

Guidance for Head Start outline proposals

Simplifying Local Government



New Zealand Government
Te Kāwanatanga o Aotearoa

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Purpose

The purpose of this guidance is to support councils to develop outline proposals for Head Start. The content in your outline proposal will help central government assess alignment with the Head Start pathway, and enable the Government to make decisions on which proposals should be accepted into the next phase of the Head Start pathway for detailed proposal development.

This Guidance builds on the Head Start [Policy Document](#) and should be read alongside that document.

Who will assess proposals and how will they assess them?

Outline proposals will be assessed by Ministry of Cities, Environment, Regions, and Transport officials against the agreed criteria, recognising that:

- outline proposals are intended to be ‘light touch’, high-level, and strategic
- there are no strict content requirements (guidance is a guide)
- there are no set thresholds for meeting each of the criteria; and
- Ministers are prepared to make trade-offs when considering outline proposal assessments.

For example, while outline proposals should address all criteria, one might score well against ‘supports the new planning system’ and ‘economies of scale’ assessment criteria, whereas another might score well against those for ‘maintains local voice and deliverability’. Outline proposals will be assessed by how well they meet the criteria as a whole.

Cabinet will make final decisions on which outline proposals are agreed in principle for the detailed design phase. Detailed proposals approved by Cabinet will be given effect through primary legislation.



Eligibility

Who can submit an online proposal?

Any two or more territorial and/or unitary authorities (except for Auckland Council) including cross-boundary groupings, may submit an outline proposal. To ensure the right scale, proposals must represent a majority of either the:

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

A directly affected territorial authority is one that is proposed to be part of the creation of a unitary authority or authorities. It may or may not be a party to the proposal.

A cross-boundary grouping could include a territorial authority from a neighbouring region or a proposal that divides existing boundaries within a region.

Outline proposals cannot be submitted by minority groupings, individual territorial authorities or individual unitary authorities, regional councils, individuals or other organisations. However, the support for or contribution to an outline proposal by a regional council or other organisation can be highlighted.

For examples of how eligibility criteria may work, see page 7 of the [Head Start Policy Document](#)

What types of reorganisations can be proposed?

Outline proposals must provide for the amalgamation of at least two territorial authorities or unitary authorities into a new unitary authority.

The most straightforward approach is for all territorial authorities in a region to combine to form a single unitary authority, which takes on the functions of the regional council.

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

- existing territorial authorities are amalgamated, 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 geographically large, contains a large number of territorial authorities and has significantly complex issues; and
- the proposal clearly meets the criteria and doesn't lead to the fragmentation of service delivery for key regional functions where collaboration or integration is required.

Developing your outline proposal

What level of detail is expected?

- Provide a high-level, strategic outline of your proposal only. Focus on the core ideas, key trade-offs, and what still needs to be worked through.
- Make the case for change, setting out your evidence base. We don't expect you to generate new evidence for the proposal or undertake detailed modelling but rely on information you already have available.
- For each criterion, tell us: how does the proposal meet the criteria, why it is better than the current state, what are the trade-offs and risks, and what still needs work.
- Detailed design will occur in the next phase (see Finalising Proposals section). Signpost in your outline proposal what are your priorities for further work against each criterion.
- Provide the best information you have available that makes the strongest case for your proposal being accepted into the detailed phase.

We are testing whether your proposal is workable in practice – not whether it is fully designed.

Subregional proposals

The Government is open to considering subregional outline proposals that improve outcomes for the region as a whole.

Officials will consider the merits of a subregional proposal within the context of the broader region when assessing it against the assessment criteria.

For subregional proposals, we are looking for information on the following questions:

How does the proposal benefit the region as a whole?

- Will the governance and delivery of regional services be improved?
- How will unitary authorities created through the Head Start process work with the rest of the region to deliver regional planning outcomes and regional services, such as catchment management?
- Does the proposal provide better outcomes for particular communities of interest or labour market areas?
- How else does a subregional approach make sense for your region in contrast to a single regional unitary authority?

What is the impact on councils not included in the proposal?

- How do you propose regional functions and services will continue to be delivered for councils not included in your proposal?
- Are there any communities that are likely to be negatively impacted by the proposal through things like changes in regional service provision or higher rates burden to meet the costs of existing regional functions (eg, flood protection infrastructure such as stopbanks, nationwide biosecurity, etc.)?
- Does the outline proposal leave the door open for other councils to join at a later stage?

Any subregional unitary authorities formed through Head Start must continue with spatial planning at the regional level at the time of enactment of the Planning Bill and Natural Environment Bill. The Bills, as introduced, allow for subregional plans to feed into the broader regional spatial plan where this is necessary.

What do we expect outline proposals to cover

How does the proposal meet the eligibility criteria?

Confirm your proposal is eligible to be considered. Specifically:

- identify how the proposal meets the eligibility criteria covered in the previous section
- identify the territorial authorities and/or unitary authorities directly affected by the proposal in the regional or cross boundary area
- confirm which territorial authorities and/or unitary authorities support the proposal
- explain what role affected territorial authorities or the regional council have played in the development of the proposal; and
- highlight the position of directly affected territorial authorities that are yet to decide on or don't support the proposal, or if a

regional council supports the proposal.

What is the proposed structure and governance arrangements?

We are looking for a high-level description of your proposed local governance structure and arrangements. This should focus on how local governance structures within your region will be consolidated and the division of roles and responsibilities. For example:

- a regional unitary authority
- a region consisting of more than one (two or three) subregional unitary authorities
- a subregional proposal
- any territorial or unitary council being combined
 - ▶ local representative and decision-making bodies, such as local boards, community boards, or any new models for local representation and decision-making
 - ▶ intended regional spatial plan governance arrangements; or
 - ▶ for subregional proposals, how the authorities will work together to govern and deliver key regional services (eg, transport and catchment management, etc.) through joint committees, council-controlled organisations, or other options for regional collaboration.

Supports the new planning system



What we're asking for

To assess outline proposals against this criterion, officials will consider how proposals show clear support for implementing the new planning system – including progress on spatial and natural environment plan development – and avoid or minimise disruption to that work.

At a high level – how will your proposal make the new planning system easier to deliver and operate – not harder - and how you will ensure continuity throughout the process through the arrangements you are putting in place?

How does this structure help the new system work in practice?

What we need to know

We are looking for information on the following questions:

How does this help the new planning system work better?

- How does it support delivery of a stable regional spatial planning process?
- Does it make coordination easier (eg, fewer plans, fewer layers of governance)?

What are the trade-offs and risks?

- Could this disrupt or complicate delivery of the new planning system?
- How will these risks be managed?
- Explain how your proposal reflects integrated catchment management. If an existing catchment is split, in your proposal describe the implications, risks, and potential mitigations.

What still needs to be worked through?

- What still needs to be resolved in your detailed design phase?

What does 'good' look like?

- Focus on practical impacts for the planning system.
- Steps or processes that could be applied to support the planning reforms. Focus on setting out the initial steps needed to support the development of a stable regional spatial plan process.
- Clear, simple explanation of why this helps.

What we don't expect in an outline proposal

- Detailed plan or process design (natural environment plans, land use plans - detailed committee structures, formalised delegations or formed governance arrangements for plan making, etc).
- Overly technical planning detail, 'process agreements' for regional spatial plans, or detailed programmes for plan delivery. You may, however, indicate that these – along with any specific governance arrangements – will be developed in a later step and may require more detailed provision in the detailed design phase.

For an outline proposal, any reference to a 'region' in the Planning Bill or Natural Environment Bill applies to the region that applied at the time those Bills were introduced (not any new regional boundary proposed through an outline proposal).

Irrespective of Head Start outcomes, councils must move at pace following enactment of the Bills to prepare regional spatial plans upon current boundaries.

System Shifts for local government in the Planning Reforms

Councils will have statutory functions in the new planning system to:

- **jointly make and maintain a spatial plan for the region**
- **make and maintain a regulatory plan (a regional council makes a natural environment plan, each territorial authority makes a land use plan, and a unitary authority prepares both); and**
- **administer and implement their regulatory plans including consenting/permitting, monitoring and enforcing compliance, and regulating and managing effects.**

Regional entities will also set environmental limits for the region and undertake state of the environment monitoring. The spatial plan, natural environment plan and land use plans are proposed to be brought together into a combined regional plan.

Assessment Criteria

Simplifies local governance



What we're asking for

To assess proposals against this criterion, officials will consider how proposed governance arrangements will reduce complexity, improve accountability, and support effective decision-making.

At a high level - Does your proposal simplify things? Will it reduce duplication and make decision-making clearer and more efficient? Does it reduce complexity and make the system easier to understand and run?

What we need to know

We are looking for information on the following questions:

How does your proposal simplify local government?

Will your proposal reduce complexity, improve accountability, and support effective decision-making? For example:

- how does the proposal demonstrate simpler governance arrangements compared to the status quo (ie, how will the proposal reduce duplication and remove any unnecessary governance layers)?
- is there a clear distinction of roles and responsibilities allocated or delegated to local representative bodies, including local boards and community boards?
- are there innovative approaches to new forms of local representative bodies (ie, not constrained by current Local Government Act 2002 options)?
- is the proposed governance structure easy to understand for communities? Is it clear to communities who is accountable for what?

- does the proposed governance structure support decision-makers to consider competing objectives and trade-offs and make effective decisions?
- for subregional proposals, how will the proposed governance arrangements for the delivery of key regional services be designed to minimise complexity and duplication?

What are the trade-offs and risks?

In answering the questions above, please outline any identified trade-offs for 'simplifies local governance'. For instance, impacts on local voice and representation or service delivery.

What still needs to be worked through?

Please outline any further work you intend to undertake following the submission of your outline proposal, as part of the detailed design of your final Head Start proposal.

What does 'good' look like?

- In many cases a single unitary authority would be a feasible option.
- In larger more complex regions two or at most three unitary authorities could be considered.
- The roles and responsibilities of local representative bodies are well defined, and it is clear who is accountable for what.
- Simple and effective arrangements for subregional unitary authorities to work with other councils within the region.

What we don't expect in an outline proposal

- Detailed information on all governance arrangements across councils, including committee structures and detailed decision-making delegations.
- Agreement to have been reached with non-submitting councils on regional governance arrangements.

Economies of scale



What we're asking for

To assess outline proposals against this criterion, officials will consider how proposals support regional strategic planning and effective delivery of key regional functions (such as transport and catchment management), and demonstrate responsible and affordable asset management, infrastructure investment, and service delivery.

At a high level – does your proposal support regional strategic planning, including spatial planning, land transport, public transport and economic development? Will it deliver better value? How does it improve efficiency, save money over time, and support better asset management, infrastructure and services?

What we need to know

We are looking for information on the following questions:

How will functions be effectively delivered?

- How does your proposal support the effective delivery of regional and territorial transport functions?
- How will functions that require regional integration be delivered in a more effective way? Specifically, consider how catchment management and transport responsibilities would be managed effectively.

How will increased economies of scale add benefits?

- Explain potential impacts on rates and financial sustainability. For example, through changes in population or businesses paying for services, or geographical coverage.
- Highlight potential for improved service delivery, economic development opportunities, opportunities for innovation, etc.

What are the expected financial impacts of reorganisation?

Set out at a high level whether the reorganisation will promote:

- improvements in asset management/stewardship
- infrastructure investment
- enhanced effectiveness, efficiency, and financial sustainability of services
- assurance that the entities proposed will have the resources necessary to enable them to effectively perform or exercise their responsibilities, duties, and powers
- plans for managing debt for the unitary
- plans for any council-controlled organisations
- projected costs of implementing the proposed reorganisation; and
- improved appetite for risk and innovation.

Where will efficiencies come from?

For example, consider the potential for economies of scale or economies of scope for:

- governance of functions
- planning and regulatory functions
- emergency management
- science, data, systems, and capability
- asset management and infrastructure investment/procurement; and
- service delivery (eg, shared services).

What are the trade-offs and risks?

Outline any identified trade-offs and risks for 'economies of scale'. For instance, impacts on 'maintains local voice', and how they may be managed or mitigated.

What still needs to be worked through?

Outline any further work you intend to undertake following the submission of your outline proposal, as part of the detailed design of your final Head Start proposal.

What does ‘good’ look like?

- Clear shift to fewer, larger councils with stronger financially resilience and capability.
- Practical examples of where scale and efficiency gains are expected.
- Proposals that consider regional services such as transport, planning and catchment management and propose either aligning boundaries, or clear governance and accountability mechanisms to manage these functions effectively.

What we don’t expect in an outline proposal

- Detailed mapping of all regional functions to the unitary.
- Detailed financial modelling.
- Attempts to quantify savings precisely.

Assessment Criteria

Maintains local voice



What we're asking for

For this criterion, officials will consider how proposals demonstrate fair and effective representation for communities of interest, and how decisions will be made at the local level, balancing urban and rural interests.

At a high level - how will communities continue to be represented and heard, and how local voice will be maintained in a larger system?

What we need to know

We are looking for information on the following questions:

How will people elect representatives?

Set out your high-level approach to representation arrangements for new unitary authorities. For example, whether the members of a unitary authority (other than the mayor) are proposed to be elected at-large, by wards, or a mix, and where any wards are likely to be.

We do not expect representation arrangements to be fully agreed by outline proposals. However, there should be sufficient information to assess whether the proposal supports the fair and effective representation of communities of interest, and the good governance of key regional and local functions, if a distinction remains.

How will communities be represented?

At a high-level, explain the approach to local representation and decision-making for the new unitary authorities. For example, whether a unitary authority is proposed to have local or community boards, or a new model for local representation and decision-making—and if so, where these are likely to be and how members will be chosen.

How will iwi/Māori participate in decision-making?

What are the opportunities for Māori to contribute to local government decision-making processes, as required under the Local Government Act 2002? This could involve identifying any existing relationship agreements or arrangements between affected councils and iwi and hapū, as well as any other processes that support Māori to contribute to local decision-making and considering how these may transfer to new unitary authorities.

Arrangements provided through Treaty settlement redress are covered in the 'Treaty settlements' section below.

What are the trade-offs and risks?

Identify any trade-offs and risks for 'maintains local voice'. How will the proposal provide coherent decision making? What are the impacts on representation of the simplification of local governance or economies of scale, and how they may be managed or mitigated? For example:

- loss of local responsiveness addressed through the use of service centres; or
- replacing current representation arrangements with equally or more complex local or community board representation.

What still needs to be worked through?

Outline proposals should set out what issues will be resolved in the detailed design phase of the Head Start pathway. For example, representation arrangements more closely resembling those proposed as part of a routine representation review, including more detailed proposals for local or community boards and any Māori representation.

What does 'good' look like?

- An agreed list of principles or a framework for representation that can be worked through in the detailed design phase.
- Clear intent and direction, not detailed structures.
- Shows balance between scale, complexity and local input.
- Considers what level 'place-making' decisions are best allocated or delegated to.

What we don't expect in an outline proposal

- Full representation model design.
- Electoral system detail (ie, ward boundaries and member numbers per ward, etc.).

Assessment Criteria

Deliverability



What we're asking for

For this criterion, officials will consider whether proposals are realistic and provide confidence that new arrangements can be implemented by the 2028 local elections.

At a high level - how this can be implemented? Is it realistic and able to be delivered on time?

What we need to know

We are looking for information on the following questions:

How would you implement the proposal?

Set out your high-level approach to transition and implementation. That means describing generally how you would set this up (eg, transition board or joint committee), who would be involved and how, any key decisions already made, and any major risks or challenges.

How would changes be timed?

Include proposed high-level milestones for the full reorganisation, describing when the new authorities could realistically be established, and any key dependencies or constraints (eg, elections and proposed 'backstop' legislation).

What still needs to be worked through?

Explain what issues you expect to resolve in the detailed design phase. Officials will help refine these if your outline proposal is approved. For example, detailed costs and benefits of amalgamation, transitional arrangements and implementation planning (resembling those proposed as part of a standard reorganisation pathway).

Are there interactions with other local government programmes?

Does your proposal align with the approach to other existing local government programmes, such as Local Water Done Well, City and Regional Deals, or is future alignment planned?

What do you need from the Government?

Describe any barriers to implementation and, if you are seeking reorganisation assistance, the nature and extent of the support you expect from the Government, including any additional changes to the enabling primary legislation, funding, or other specific support.

What does 'good' look like?

- Realistic and practical proposal to deliver new arrangements before the 2028 elections.
- Clear about trade-offs and risks .
- Shows honest assessment of what is known vs unknown.
- Specific and realistic about support needed from Government.

What we don't expect in an outline proposal

- Full transition and implementation plan.
- Drafting instructions for bespoke legislation.

Treaty settlements

What we're asking for

Any Treaty settlement arrangements that councils have with Post-settlement Governance Entities (PSGEs) must be upheld with the same or equivalent effect through the Head Start process. We are interested in your view on how settlement arrangements captured in the scope of your proposal could be transferred to new unitary authorities. This information will be used to inform the Crown's engagement with PSGEs on any changes needed to Treaty settlement redress.

The Crown is responsible for upholding Treaty settlements.

What we need to know

To support the Crown to uphold Treaty settlements, outline proposals must either:

1. explain how existing Treaty settlement arrangements could transfer to new unitary authorities with equivalent effect; or
2. propose a plan to work with affected PSGEs to determine how existing Treaty settlement arrangements can be given equivalent effect in the new unitary authority.

In developing your outline proposal, you may wish to consider:

- what Treaty settlement arrangements will be affected under the proposal
- how could these arrangements transfer to new unitary authorities with equivalent effect; and
- have you engaged with affected PSGEs, or if not, what is your plan to do so.

What does good look like?

- Affected Treaty settlement arrangements are clearly identified.
- Explains outcomes from early engagement with PSGEs.
- Includes provision for working with PSGEs on giving equivalent effect to Treaty settlements in the new unitary authority.

What we don't expect in an outline proposal

- You are not expected to determine or agree any changes to Treaty settlement redress. This will be worked through between the Crown and PSGEs as part of broader engagement on upholding Treaty settlement arrangements in the new planning system.
- You are not expected to have completed a full engagement process with affected PSGEs on how settlement arrangements could be transferred to new unitary authorities. We expect engagement will continue after outline proposals are submitted.
- If you intend to engage with PSGEs after an outline proposal is submitted, we will work with you to ensure alignment with the Crown's process.

Other supporting information

Include in your outline proposal any other supporting information or matters you think are important to support consideration of your regional or subregional proposal by officials and Ministers.

Finalising proposals

As signalled under the assessment criteria above, it is expected that your outline proposal will signpost where you think further work is necessary (ie, distinguishing between what has been agreed and what could be further investigated/developed in the detailed design phase).

Further information will be provided for submitters accepted into the detailed design phase. It is likely that this phase will involve ensuring the final proposal addresses:

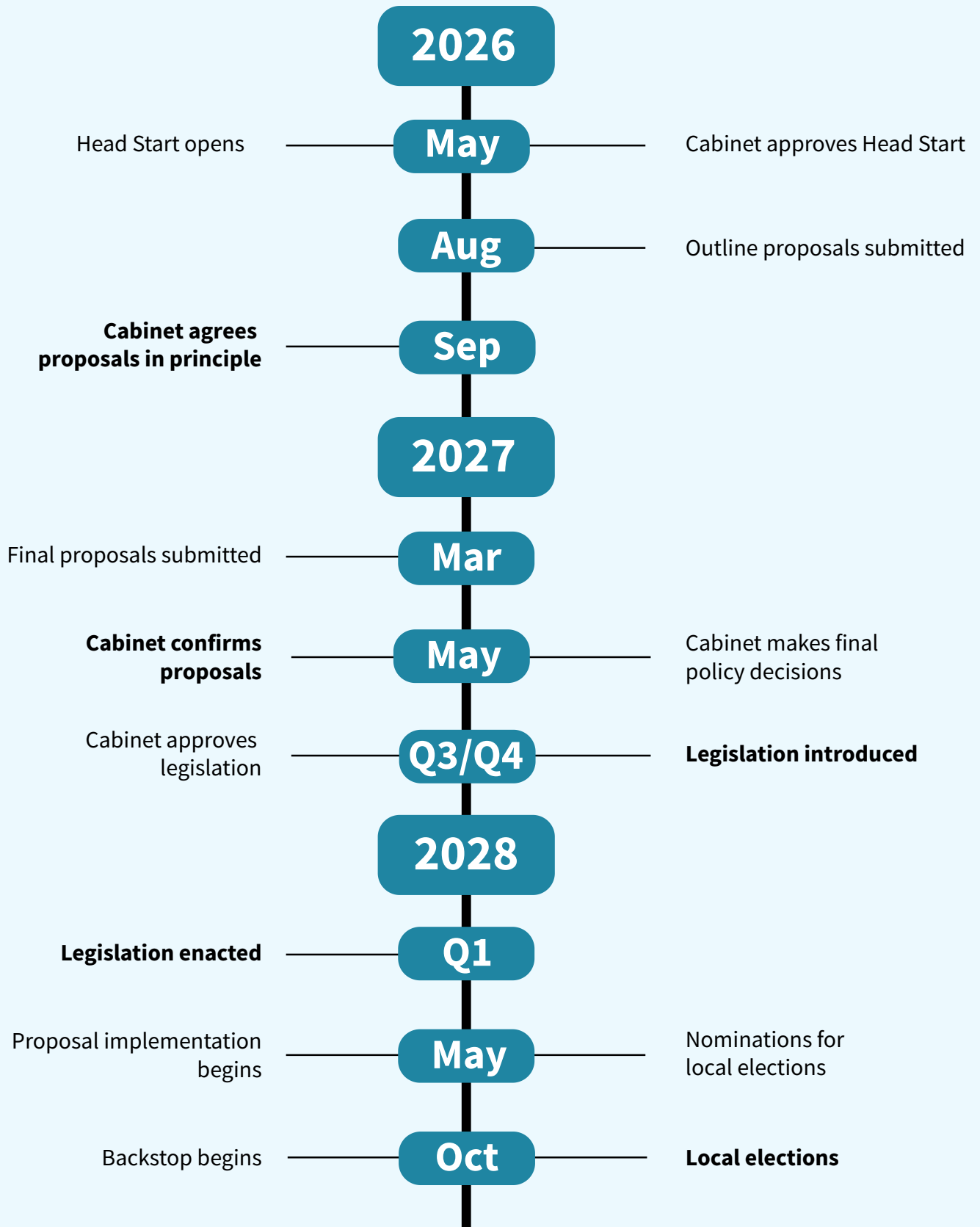
- **regional spatial planning** (timing alignment between the new planning system - including national instruments - and amalgamation processes)
- **regional council functions and services** (full mapping to mitigate the risks of any lone or under-resourced functions or services. Proposed interim arrangements with respect to the new planning system compliance and enforcement functions will need to be considered until Government decisions have been made)

- **cost and benefits** (financial analysis of the impacts of the proposal including projected transition costs and longer-term financial sustainability)
- **representative structures** (detailed design including governing bodies, local boards, community boards, committees or other innovative variations, and Māori representation)
- **transitional arrangements** (a board, body, etc.)
- **implementation planning** (personnel transfers, asset transfers, council-controlled organisations, debt management, etc.)
- **outcomes from any Iwi/Māori engagement for representation and Treaty settlement redress;** and
- **outcomes from any engagement with the community.**

The summary timeline on the next page sets out the current expected timeframes.

- Outline proposals (May to August 2026).
- Cabinet agrees proposals in principle (September 2026).
- Detailed design phase (October 2026 to March 2027).
- Cabinet confirms final proposals and makes final policy decisions (May 2027).
- Legislation enacted to implement Head Start proposals and the backstop (Q1 2028).

Timeline



Contact

There is a rolling FAQ on the [Simplifying Local Government website](#), so please look there for the latest answers.

For further questions, please contact your Department of Affairs (DIA) Partnership Director below or email us at SimplifyingLocalGovernment@dia.govt.nz.

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Nelson City and Tasman / Marlborough / Canterbury / West Coast	Sarah Polaschek	Sarah.polaschek@dia.govt.nz 027 281 5617

Deadline

Final proposals are to be sent to SimplifyingLocalGovernment@dia.govt.nz by 9 August 2026.

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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