

BRIEFING NOTE

Briefing on Local Government Amalgamation Reform — 3 June 2026

A briefing prepared by Democracy Reform NZ Inc. Statutory text verified against legislation.govt.nz on 3 June 2026.

Summary

The Government's "Head Start" pathway — the fast-track process through which councils are expected to submit reorganisation proposals directly to Cabinet — operates entirely outside the statutory framework for local government reorganisation. The Local Government Act 2002 provides only one lawful mechanism for council amalgamation: Schedule 3, which requires public consultation and submission to the independent Local Government Commission. The Commission must refuse any plan that arrives without a consultation report or lacks community support. These are the only democratic safeguards in the council-led pathway. The Head Start process bypasses both, sending outline proposals straight to Cabinet with no consultation requirement and no independent review.

The Government's own DIA page admits councils "will be limited in how they consult" and that "enabling legislation" will be needed in 2027. Until that legislation is passed, there is no legal mechanism to compel councils to merge outside Schedule 3.

Democracy Reform NZ Inc calls on the Government to extend the deadline, confirm no council is penalised for following the existing law, and guarantee affected communities a genuine say before any proposal reaches Cabinet.

Part 1: The Facts

On 5 May 2026, RMA Reform and Infrastructure Minister Chris Bishop and Local Government Minister Simon Watts announced the "Head Start" pathway:

- Councils have until 11.59pm on Sunday 9 August 2026 (96 days) to submit "outline proposals" for reorganisation.
- Proposals must come from groups of two or more territorial authorities representing a majority of affected councils or population.
- Regional councils cannot submit proposals. Regional councillors will not be elected at the 2028 local body elections.
- Proposals must focus on creating larger unitary authorities combining regional and local council functions.
- Councils that do not submit proposals face a Government-imposed "backstop" — interim governance by a board of mayors, Crown commissioners, or hybrid body.

- Cabinet will consider outline proposals in September 2026 and agree in principle which proceed. Detailed design runs into 2027. “Enabling legislation” to be introduced in 2027.
- Flood protection, emergency management, biosecurity, and public transport remain with local government.

On consultation, the DIA’s own Q&A states: > “Given the short window for submitting, councils will be limited in how they consult on initial outline proposals. We are looking for mayors and councils to provide local leadership. Councils will have the opportunity to consult with communities before final decisions are made by Cabinet in May 2027.”

Sources: DIA Simplifying Local Government page (dia.govt.nz); RNZ, 5 May 2026; Wynn Williams legal analysis, 5 May 2026.

Part 2: The Legal Argument (Verified Against Statute)

The key finding: Head Start operates OUTSIDE the statutory framework

The Local Government Act 2002 provides only one lawful mechanism for local authority-led reorganisation: **Schedule 3, Subpart 1B** (clauses 22A–22C), inserted by the Local Government Act 2002 Amendment Act 2019. This pathway requires:

1. **Development and adoption** of a reorganisation plan (clause 22A)
2. **Submission to the Local Government Commission** — not to Cabinet — accompanied by a report recording “the public consultation undertaken by that local authority” and “the themes and outcomes of that consultation” (clause 22B(2)(b)(ii)-(iii))
3. **Commission review** — the Commission **must refuse** to approve the plan if the consultation documentation is missing or if “the plan does not have the support of affected communities” (clause 22C(2)-(3))

Notably, clause 22C(4)(a) explicitly excludes the polls subpart from the council-led pathway. This means the consultation report and Commission review are the **only** democratic safeguards Parliament built into this route. There is no poll requirement for council-led reorganisation.

The Head Start process bypasses even these remaining safeguards. Proposals go to Cabinet, not the Commission. The DIA acknowledges that “enabling legislation” is needed in 2027 to implement the proposals.

As a matter of law: Unless or until bespoke amalgamation legislation is introduced and passed, there is no legal mechanism to compel councils to merge without the consultation processes dictated by existing law.

The Minister has no statutory power to decide reorganisation outcomes

The Head Start process has Cabinet deciding which reorganisation proposals proceed. But the LGA 2002 deliberately withholds that power from the Minister. The Act assigns the Minister only two limited roles in the reorganisation process:

Section 31A — Minister’s expectations of the Commission (verbatim extracts): > (1)

The Minister may, by notice in writing to the Commission, specify expectations relating to the Commission’s performance of its functions and exercise of its powers under Schedule 3 or 3A. > (2) Without limiting subsection (1), the Minister may specify— > (a) the time frames within which the Commission is expected to complete specified matters: > (b) which reorganisation applications are to be regarded by the Commission as having a higher priority.

This is a soft power directed at the **Commission** — not at councils, and not a power to approve or reject reorganisation plans.

Section 25 of the main Act — Order in Council (verbatim extracts): > (1) A

reorganisation plan ... is given effect to by Order in Council made on the recommendation of the Minister ... > (2) The Minister must recommend the making of an Order in Council under subsection (1) unless the Minister is satisfied, on reasonable grounds, that— > (a) the process followed in developing the reorganisation plan was not in accordance with the requirements of this Act; or > (b) the development of the reorganisation plan failed to give proper weight to the relevant principles, considerations, and criteria set out in this Act.

The Minister’s only other role is a limited **veto at the end** — after the Commission has approved the plan. Even then, the Minister **must** recommend the Order in Council unless the process was defective. This is a process check, not a decision-making power.

What this means: The statutory architecture is deliberately designed so that the decision on whether councils merge is made by (1) the councils themselves and (2) the Commission — not by Cabinet. The Head Start process inverts this entirely, placing Cabinet at the centre of a decision the Act gives to communities and their independent Commission. The Minister is exercising a power Parliament deliberately did not grant.

The Auckland precedent: the Government knows bespoke legislation is required

A comprehensive search of all in-force Acts and current Bills on legislation.govt.nz (3 June 2026) confirms that:

1. **No enabling Bill has been introduced.** The only current local government Bill before Parliament is the Local Government (System Improvements) Amendment Bill (No. 180-2, introduced 14 July 2025, second reading interrupted 23 April 2026), which deals with rates, performance measurement, and core services. It contains no amalgamation or reorganisation provisions.
2. **No other current Bill contains reorganisation powers.** A search of all Bills currently before Parliament — including the Planning Bill, Natural Environment Bill, Emergency Management Bill, and Public Works Amendment Bill — found no provisions authorising council amalgamation or overriding Schedule 3.
3. **The Auckland precedent proves the Government knows bespoke legislation is needed.** When Auckland’s eight councils were merged in 2009–2010, Parliament passed two entire Acts to authorise it: the **Local Government (Auckland Council) Act 2009** and the **Local Government (Auckland Transitional Provisions) Act 2010**. The current Government is attempting a far larger nationwide amalgamation — up to 78 councils — without introducing a single line of enabling legislation.

The Auckland comparison is particularly powerful: the Government passed two bespoke Acts for one city. It has introduced zero Bills for an exercise that would restructure every council in the country.

What the statute actually says (verbatim extracts)

Clause 22B(2) — Application to Commission: > The reorganisation plan must be accompanied by— > (a) a statement that complies with clause 13(2); and > (b) a report from each affected local authority, adopted by that local authority, that records— > (i) that local authority’s unconditional support for the plan; and > (ii) the public consultation undertaken by that local authority; and > (iii) the themes and outcomes of that consultation.

Clause 22C(2)-(3) — Commission review: > (2) The Commission must approve the reorganisation plan ... unless— > (a) the reorganisation plan is not accompanied by the documentation required by clause 22B; or > (b) the Commission considers, on reasonable grounds, that— > (i) the provisions in subparts 1 and 1A of this Part were not complied with ...; or > (ii) the plan does not have the support of affected communities. > (3) The Commission must not approve the reorganisation plan ... if subclause (2)(a) or (b) applies.

Clause 22C(4)(a) — Polls excluded from council-led pathway: > If the Commission approves a reorganisation plan under this clause,— (a) subparts 2 and 3 of this Part do not apply

Note: Subpart 2 is the polls subpart. This means the council-led pathway (22A–22C) has no poll requirement. The consultation report (22B) and Commission review (22C) are the sole democratic safeguards. Polls apply only to Commission-initiated reorganisations under clause 12.

The Section 17 backup (a fortiori)

Section 17(4) of the LGA 2002 states (verbatim): > A local authority may not agree to transfer a responsibility or agree to accept a transfer of a responsibility under this section unless it is satisfied, following consultation in accordance with section 82, that the benefits of the proposed transfer to its district or region will outweigh any negative impacts of the proposal.

If the law forbids shifting one function without section 82 consultation, it cannot have intended entire councils merged without it.

Section 82 — Principles of consultation (verbatim extracts)

Section 82(1): > Consultation that a local authority undertakes in relation to any decision or other matter must be undertaken ... in accordance with the following principles: > (a) that persons who will or may be affected by, or have an interest in, the decision or matter **should be provided by the local authority with reasonable access to relevant information** ... > (b) that persons who will or may be affected ... should be encouraged by the local authority to present their views ... > (c) **that persons who are invited or encouraged to present their views ... should be given clear information by the local authority concerning the purpose of the consultation and the scope of the decisions to be taken following the consideration of views presented:** > (d) that persons who ...

present views ... should have access to a clear record or description of relevant decisions made by the local authority and explanatory material relating to the decisions ...

The 2019 amendments did not remove the consultation requirement — they shifted it to clause 22B, making a consultation report a **mandatory prerequisite for a valid submission** to the Commission. No consultation report = no valid submission = Commission must refuse. And the Head Start process bypasses the Commission entirely, operating outside the statutory framework until enabling legislation is passed.

Part 3: The Five-Layered Argument

Layer 1 (lead): The process is extra-statutory. The Head Start pathway does not use the only lawful mechanism for council reorganisation (Schedule 3). It sends proposals to Cabinet instead of the Commission, and the Government admits it needs new legislation. Until that legislation exists, the only lawful path to amalgamation requires consultation and Commission approval — and the Head Start process bypasses both.

Layer 2: The Minister is exercising a power Parliament deliberately withheld. Under the LGA 2002, the Minister can set expectations for the Commission (s31A) and has a limited veto at the end of the process (s25). The Act does not give the Minister — or Cabinet — the power to decide which reorganisation proposals proceed. That decision belongs to councils and the Commission. The Head Start process places Cabinet at the centre of a decision the Act gives to communities and their independent Commission.

Layer 3: Even on its own terms, it defeats consultation. The Government's own DIA page admits councils "will be limited in how they consult." It promises communities a say "before final decisions are made by Cabinet in May 2027" — but by then the outline proposals will be locked in and the political momentum irreversible. The promise of later consultation is hollow if the fundamental decisions have already been taken.

Layer 4 (the Auckland precedent): The Government has done this before — and it needed two Acts of Parliament. When Auckland's eight councils merged in 2009–2010, Parliament passed the Local Government (Auckland Council) Act 2009 and the Local Government (Auckland Transitional Provisions) Act 2010. For the current nationwide amalgamation affecting up to 78 councils, the Government has not introduced a single Bill.

Layer 5 (a fortiori): Section 17. If the law forbids transferring one function without genuine consultation, it cannot have intended whole councils to be merged with out proper consultation.

Part 4: Framing and Analogies

"Sign the contract before you're allowed to read it"

The Government says communities will get to read the contract (in 2027). But by then the terms are already written, the parties have committed, and the only remaining question is implementation detail. That's not consultation — it's notification.

“Lead your own reform or we’ll do it for you”

This is the Government’s own language. The backstop makes the “voluntary” characterisation misleading. A choice made under threat of a worse imposed outcome is coerced, not informed.

“Operating outside the law until new law catches up”

The DIA admits enabling legislation is needed. The Government is asking councils to commit to a process that has no current statutory basis and hoping Parliament will retrospectively validate it. That’s governing by fait accompli.

“The referee has left the field and the Minister has taken the whistle”

The LGA 2002 created an independent referee — the Local Government Commission — to assess reorganisation plans and check they have community support. The Head Start process sidelines the Commission entirely. Cabinet is simultaneously setting the rules, picking the winners, and threatening the penalty for non-compliance. Parliament designed a process with independent oversight. The Government has replaced it with ministerial discretion.

Part 5: What the Blueprint Says

Democracy Reform NZ Inc’s policy Blueprint treats local government as grassroots democratic infrastructure, not an administrative convenience to be reorganised from Wellington.

Key Blueprint positions:

- **Founding Principle 6** (Part 1, v8.3): “Reconnect Local and Central Government.”
- **Policy 4.2.1** (Part 2, v8.5): “Study statutory mechanisms for genuine joint planning and shared accountability, including how local government can be funded adequately so councils can actually exercise the responsibilities devolved to them.”
- **Policy 4.2.6** (Part 2, v8.5): Local government as a “school of democracy” (Reid 2024) — citizens develop democratic skills through local participation that strengthen national-level engagement.
- **Sir Geoffrey Palmer** (cited at Policy 4.2.6): “The constitutional position of local government has been neglected for years in New Zealand, and that is a grave weakness.”

The Government’s Head Start process proves Palmer’s point. It treats local government as an obstacle to be removed rather than democratic infrastructure to be strengthened — and it does so by operating outside the very statute that Parliament designed to protect communities during reorganisation.

Part 6: The Three Asks

Democracy Reform NZ Inc calls on the Government to:

1. **Extend the timetable** so that genuine consultation precedes any binding commitment — not just the “final decisions” in 2027, but the outline proposals that shape them.
2. **Confirm no council is penalised** for following the existing law (Schedule 3) rather than an extra-statutory executive process.
3. **Guarantee affected communities, iwi and hapū, and electors a real say** before any proposal reaches Cabinet — including those communities whose councils choose the backstop pathway.

Part 7: Statement from Democracy Reform NZ Inc

“When Auckland merged, Parliament passed two Acts to make it lawful. This Government is attempting to restructure every council in the country and it hasn’t introduced a single Bill. The Head Start process asks councils to commit to restructuring proposals under threat of an imposed outcome, promises communities a say after the decisions are made, and hopes Parliament will pass retrospective legislation to make it legal. This is not democratic reform — it is governing by decree.”

— Godfrey Bridger, Founder, Democracy Reform NZ Inc

Part 8: Key Statutory References (Verified 3 June 2026)

Provision	Subject	Status
Schedule 3, cl 20	Consultation on proposal	REPEALED 22 Oct 2019
Schedule 3, cl 21	Decisions on draft proposals	REPEALED 22 Oct 2019
Schedule 3, cl 22A	Local authorities may develop and adopt reorganisation plan	Current (inserted 2019)
Schedule 3, cl 22B	Application to Commission (consultation report required)	Current (inserted 2019)
Schedule 3, cl 22C	Commission review (must refuse without consultation/support)	Current (inserted 2019)
Schedule 3, cl 22C(4)(a)	Polls subpart does NOT apply to council-led pathway	Current (inserted 2019)
Schedule 3, cl 25	Poll of electors (applies to Commission-initiated pathway only, not 22A–22C)	Current (amended 2019)
Section 17(4)	Transfer of responsibilities requires s82 consultation	Current

Provision	Subject	Status
Section 25 (main Act)	Order in Council on Minister's recommendation (Minister must recommend unless process flawed)	Current
Section 31A	Minister's expectations of Commission (time frames, priorities — not decision power)	Current
Section 82	Principles of consultation	Current

Part 9: The Local Government Commission — Confirmed Role and Functions

Verified against the Commission's own website (lgc.govt.nz) and the LGA 2002.

What the Commission is

The Local Government Commission (Te Mana Kāwanatanga ā Rohe) is **an independent body established under the Local Government Act 2002** (the Commission's own description). Its members are appointed by the Minister of Local Government, but critically, **its decisions do not require the Minister's approval** before being implemented. The Commission has the powers of a commission of inquiry and the powers of the district court in hearings.

Its statutory functions relevant to reorganisation

Under Schedule 3 of the LGA 2002, the Commission's specific functions include:

- **Undertaking reorganisation investigations** following reorganisation initiatives and requests (Schedule 3)
- **Reviewing local authority-led reorganisation applications** (Schedule 3, clause 22B) — the exact mechanism the Head Start process bypasses
- **Preparing and issuing reorganisation implementation schemes** (Schedule 3, clause 41)
- **Deciding apportionment of assets and liabilities** between local authorities following reorganisation (Schedule 3, clause 53)

The Commission also handles representation review appeals under the Local Electoral Act 2001, and its Chairperson is a non-voting member of the Representation Commission (which adjusts parliamentary electorate boundaries).

What the Commission does NOT do

The Commission's own website clarifies that it does not: - Administer local authority elections - Regulate council meetings - Set local authority rates - Investigate complaints about spending or fraud - Handle OIA requests to councils

These exclusions are relevant because they show the Commission's role is specifically focused on **structural decisions** — exactly the kind of decision the Head Start process asks Cabinet to make instead.

Why this matters for the briefing

The Head Start process replaces the Commission — an independent statutory body with the powers of a commission of inquiry — with Cabinet, which has no statutory role in reorganisation decisions under the Act. The Commission was deliberately established as independent precisely so that decisions about the structure of local government would be made on the merits, after proper investigation and community consultation, free from political direction.

Source: [Local Government Commission — What we do](#)

References

- Local Government Act 2002, Schedule 3, clauses 22A–22C — [legislation.govt.nz](#)
- Local Government Act 2002, Section 17 (Transfer of responsibilities) — [legislation.govt.nz](#)
- Local Government Act 2002, Section 25 (Order in Council) — [legislation.govt.nz](#)
- Local Government Act 2002, Section 31A (Minister’s expectations of Commission) — [legislation.govt.nz](#)
- Local Government Act 2002, Section 82 (Principles of consultation) — [legislation.govt.nz](#)
- DIA, “Simplifying Local Government” (Head Start pathway) — [dia.govt.nz/simplifying-local-government](#)
- “Government gives councils amalgamation ultimatum,” RNZ, 5 May 2026 — [rnz.co.nz](#)
- “Local government amalgamation ultimatum: our 10 takeaways,” Wynn Williams, 5 May 2026 — [wynnwilliams.co.nz](#)
- Local Government (Auckland Council) Act 2009 — [legislation.govt.nz](#)
- Local Government (Auckland Transitional Provisions) Act 2010 — [legislation.govt.nz](#)
- Local Government (System Improvements) Amendment Bill (No. 180-2) — [bills.parliament.nz](#)
- “Resource management and local government reform: More than two new Bills,” Wynn Williams, 10 March 2026 — [wynnwilliams.co.nz](#)
- *Blueprint for Democratic Renovation*, Part 1 — Foundation v8.3; Part 2 — Policy Platform v8.5; Part 3 — Delivery & Structure v8.2; Part 4 — Operational Appendices v8.4. Democracy Reform NZ Inc, May 2026.
- Reid, M. (2024), local government’s democratic resilience role (Blueprint reference [28])
- Palmer, G. (2025), *How to Save Democracy in Aotearoa New Zealand* (Blueprint reference [91])
- Local Government Commission, “What we do” — [lgc.govt.nz/about-us/what-we-do](#)
- Local Government Commission, “About local government reorganisation” — [lgc.govt.nz](#)