



Te Rūnanga o **NGĀI TAHU**



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HEAD START PROPOSAL

AUGUST 2026

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Introductory Remarks

Local government is one of the most important institutions in New Zealand, shaping the communities we live in, the infrastructure we depend on, and the environmental legacy we leave to future generations. However, the current local government system is under strain and is not well placed to carry our communities into a more prosperous and resilient future. It is fragmented, expensive to sustain, and often too slow to respond to the challenges now facing our communities.

Technically, Ngāi Tahu cannot submit a Head Start proposal. That role sits with mayors and councillors as the elected representatives of their communities. Nevertheless, across our takiwā, Ngāi Tahu has been deeply engaged in the discussion and debate through our Papatipu Rūnanga and Te Rūnanga o Ngāi Tahu. We consider this issue too important for us to stand quietly to one side. This document sets out our contribution to the conversation, our (Not a) Head Start Proposal.

As an iwi with a takiwā that extends across most of Te Waipounamu, we have the benefit of being able to step back, look across the vastness of the South Island down to Rakiura, and think about what we need from local government, both in the short term and for generations into the future.

Te Waipounamu faces a future of uneven population growth, rising infrastructure costs, and increasing climate and natural hazard risks. Some communities will grow rapidly, while others will struggle to maintain services with smaller rating bases. These interconnected challenges cannot be managed effectively through fragmented planning, capability, and investment.

The South Island plays a critical role in New Zealand's prosperity, but economic contribution does not automatically translate into political influence or investment. A stronger and more coordinated local government sector would give Te Waipounamu greater capacity to establish shared priorities and speak with real weight on matters affecting our communities.

The experience of Ngāi Tahu post-settlement shows that scale can sit alongside local voice and authority, and that collective strength is at its best when it remains connected to place. We also know that centralisation is not an end in itself. The right model is one that allows different parts

of the system to hold their own responsibilities, while working together for the good of the whole. That is the philosophy that underpins our proposal. It seeks to hold together what should not be separated.

Local communities need a real voice in decisions affecting their towns, districts, economic futures, and daily lives. That includes rural communities whose prosperity depends on land, water, and the critical infrastructure that keeps local economies working. At the same time, Te Waipounamu needs greater shared capacity and scale, so we can plan, invest, protect, and make sure no community is left behind. Decisions about water, infrastructure, environmental pressures, and natural hazards also need to be framed by the natural systems that connect them. To achieve this, council boundaries should, as far as possible, follow the river catchments and natural features of Te Waipounamu. They should also recognise that the Ngāi Tahu Takiwā is not an incidental line on a map, but a legal, political, and practical reality in the South Island.

Our work is not finished. These ideas will need to be tested, refined, and strengthened through further discussion with councils, communities, Papatipu Rūnanga, and the Crown. But we believe the opportunity is real. Ngāi Tahu is ready to contribute to that work.

No doubt some will seek to frame this proposal, and the contribution of Ngāi Tahu in general, as a push for co-governance or tribal rule over the South Island. Those voices have been around for generations. They were wrong about our intent during the Treaty Settlement process, and they will be wrong again about this. My hope is that people will look beyond the shallow rhetoric and engage with the substance of the proposal on its own merits. We are putting these ideas forward in good faith because we believe they have real potential to strengthen governance in Te Waipounamu.

The decisions made in the coming months will have implications for generations to come. They should be approached with ambition, rigour, and a clear focus on what will best serve the communities who call Te Waipounamu home.

Justin Tipa

Kaiwhakahaere

Te Rūnanga o Ngāi Tahu

Guiding Principles

Through our collective discussions, four core principles have emerged to guide a coherent, future-focused approach to local government reform within the Ngāi Tahu Takiwā¹ (tribal area):

1. **The Ngāi Tahu Takiwā is a natural contour for local government boundaries in Te Waipounamu.** The takiwā is fundamental to the Ngāi Tahu settlement and creates unique efficiencies, economies of scale, and strategic advantages for the South Island. It also provides a clear and coherent framework for Crown engagement, helping to ensure legal responsibilities are met.
2. **River catchments provide the most logical basis for new unitary council boundaries within the Ngāi Tahu Takiwā.** Decisions about water, infrastructure, environmental pressures, and natural hazards need to be framed by the natural systems that connect them.
3. **A joint Takiwā/South Island Shared Services Entity** to provide back-office and specialist functions on behalf of new unitary councils would improve service levels, efficiency and cost-effectiveness across varied regional contexts. We recognise the need to reduce duplication and increase efficiency.
4. Future arrangements should incorporate **genuine cooperation between councils and Papatipu Rūnanga**². We want a system that ensures there is efficiencies but also allows for local decision making. The connections, relationships, and voice of our Papatipu Rūnanga across the takiwā are fundamental to the success and credibility of the new system.

These principles provide a robust foundation for a future system that honours our settlement, strengthens local democracy, and delivers the scale and efficiency required for the decades ahead.

We are confident that governance arrangements developed in accordance with these principles would produce an outcome that meets the Government's expectations for Head Start while delivering lasting benefits for communities across Te Waipounamu.

¹ The Ngāi Tahu Takiwā is described in section 5 of the Te Rūnanga o Ngāi Tahu Act 1996.

² As promised in the apology to Ngāi Tahu as part of the Ngāi Tahu Claims Settlement Act 1998.

Ngāi Tahu Proposal

Based on the principles set out above, our proposal is made up of three key components:



UNITARY COUNCILS

The first component is the creation of new Unitary Councils to replace the twenty-four that currently exist in the Ngāi Tahu Takiwā. Applying our principles, river catchments would be the basis for council boundaries, ensuring the new arrangements respect the integrity of the Ngāi Tahu Takiwā. This would result in five Unitary Councils - Te Tai Poutini West Coast, Murihiku Southland, Otago, South Canterbury, and North Canterbury, as shown in figure 1 below.

These five councils would be ultimately responsible for the functions that currently sit with regional councils and territorial authorities. They would be able to delegate prescribed decision-making functions to Local Boards to ensure local voices are reflected where appropriate, while assigning responsibility for some services to a Shared Services Entity to improve system-wide efficiency. Councils of this size will have a rating base that ensures financial sustainability in the long-term. They will also provide consistency in how councils engage with Ngāi Tahu and fulfil their responsibilities arising from Te Tiriti o Waitangi and settlement legislation.



LOCAL BOARDS

The second component is the creation of Local Boards which would provide governance, advocacy, and accountability over local facilities and services within Unitary Council boundaries. Local Boards would be decision-making governance entities, with greater powers than Auckland's Local Boards – giving more clarity to their purpose. We are not seeking to create a rigid system which takes away local voices. In fact the opposite is true. We want to ensure local regions have clearly defined responsibilities set out in new legislation. These powers could include creating a Local Plan and responsibility for halls, reserves, libraries, playgrounds, and pools, as well as meaningful influence over how arts, heritage, footpaths, streetscapes, town activation and events are delivered in their area. This component is essential to the success of the future model, ensuring an enduring and credible social licence for decisions that affect local communities.



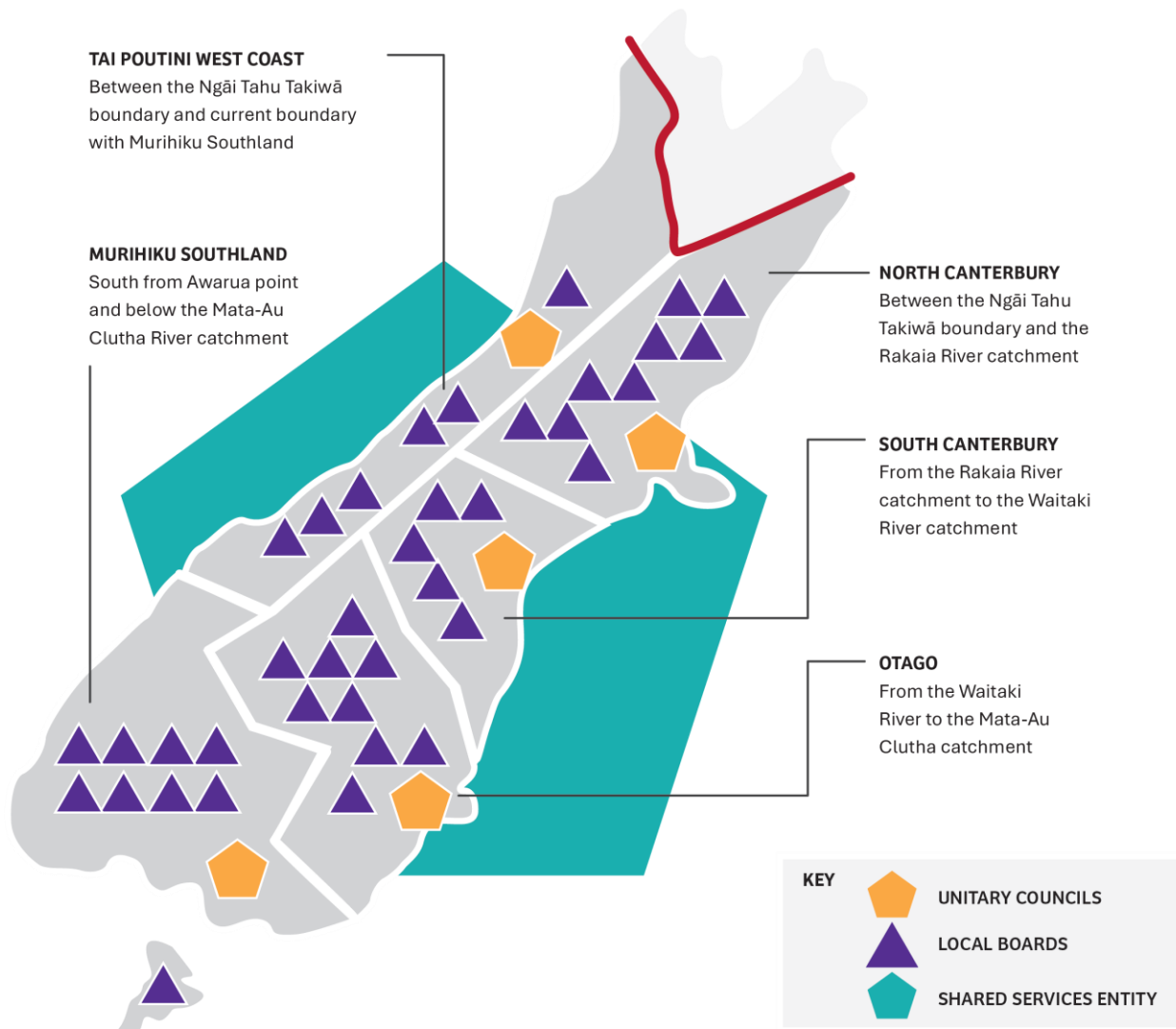
SHARED SERVICES ENTITY

The third component of the new system would be a Shared Services Entity that sits below and in service to the five Unitary Councils. The Te Waipounamu Shared Services Entity (TWSSE) would deliver services and functions on behalf of the five councils (or possibly six if Te Tau Ihu was included). These would be services and functions that benefit from scale and expertise and are not inherently tied to catchments, local environmental issues, or place-based decision-making. This would include basic shared services to avoid the duplication of cost and improve service levels. It could also include retaining and accessing specialist staff, simplifying and improving service delivery, water services, disaster response planning and preparedness, procuring complex infrastructure, and providing a consistent customer experience at the same or lower cost than five separate councils could achieve alone.

The purpose of the TWSSE is not to create an additional layer of government, but to remove duplication and enable specialist expertise to be provided once for the benefit of all participating councils.

Ngāi Tahu considers that a whole of Te Waipounamu approach may be considered pragmatic and sensible. However, where Ngāi Tahu is expected to play a significant role in governance or decision-making within such arrangements, representation should reflect the scale and breadth of Ngāi Tahu interests and involvement across the proposed unitary councils.

Figure 1 – Summary of the new Local Government system



The table below provides more detail on the purpose, powers and functions, governance, funding, and the role of Ngāi Tahu in each component of the system.

Figure 2 – Features of each component of the new system

	Unitary Councils	Local Boards	Shared Services Entity
Purpose	Strategic governance at the scale to safeguard financial sustainability	Provide local governance and decision-making for local facilities and areas	Provide consistent and efficient delivery of South Island services
Powers and functions	Responsible for delivering all functions currently split across Regional Councils and Territorial Authorities Delegates decision-making for place-based functions to Local Boards, according to local circumstances Delegates some functions to the Shared Services Entity to deliver selected services	Has decision-making and governance responsibilities delegated by its Unitary Council for place-based functions and other functions where appropriate. e.g. libraries, playgrounds, and pools. Depending on the needs and characteristics of particular areas, the scope of delegated powers may differ.	Delivers services delegated by the Unitary Councils Creates efficiency, reduces duplication, and holds expertise. Reports to member councils through: • an annual Statement of Intent and/or Statement of Performance Expectations, agreed with councils in advance; • regular financial reporting; and • service delivery and management plans for each function it delivers
Governance	Regional Mayor elected at large Council members are elected by ward Papatipu representatives are elected by Rūnanga	Local Mayor Elected at large. Board members are elected Papatipu representatives are elected by Rūnanga	Governed by a predominantly skills-based board appointed by the Unitary Councils in cooperation with Te Rūnanga o Ngāi Tahu
Funding	Collects funding directly through capital value property rates, fees and charges, subsidies and grants, and investment income	Funded through targeted rates collected by the Unitary Council and separately identified in council accounts	Funded by the Unitary Councils with scope for direct funding for services from households and users Uses a population-centered funding formula as a base
Ngāi Tahu	Cooperative relationship between the new Unitary Councils and Papatipu Rūnanga, supported by Te Rūnanga o Ngāi Tahu	Cooperative relationship agreement between Local Board and Papatipu Rūnanga. Māori reserve land may have its own Local Board	Ngāi Tahu cooperation in constitution drafting, board appointments, and ongoing delivery of services alongside Unitary Councils

While the governance functions for the new Boards, Councils and TWSSE would commence at the 2028 local government elections, it will take time to transition functions into the new organisations. That means the staff and functions of existing councils would remain in place initially, with responsibilities transferred progressively over a period of up to five years. Ngāi Tahu is willing and ready to support that transition.

Our proposal supports the Government’s criteria by simplifying local government structures, reducing duplication, and enabling more coordinated regional decision-making. It aligns with the new spatial planning system by better integrating growth, infrastructure, transport, and environmental management, while retaining a strong local voice through elected local boards or similar arrangements. Larger unitary authorities would provide the scale needed to support coordinated infrastructure investment and economic development, strengthen capability and service delivery, reduce regulatory duplication, and improve planning certainty, while supporting a practical and achievable transition by building on existing council, iwi, and community relationships.

Figure 3 – Assessment against government criteria

Government Criterion	Status	How the Proposal Meets the Criterion
Supports the new planning system	✓	A regional approach aligns with the new spatial planning system by improving integration of growth, infrastructure, transport, and environmental management.
Simplifies local government structures	✓	Larger unitary authorities reduce duplication and enable more coordinated regional decision-making.
Maintains local representation and accountability	✓	Elected local boards or similar arrangements ensure local communities continue to have a strong voice on local issues.
Improves efficiency, capability, and service delivery	✓	Larger authorities deliver economies of scale, strengthen organisational capability, and support more effective service delivery.
Is practical and achievable	✓	The proposal builds on existing council, iwi, and community relationships, providing a realistic and achievable transition pathway.

Our view is that this proposal sets out a pathway for a strong and efficient Te Waipounamu that delivers better outcomes for our environment, local communities, and all New Zealanders.

Matters for the detailed design process

Matters not yet settled in this document include:

- final elected member numbers;
- how Papatipu and councils will cooperate;
- the specific powers of the Regional Mayor role;
- workforce and asset transfer arrangements from the twenty-six outgoing councils, and other operational matters, are to be worked through the detailed design process, drawing on New Zealand and international best practice;
- the size and location of each Local Board;
- the full list of functions to be delegated to the TWSSE;
- new funding opportunities for councils including mineral extraction royalties, new buildings GST, tourism levies, and road or bridge tolling;
- an elected leader from across the five unitary areas on the TWSSE;
- any participation of the Top of the South councils (Te Tau Ihu);
- future devolution of Central Government functions to the South Island.

Next steps

Successful implementation will require active partnership between local government, Ngāi Tahu, and central government. Enabling legislation, transition funding, technical support, and alignment with related reforms, particularly planning, transport, water, and regulatory reform programmes, are essential. Early engagement with agencies such as the Department of Internal Affairs, the Ministry for the Environment, New Zealand Transport Agency Waka Kotahi, the Ministry for Cities, Environment, Regions and Transport, and Taumata Arowai will support detailed design and implementation planning.

Ngāi Tahu is willing and ready to play an active role in supporting the next phase of detailed design and implementation.