact Bella Leddy, Advocacy Advisory, via email bella@propertynz.co.nz or phone 0297786114.

Yours Sincerely,



Leonie Freeman
Chief Executive
Property Council New Zealand