



**I, Matthew Lawson, Tumu Whakarae | Chief Executive, hereby give notice that
an Extraordinary Meeting of Council will be held on:**

Date: Tuesday, 21 July 2026
Time: 11.00am
Location: Council Chamber, Wairoa District Council,
Coronation Square, Wairoa

AGENDA

Extraordinary Council Meeting

21 July 2026

MEMBERSHIP: His Worship the Mayor Craig Little, Cr Benita Cairns, Cr Jeremy Harker, Cr Roslyn Thomas, Cr Michelle Tahuri, Cr Trevor Waikawa, Cr Sara Bird

The agenda and associated papers are also available on our website: www.wairoadc.govt.nz

For further information please contact us 06 838 7309 or by email info@wairoadc.govt.nz

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- 1 KARAKIA**
- 2 APOLOGIES FOR ABSENCE**
- 3 DECLARATIONS OF CONFLICT OF INTEREST**
- 4 PUBLIC PARTICIPATION**

A maximum of 30 minutes has been set aside for members of the public to speak on any item on the agenda. Up to 5 minutes per person is allowed. As per Standing Order 14.14 requests to speak must be made to the meeting secretary at least one clear day before the meeting; however this requirement may be waived by the Chairperson.

5 GENERAL ITEMS

5.1 SIMPLIFYING LOCAL GOVERNMENT - HEAD START PATHWAY

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Authoriser: Matthew Lawson, Tumu Whakarae | Chief Executive

Appendices:

1. Draft Report
2. Community Engagement Analysis
3. Decision Flowchart

1. PURPOSE

- 1.1 The purpose of this report is to consider whether Council should consider local government reform as part of the Head Start reform process and if so, what sort of reform is to be pursued.

RECOMMENDATION

The Chief of Operations RECOMMENDS that Council resolve not to participate further in the Head Start process.

EXECUTIVE SUMMARY

The Purpose of Local government as provided in section 10 of the Local Government Act 2002 (the Act) is:

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.

Section 11 of the Act provides that it is the role of local authorities to give effect to this purpose and perform the duties and exercise the rights conferred by the Act or any other enactment.

Current Government policy is foreshadowing the most significant programme of local government reform since 1989. The Government's Head Start Pathway for local government reform was launched on **May 5, 2026**. It provides a “voluntary” fast-track framework for councils to propose their own amalgamation and structural changes, such as forming larger unitary authorities.

As part of this launch, local councils that elect to enter into the Head Start process are given until **August 9, 2026**, to submit their outline proposals to the government. Councils that do not opt into this process or fail to reach an agreement will potentially face compulsory restructuring after the 2028 local elections.

The Wairoa District Council recognises that local government reform should focus on how the purpose of local government, democratic local decision-making and action by, and on behalf of, communities; might be better achieved. Governance reform should extend beyond structural change and consider how local government can strengthen democratic leadership,

collaboration, resilience and long-term community wellbeing. Contemporary policy discussion highlights principles including subsidiarity, communities of interest, collaborative governance and local democratic accountability as important considerations for future governance arrangements. Wairoa District Council supports governance arrangements that are lawful, promote the purpose of the Act, and reflect the district's unique circumstances.

New Zealand's system of local government is potentially entering a period of significant transformation. Alongside reforms to the resource management system, infrastructure funding, water services and climate adaptation, the Government has also initiated the Head Start Pathway as part of its Simplifying Local Government programme.

The Head Start process invites councils to develop locally led proposals for future governance arrangements rather than relying on current legislated processes solely on centrally determined restructuring via a "backstop" process after 2028. There is currently no statutory basis for either the Head Start process or the Backstop process.

For Wairoa District Council, the Head Start Process potentially presents an opportunity to examine how local government can better support democratic leadership, integrated planning, economic development and community resilience for Wairoa and its affected communities.

2. BACKGROUND

- 2.1 On 5 May 2026 the Minister of Local Government announced a "Head Start" process whereby Local Authorities representing a majority of Authorities within a region or the majority by population could submit proposals by 9 August 2026 for a fast track form of local government reform amalgamating two or more local Authorities.
- 2.2 Fast track proposals that were acceptable to the minister would then be formulated into final proposals for amalgamated entities to come into effect following local government elections in 2028.
- 2.3 For local authorities electing not to participate in the Head Start process, it is proposed that those authorities would be subjected to some form of compulsory reorganisation following the 2028 Local government elections.
- 2.4 These reform processes do not reflect the legislated processes necessary for local government reform but rather have been "introduced" as a matter of Cabinet policy.
- 2.5 In good faith Council entered into a Memorandum of Understanding (MoU) with the Central Hawke's Bay District Council, Hastings District Council and Napier City Council with a view to exploring possible options for local government reform.
- 2.6 In furtherance of the MoU, Lawrence Yule and Wayne Eagleson (the Facilitators) were engaged to facilitate discussions and develop options for discussion between the parties to the MoU.
- 2.7 The outcome of the initial meeting between the Facilitators and Wairoa District Councillors, a strong preference was expressed for one option for consideration was the possibility of a standalone Unitary option for Wairoa District. This option was ultimately excluded by the Head Start criteria which excluded the possibility of a single local authority putting forward an option to become a standalone unitary authority.
- 2.8 The facilitators worked with the Hawke's Bay Interim Regional Office in developing draft indicative proposals and a draft report on Options for Wairoa to consider and a copy of the draft report is attached as Appendix 1. This report has been prepared on the basis that Council's preferred option is for the establishment of a Wairoa Unitary Authority but

that this option does not align with Central Government's model, that Council resolves to participate in the Head Start process. Council needs to decide whether this draft report reflects Council's position.

- 2.9 The options ultimately developed pursuant to the MoU for consideration by the Hawke's Bay local authorities focused on two options. A single unitary authority combining all four territorial authorities or a two unitary authority option dividing Hawke's Bay into a northern unitary authority and southern unitary authority divided along the Tutaekuri boundary.
- 2.10 Given the importance of the issues and notwithstanding the compressed timeframes., Council embarked on extensive community engagement process presenting four options:
 - 2.10.1. A single Unitary Authority for Hawke's Bay
 - 2.10.2. A two Unitary authority option North and South of the Tutaekuri river
 - 2.10.3. A standalone unitary Authority for Wairoa District whereby Wairoa District Council would absorb existing Regional Council functions, acknowledging that this was not allowed under the Head Start process.
 - 2.10.4. An amalgamation with Gisborne District Council
- 2.11 The Wairoa District Council has been engaging with its communities regarding the Simplifying Local Government Reforms and the Head Start Process.
- 2.12 Council initially met with Tātau Tātau o Te Wairoa, Ngāti Pāhauwera Development Trust and Wairoa Taiwhenua on the 26th of May to outline the reforms process.
- 2.13 Council then undertook a community engagement programme across the district to consult with its affected communities about the Simplifying Local Government Reforms and the Head Start Pathway. This engagement comprised nine face to face community meetings between elected members and staff undertaken from June 22 through to July 10, 2026.
- 2.14 Meetings were held throughout the district, including Wairoa Township, Mahia, Nūhaka, Frasertown, Raupunga, Tuai, North Clyde, Ruakituri and a meeting with members of Age Concern.
- 2.15 In addition Council undertook an online survey which elicited additional online response and comment.
- 2.16 An analysis of the Community Engagement Analysis and the feedback gathered is attached as Appendix 2.

3. ANALYSIS

- 3.1 The analysis of options involves a series of permutations, some of which are dependent upon the preferences and/or decisions of one or more of the other Hawke's Bay communities and Councils. We have the benefit of knowing the decisions and directions taken by all other Hawke's Bay Councils. All three of our neighbour councils have decided to pursue a single unitary authority for Hawke's Bay.
- 3.2 However Council needs to make it's own decision on behalf of the Wairoa community, while also recognising and considering where Wairoa sits in the wider Hawke's Bay context. In order to assist in Council's deliberations, we have prepared a decision flow chart which is attached as Appendix 3 .

- 3.3 The first question that Council needs to consider is whether Wairoa District Council wishes to participate in the head start process.
- 3.3.1. Council needs to consider the potential benefits and disbenefits of the head start proposals. This should include a consideration of what form of local government promotes the purposes of local government
- democratic local decision-making and action
 - by, and on behalf of, communities
 - promote the social, economic, environmental, and cultural well-being of communities in the present and for the future.
- 3.4 In terms of democratic local decision making, the feedback of the community engagement, the desire to maintain local representation and decision making, the desire to preserve Māori representation needs to be considered.
- 3.5 Similarly, the making of decisions by and on behalf of communities involves consideration of communities of interest, both within Wairoa District and the wider Hawke's Bay, will be informed by the community engagement.
- 3.6 Promotion of the "four well beings" requires consideration of the community feedback, Councils experience in service of its community and any evidence (if any) that efficiencies, cost savings or enhanced service will be achieved through any of the proposals under discussion.
- 3.7 Many of these questions remain unanswered. Much of the devil will be in the detail of governance structures and how representation is structured. Council needs to consider whether it is in a position to enter into a Head Start proposal when those important details are yet to be agreed.
- 3.8 If Council resolves to not participate in the Head Start process, it is not required to do anything further. There is a possibility that a majority (either by number of TA's or by population) might resolve to pursue an option including an unwilling Wairoa. Council would need to consider its options to challenge such a scenario.
- 3.9 There is also the possibility that a majority may seek to establish a three council unitary, leaving Wairoa to its own destiny.

4. OPTIONS

- 4.1 The options identified are:
- a. Council needs to choose whether to further participate in the Head Start process by submitting a Head Start proposal.
 - b. If Council resolves to participate in the Head Start process, Council needs to resolve which option is preferred.
- 4.2 Council needs to consider the statutory purpose of local government and the feedback received through community engagement on matters including:
- the importance of local decision making with decisions being made close to the communities that those decisions affect
 - the importance of Māori representation
 - The importance of local voice and representation

- The evidence of centralised decision making consistently failing the Wairoa community
- 4.3 This is one of the most important and significant decisions that Council is ever likely to be asked to make. Council needs to consider whether the three-month time frame has allowed enough time for proper consultation and engagement with its community and whether there has been sufficient time for a proper and detailed analysis of options that is commensurate with the significance and importance of this decision. The Head Start process was stated to be for Councils that were ready to move quickly. Is Council in a position where it is ready to go and to move quickly toward amalgamation?
- 4.4 If Council considers there is merit in participating in Head Start, then it needs to consider which option; one or two unitary authorities; is preferred. Given the decisions of the other Hawke's Bay Councils to proceed with a single unitary authority for Hawke's Bay, the decision on options becomes moot and Council needs to consider whether Wairoa District should become part of a single Hawke's Bay wide unitary authority. In this regard it is noted that there was very limited community support for this option.
- 4.5 If Council does not wish for Wairoa to be amalgamated into a single Hawke's Bay wide unitary authority and/or is not in a position to move quickly and having considered the matters referred to in 4.2 above, then the preferred option is to withdraw from the Head Start process. This contributes to the following community outcomes.

Cultural wellbeing	Economic wellbeing	Social Wellbeing	Environmental Wellbeing
Valued and cherished community.	Strong and prosperous economy.	Safe, supported and well-led community.	Protected and healthy environment

5. CORPORATE CONSIDERATIONS

What is the change?

- 5.1 If the preferred option is chosen then Council will need to implement a plan for the undertaking of the relevant functions currently undertaken by the Regional Council.

Compliance with legislation and Council Policy

- 5.2 The preferred option of withdrawing from the Head Start process is consistent with the provisions of the Local Government Act which specifies a detailed process by which local government reorganisation and amalgamation must proceed. It is also consistent with the Local Government Act provisions relating to decision making.
- 5.3 If Council is of the view that the timeframes stipulated for the Head Start process do not allow adequate time for community engagement in accordance with Council's Significance and Engagement Policy, then a decision to withdraw from the Head Start process is consistent with that policy.

What are the key benefits?

- 5.4 The preferred option promotes the purpose of local government and will allow Council to comply with its obligations under the Local Government Act.

What is the cost?

- 5.5 Costs of all options have never been quantified.

What is the saving?

- 5.6 Savings of the options have not been studied or quantified.

Service delivery review

- 5.7 Withdrawing from the Head Start process will have no effect on current service delivery.
- 5.8 Entering into a Head Start proposal could have significant implications for service delivery in Wairoa.

Māori Standing Committee

- 5.9 Local government reform and the proposed Head Start process has been referred to the Māori Standing Committee and some members have attended community meetings.

6. SIGNIFICANCE

- 6.1 The reform of local government is a highly significant decision.
- 6.2 The Head Start process has not allowed Council sufficient time to engage and consult in accordance with its Significance and Engagement Policy.
- 6.3 The Head Start process involves a significant decision affected all of the resources and communities of Wairoa district, including the relationship of Māori to ancestral land, water, sites waahi tapu, valued flora and fauna and other taonga. The process has not allowed Council sufficient time to engage and consult on these matters in accordance with its Significance and Engagement Policy, or to give effect to the desired “bottom line” of ensuring adequate Māori representation and the potential to recognise iwi boundaries.
- 6.4 It is unclear how the Head Start process will enable the relationship

7. RISK MANAGEMENT

- 7.1 In accordance with the Council’s Risk Management Policy the inherent risks associated with this matter are:

Human	Financial	Regulatory
High	High	High
Operations	Employees	Image & Reputation
High	High	High

Who has been consulted?

There has been limited, time and information constrained, engagement with the Community and Māori via PSGE's and the MSC.

Confirmation of statutory compliance

In accordance with section 76 of the Local Government Act 2002, this report is approved as:

- a. containing sufficient information about the options and their benefits and costs, bearing in mind the significance of the decisions; and,
- b. is based on adequate knowledge about, and adequate consideration of, the views and preferences of affected and interested parties bearing in mind the significance of the decision.

Te Pae Tawhiti o Te Wairoa

Shaping the Future of Local Government for Wairoa

One District. One Council. One Unitary Authority.

Local voice, local representation and local knowledge matter

***DRAFT* Indicative Proposal**

Draft Report – Options Paper

Prepared under the Government's Head Start Pathway for
Wairoa District Council

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1.1 Executive Summary

The New Zealand Government has invited councils to participate in the Head Start Pathway as part of its Simplifying Local Government reform programme. Wairoa District Council **welcomes the opportunity to contribute constructively to this process.**

This Indicative Proposal has been prepared to outline governance options following engagement with its affected communities, responds to the Government's reform objectives while recognising Wairoa's unique geography, community of interest, relationships with mana whenua, resilience needs and long-term aspirations.

The Council's preferred proposal is the establishment of a Wairoa Unitary Authority. Recognising the Government's preference for collaborative proposals, the Council also proposes that a Northern Hawke's Bay Unitary Authority be investigated as an alternative should a multi-council proposal be required.

The Wairoa District Council recognise that a proposal for a single-district Wairoa Unitary Authority may not align with the Government's preferred model of regional consolidation. However, Council considers that the Head Start process also invites locally led solutions. Therefore, following community engagement Council will seek to demonstrate that Wairoa's unique circumstances and special character justify a different governance model based on its distinct geography, community of interest, and ability to deliver both territorial and regional functions.

Accordingly, Council will engage with the Head Start process while advocating that the Government assess proposals on their individual merits rather than on council size alone.

This document is indicative only. It is intended to support discussion, engagement and further investigation and does not constitute a formal reorganisation proposal.

1.2 Purpose

The purpose of this Indicative Proposal is to:

- support Wairoa District Council's participation in the Government's Head Start Pathway;
- identify governance models for further investigation;
- demonstrate how those models align with Government objectives;
- provide a basis for engagement with affected communities, mana whenua, neighbouring councils and the Government; and
- guide the preparation of a detailed proposal should the Government invite Council to proceed.

1.3 Scope

This proposal considers:

- the Government's local government reform programme;
- planning and resource management reforms;
- governance options relevant to Wairoa;
- local democracy and communities of interest;
- Treaty settlement continuity and Māori representation;
- Civil Defence and resilience; and
- economic development opportunities.

Financial modelling, legal due diligence, organisational design and legislative implementation will be addressed in later chapters.

1.4 Guiding Principles

The proposal is guided by the following principles:

- Local democracy – decisions should be made as close as practicable to the communities they affect.
- Communities of interest – governance should reflect genuine social, cultural, environmental and economic relationships.
- Partnership with mana whenua – governance should recognise Treaty settlement obligations and strengthen relationships with iwi and hapū.
- Integrated governance – regional and territorial functions should be coordinated where this improves outcomes.
- Resilience – governance should strengthen emergency management, infrastructure resilience and climate adaptation.
- Sustainable growth – governance should support economic development while protecting environmental values.
- Legislative integrity – any future governance changes should occur through the appropriate statutory framework.

2. Government Reform Context

New Zealand is undertaking the most significant programme of local government reform since 1989. The Government's Head Start Pathway provides an opportunity for councils to develop locally led governance proposals **before formal reorganisation occurs**. The Council recognises that governance reform should extend beyond structural change and consider how local government can strengthen democratic leadership, collaboration, resilience and long-term community wellbeing. Contemporary policy discussion highlights principles including subsidiarity, communities of interest, collaborative governance and local democratic accountability as important considerations for future governance arrangements. Wairoa District Council supports participating in the Head Start process while advocating governance arrangements that reflect the district's unique circumstances.

New Zealand's system of local government is entering a period of significant transformation. Alongside reforms to the resource management system, infrastructure funding, water services and climate adaptation, the Government has initiated the Head Start Pathway as part of its Simplifying Local Government programme.

The Head Start process invites councils to develop locally led proposals for future governance arrangements rather than relying solely on centrally determined restructuring.

For Wairoa District Council, this presents an opportunity not only to consider organisational change but to examine how local government can better support democratic leadership, integrated planning, economic development and community resilience.

This Indicative Proposal has therefore been prepared as a constructive contribution to the Government's reform programme while recognising that any future governance changes must ultimately occur through the appropriate statutory framework.

This Indicative Proposal does not constitute a formal decision of the Council to seek local government reorganisation, nor does it commit the Council to any particular governance outcome. Any future proposal will remain subject to further Council resolutions, statutory requirements, community engagement and any legislative processes that may subsequently apply.

2.1 The National Reform Programme

The Government's reform agenda extends well beyond local government boundaries. Current reforms include:

- Simplifying Local Government & the Head Start Pathway;
- replacement of the Resource Management Act;
- Local Water Done Well;

- infrastructure funding reform;
- climate adaptation and resilience;
- regional planning reform;
- public sector productivity initiatives.

Collectively these reforms recognise that governance, planning, infrastructure, environmental management and economic development are interconnected.

Accordingly, governance reform should not be considered in isolation but as part of a broader programme intended to improve public services, reduce unnecessary duplication, strengthen regional capability and enable more effective local decision-making.

2.2 Why Government is Reforming Local Government

The Government has identified several reasons for initiating local government reform. These include:

- improving infrastructure delivery;
- simplifying governance arrangements;
- integrating regional and territorial planning;
- reducing duplication;
- improving financial sustainability;
- supporting economic growth;
- aligning governance with the new resource management system.

The Government has also signaled a desire to replace separate regional and territorial councils with unitary authorities where appropriate.

At the same time, wider policy discussion has suggested that the underlying challenge may not simply be council structures, but the gradual centralisation of decision-making over many decades.

The New Zealand Initiative argues that New Zealand has become one of the most centralised systems of local government within the OECD and suggests that reform should strengthen rather than diminish local democratic leadership. It contends that successful reform should focus on improving governance capability, democratic accountability and local autonomy, rather than relying solely on organisational consolidation.

While this Indicative Proposal does not adopt any particular external model, it recognises that these perspectives contribute to the broader national conversation regarding local government reform.

2.3 The Head Start Pathway

The Head Start Pathway represents a significant departure from previous approaches to local government reorganisation. Rather than imposing a predetermined governance model, the Government has invited councils to prepare outline proposals for new governance arrangements.

The Government has indicated that:

- proposals should generally involve two or more territorial authorities;
- proposals should create unitary authorities combining regional and territorial functions;
- proposals will be assessed against criteria including governance effectiveness, economies of scale, planning integration, local representation and implementation by 2028; and
- where councils do not participate, the Government may implement alternative arrangements through a separate "backstop" process.

Although the Head Start Pathway is not itself a statutory reorganisation process, it provides councils with an opportunity to shape future governance arrangements before formal legislative decisions are made.

Council considers that the current timeframe is constrained and limited given the scale and complexity of the reforms proposed. The Council therefore advocates that indicative proposals be recognised as the beginning of an evidence-based and collaborative reform process, supported by further technical analysis, community engagement and statutory decision-making before any permanent governance changes are implemented.

Wairoa District Council considers participation in the process to be both prudent and consistent with its responsibility to represent the interests of the district. However, the Wairoa District Council is committed to operating lawfully within the remit of the Local Government Act as it currently stands and will continue to do so.

2.4 Principles for Local Government Reform

A growing body of policy literature suggests that successful governance reform should be guided by enduring principles rather than organisational structure alone. Several principles are particularly relevant to the Wairoa District.

Subsidiarity

Subsidiarity recognises that public decisions should generally be made by the lowest level of government capable of carrying them out effectively. This principle is widely recognised internationally and is discussed extensively in contemporary local government literature. It suggests that local communities are often best placed to make decisions regarding matters directly affecting them, while larger-scale functions should

only be undertaken at higher levels where genuine efficiencies or coordination benefits exist.

For Wairoa, subsidiarity supports retaining governance close to communities while recognising that some regional functions require collaboration across wider geographic areas.

Communities of Interest

Governance boundaries should reflect genuine communities of interest rather than population size alone.

Communities of interest may be shaped by:

- geography;
- economic relationships;
- shared infrastructure;
- environmental catchments;
- cultural identity;
- mana whenua relationships;
- patterns of daily interaction.

Wairoa possesses a distinctive community of interest characterised by geographic isolation, strong cultural identity, significant river catchments, rural industries and long-standing relationships with mana whenua.

These characteristics provide an important context for assessing future governance options.

Collaborative Governance

Modern governance increasingly relies upon collaboration between multiple organisations rather than decision-making by a single institution.

Effective local governance requires partnerships between:

- local government;
- mana whenua;
- central government agencies;
- health providers;
- education providers;
- emergency management organisations;
- infrastructure providers;
- businesses;
- community organisations.

The Council considers collaborative governance to be fundamental to improving community wellbeing and delivering integrated public services.

Democratic Accountability

Local government derives its legitimacy from democratic representation.

Any future governance model should therefore:

- maintain effective local representation;
- preserve community voice;
- strengthen public participation;
- ensure elected members remain accountable to the communities they represent.

Contemporary policy commentary has cautioned that larger governance structures may reduce democratic responsiveness unless supported by appropriately empowered local representation.

2.5 Regional Functions and Integrated Governance

A central question arising from the Head Start reforms concerns the future delivery of regional council responsibilities.

These functions include:

- freshwater management;
- flood protection;
- biosecurity;
- Civil Defence Emergency Management;
- regional transport planning;
- environmental regulation;
- harbour management;
- climate adaptation.

Policy commentators have suggested that these responsibilities should be allocated according to the nature of the function rather than historic institutional arrangements.

For Wairoa, integrated governance presents an opportunity to improve coordination between district planning, environmental management, infrastructure investment and emergency management while maintaining decision-making close to the communities affected.

These issues are examined in subsequent sections.

2.6 Financial Sustainability

The Council acknowledges that governance reform alone will not resolve the long-term financial challenges facing local government.

Future governance arrangements must also consider:

- sustainable infrastructure funding;
- financial resilience;
- long-term affordability;
- efficient service delivery;
- appropriate revenue mechanisms;
- prudent debt management.

Contemporary research has argued that structural reform should be accompanied by broader consideration of local government funding and fiscal sustainability.

Detailed financial analysis will therefore form an essential component of any future governance proposal.

2.7 Legislative Context

The Council recognises that the Head Start Pathway is an administrative process rather than the legal mechanism by which local government boundaries or statutory functions are changed. Any future governance reform would need to proceed through the relevant legislative framework enacted by Parliament.

Independent legal advice commissioned by Local Government New Zealand concludes that the Head Start Pathway currently has no statutory basis.

Until Parliament enacts enabling legislation, councils remain fully subject to the Local Government Act 2002.

Moreover, any decision regarding participation must comply with Part 6 of the Act, including:

- identification of all reasonably practicable options;
- consideration of community views and preferences;
- consistency with existing Council strategies and plans;
- assessment under Council's Significance and Engagement Policy; and
- consideration of the statutory purpose of local government.

Importantly, failure to comply with these statutory requirements could expose **Council to judicial review**, potentially invalidating any decision to participate.

Accordingly, this proposal is prepared on the basis that all future work will comply with applicable legislation and maintain existing statutory obligations, including Treaty settlement obligations.

On the 24th of June, Council's Assurance, Risk and Infrastructure Committee resolved the following resolution which included the following; "THAT Council notes that at all times, it must act lawfully.

2.8 Wairoa District Council's Position

Wairoa District Council supports the Government's objective of creating a modern, sustainable and effective local government system.

The Council intends to participate in the Head Start process by presenting practical governance options that reflect Wairoa's unique circumstances. The Council's preferred direction is a Wairoa Unitary Authority, integrating district and regional functions within the Wairoa District.

An alternative Northern Hawke's Bay Unitary Authority developed collaboratively with neighbouring councils is also presented for investigation should a collaborative proposal be required.

The Wairoa community and the Council do not support a Hawke's Bay-wide Unitary Authority including Wairoa, Napier, Hastings and Central Hawke's Bay. Council considers such a model will reduce local representation, centralise decision-making and diminish Wairoa's ability to respond to its distinctive geographic, cultural and resilience challenges. This position is based on community feedback, current information and is intended to inform further discussion under the Head Start process.

The Government's reform programme provides Wairoa with an opportunity to shape its own future rather than simply respond to externally developed models.

While structural reform is an important component of the Government's programme, contemporary policy discussion also highlights the importance of strengthening democratic leadership, collaborative governance, communities of interest, subsidiarity and long-term financial sustainability.

This Indicative Proposal has been prepared within that broader strategic context. It seeks to provide a constructive, evidence-informed contribution to the Government's reform programme while ensuring that the unique characteristics of Wairoa remain central to any future governance arrangements.

3. Why Wairoa is an Exceptional Case

Wairoa possesses a combination of geographic, cultural, environmental and economic characteristics that distinguish it from other districts. These characteristics support consideration of governance arrangements tailored to Wairoa's circumstances.

The Government's reform programme recognises that governance arrangements should be capable of responding to local circumstances. Wairoa District Council considers that Wairoa presents a distinctive case within Hawke's Bay because of its geography, communities of interest, relationships with mana whenua, natural hazard profile and economic opportunities. These characteristics provide a foundation for investigating locally led governance models.

3.1 Geographic Isolation and Communities of Interest

Wairoa is the northernmost district in Hawke's Bay and is separated from neighbouring urban centres by long travel distances and terrain that can be affected by flooding and slips.

Communities within the district share strong social, cultural and economic links and often rely on local decision-making and self-sufficiency during periods of isolation.

The Council considers that these characteristics support further examination of governance arrangements that maintain decisions close to the communities they affect.

3.2 Civil Defence and Community Resilience

Recent severe weather events have highlighted Wairoa's vulnerability to flooding, landslides and transport disruption. The district has demonstrated the importance of local leadership and coordination during emergency response and recovery.

The Council considers that any future governance model should strengthen the integration of emergency management, infrastructure planning, river management and long-term resilience.

3.3 Mana Whenua and Treaty Relationships

Wairoa has enduring relationships with mana whenua, iwi, hapū and Post-Settlement Governance Entities. Any future governance arrangements should preserve statutory obligations arising from Treaty settlement legislation and provide opportunities to strengthen partnerships in planning, environmental management and community wellbeing.

The Council considers that meaningful engagement with mana whenua will be fundamental to any future proposal developed under the Head Start process.

3.5 Environment and Catchment Management

The district contains significant river systems, coastal environments, indigenous biodiversity and productive rural land. Environmental management decisions often require an integrated approach across land use, freshwater, biodiversity, hazard management and infrastructure.

A governance model that better integrates regional and territorial functions may provide opportunities to improve strategic planning and environmental outcomes. This proposition requires detailed technical assessment.

3.6 Economic Opportunities

Wairoa's economy is supported by agriculture, forestry, fisheries, tourism, the Māori economy and emerging industries associated with Mahia. The Council has also identified opportunities associated with a proposed Special Economic Zone to encourage investment, innovation and employment.

The Council considers that governance arrangements should support long-term economic development while recognising the district's rural character and environmental values.

3.7 Why This Matters

Taken together, Wairoa's characteristics distinguish the district from many other territorial authorities. The Council considers these factors justify further investigation of governance arrangements that reflect Wairoa's scale, geography and aspirations.

Council does not conclude that one governance model is the only appropriate outcome. Rather, it establishes the evidence base for examining the proposals presented in the following chapters.

4. Legislative and Policy Framework

Any future local government reorganisation must occur through the applicable legislative framework. The Government's Head Start Pathway is an opportunity to develop locally led proposals but is not, by itself, the legal mechanism that changes council boundaries or transfers statutory functions. Wairoa District Council is committed to working lawfully, transparently and collaboratively with its affected communities, mana whenua and Government throughout any future process.

Council is committed to working within the current legislative and policy environment that any future governance proposal would need to be developed. It identifies the principal statutory considerations that would guide detailed work if the Government invited Wairoa District Council to progress beyond this Indicative Proposal.

4.1 Statutory Framework

Local government in New Zealand operates within a statutory framework established by Parliament. Any proposal to alter governance arrangements, boundaries or statutory responsibilities would ultimately require implementation through the relevant legislative process in force at the time.

Accordingly, this Indicative Proposal is intended to inform Government consideration and future engagement. It does not seek to replace or bypass any statutory decision-making process.

4.2 The Head Start Pathway

The Head Start Pathway provides councils with an opportunity to develop locally led governance proposals before any formal reorganisation process. It enables councils to identify options, engage with communities, undertake technical analysis and discuss potential reforms with Government.

The Council acknowledges commentary that the Head Start Pathway is an administrative process only rather than a statutory mechanism. Consequently, any governance changes arising from the process would require the appropriate legislative authority before implementation.

4.3 Treaty Settlement and Mana Whenua Considerations

Any future governance proposal must recognise existing Treaty settlement legislation, statutory acknowledgements and other legal obligations. The Council considers that continuity of these arrangements is fundamental and that governance reform should strengthen, rather than diminish, relationships with mana whenua, iwi, hapū and Post-Settlement Governance Entities.

Future work should be undertaken in partnership with mana whenua and should

identify how statutory obligations would continue under any proposed governance model.

4.4 Planning and Resource Management Reform

The Government is progressing wider reforms to New Zealand's planning and environmental management systems. These reforms provide an opportunity to consider how regional and territorial planning responsibilities may be better integrated.

The Council considers that governance reform and planning reform should be considered together because decisions relating to infrastructure, freshwater, natural hazards, transport and land use are closely connected.

4.5 Principles for Future Development

Any detailed proposal prepared by Wairoa District Council should:

- comply with all applicable legislation;
- be supported by robust evidence and financial analysis;
- involve meaningful engagement with mana whenua and affected communities;
- recognise existing Treaty obligations;
- maintain transparency and public confidence; and
- align, where appropriate, with the Government's stated objectives for local government reform.

The Council considers that a sound legislative foundation is essential to any future governance reform. Council confirms its commitment to working within the statutory framework while participating in the Head Start process.

5. Proposal A: Wairoa Unitary Authority (Preferred)

Wairoa District Council's preferred governance direction is a standalone Wairoa Unitary Authority. The proposal is intended for investigation under the Government's Head Start Pathway and is not a final reorganisation proposal. The proposal seeks to integrate regional and territorial functions while retaining strong local democratic accountability. Detailed financial, legal and operational analysis would be required before any formal proposal could be advanced.

This proposal is presented as an indicative model for further investigation and engagement with affected communities, mana whenua, neighbouring councils and Government.

5.1 Vision

To establish a resilient, locally accountable and future-focused unitary authority that delivers integrated regional and territorial governance, strengthens partnerships with mana whenua, protects Wairoa's distinct identity and supports sustainable economic development.

5.2 Strategic Rationale

The Council considers that Wairoa's geography, community of interest, natural hazard profile, Treaty relationships and economic aspirations warrant consideration of a locally led unitary authority. Integrating district and regional responsibilities within a single organisation has the potential to simplify decision-making, improve accountability and better align planning, infrastructure and environmental management.

5.3 Indicative Governance Model

Under this proposal the existing Wairoa District boundary would be retained. A single elected council would exercise territorial authority responsibilities together with regional functions currently delivered within the district, subject to legislative approval.

The governance model would be developed through detailed design work and consultation. Matters such as elected member representation, Māori representation and committee structures would be considered during the detailed design phase.

5.4 Indicative Functions

Subject to legislation, a Wairoa Unitary Authority would be responsible for:

- district planning and regulatory services;
- regional planning and environmental management;
- freshwater and catchment management;
- flood protection and river management;
- Civil Defence and emergency management;

- biodiversity and biosecurity;
- transport and infrastructure planning;
- economic development; and
- climate adaptation and resilience planning.

5.5 Anticipated Benefits

Potential benefits requiring further investigation include:

- decisions made closer to affected communities;
- integrated planning across district and regional functions;
- stronger alignment between infrastructure, environmental management and economic development;
- improved coordination during emergencies;
- strengthened partnerships with mana whenua;
- a clearer governance framework for investment and long-term planning.

5.6 Opportunities and Challenges

The Council recognises that the proposal presents both opportunities and challenges. Matters requiring detailed assessment include organisational capability, financial sustainability, transition arrangements, workforce requirements, asset and liability transfer, legislative implementation and ongoing relationships with neighbouring authorities.

5.7 Matters Requiring Further Investigation

Before any detailed proposal could be prepared, further work would be required on:

- financial modelling;
- governance design;
- legal and legislative requirements;
- Treaty settlement continuity;
- service delivery impacts;
- staffing and organisational arrangements;
- community engagement; and
- implementation planning.

The Council considers that a Wairoa Unitary Authority warrants detailed investigation as its preferred governance model. The proposal aligns with the Council's objective of achieving locally led, integrated governance while recognising that further evidence, consultation and statutory processes would be required before any final decision could be made.

Proposal B, a Northern Hawke's Bay Unitary Authority, is also presented as an alternative for investigation should the Government determine that a collaborative proposal involving more than one territorial authority is necessary.

6. Proposal B: Northern Hawke's Bay Unitary Authority (Alternative for Investigation)

Proposal B is also presented as an alternative for investigation. It recognises that the Government has indicated an interest in collaborative, locally led proposals involving more than one territorial authority. Further technical, financial, legal and community assessment would be required before any formal proposal could be developed. Proposal B is intended to provide flexibility should a standalone Wairoa proposal not satisfy future Government gateway requirements.

While the Council's preferred governance direction is a Wairoa Unitary Authority, it also recognises the importance of considering alternative models that could meet the Government's reform objectives. Proposal B has therefore been developed as an option for investigation and discussion under the Head Start Pathway.

6.1 Indicative Proposal

Proposal B would investigate the establishment of a Northern Hawke's Bay Unitary Authority comprising:

- Wairoa District;
- Napier City; and
- northern parts of Hastings District, subject to detailed assessment.

For the purposes of investigation, the southern boundary could generally follow the Tūtaekurī River. This is a conceptual boundary only and would require detailed technical analysis, engagement with mana whenua, consultation with affected communities and any statutory process.

6.2 Strategic Rationale

This proposal is based on the concept of creating a governance area that reflects northern Hawke's Bay's transport links, economic relationships, natural hazard profile and shared infrastructure. It may provide opportunities for a broader rating base, greater organisational capability and integrated regional and territorial governance while retaining a focus on northern Hawke's Bay.

6.3 Potential Benefits

Subject to further investigation, potential benefits may include:

- greater organisational capacity and specialist expertise;
- integrated planning and environmental management;
- coordinated Civil Defence and emergency management;
- improved strategic infrastructure planning;
- stronger regional economic development opportunities;
- enhanced collaboration with mana whenua across the proposed area.

6.4 Potential Challenges

Issues requiring careful investigation include:

- defining an appropriate boundary;
- governance representation and local voice;
- integration of assets, liabilities and staff;
- maintaining strong local identity for individual communities;
- Treaty settlement continuity;
- transition costs and implementation complexity.

6.5 Matters Requiring Further Investigation

Before any formal proposal could be considered, further work would be required on:

- financial modelling;
- governance arrangements and representation;
- legislative requirements;
- engagement with relevant affected communities, mana whenua, Napier City Council, and Hastings District Council;
- impacts on service delivery;
- implementation planning and transition arrangements.

6.6 Relationship to Proposal A

Proposal B is not intended to replace Proposal A. The Council's preferred option remains a Wairoa Unitary Authority. Proposal B is retained as an alternative should the Government conclude that a collaborative proposal involving multiple territorial authorities is necessary to progress through a future stage of the reform process.

The Council considers that Proposal B warrants further investigation as a credible alternative governance model. Its inclusion demonstrates the Council's willingness to engage with the Government's reform programme while maintaining a clear preference for a locally based Wairoa Unitary Authority.

The following chapter will compare Proposals A and B against the Government's reform objectives and identify the strengths, risks and matters requiring further investigation for each option.

7. Assessment Against Government Reform Objectives

This section provides an indicative assessment of the two governance proposals against the Government's reform objectives. The assessment is intended to inform discussion and identify matters requiring further investigation. It is not a detailed business case or a final decision-making framework.

The Government's Head Start Pathway encourages councils to develop proposals that improve governance, service delivery, infrastructure planning and long-term sustainability. This section considers how Proposal A and Proposal B may contribute to those objectives. The assessment is qualitative and should be refined through future technical work.

7.1 Assessment Framework

The assessment considers the following themes:

- Communities of interest
- Local democracy and representation
- Service delivery and organisational capability
- Financial sustainability
- Infrastructure and integrated planning
- Civil Defence and resilience
- Treaty settlement continuity and partnerships with mana whenua
- Māori representation
- Economic development
- Ease of implementation.

Assessment Area	Proposal A Wairoa UA	Proposal B Northern HB UA	Indicative Commentary
Communities of Interest	Strong	Moderate–Strong	Proposal A aligns closely with the existing Wairoa district community. Proposal B broadens the community of interest and would require further evidence.
Local Democracy	Strong	Moderate	Proposal A retains decision-making within Wairoa. Proposal B would require governance

			arrangements to maintain local representation.
Service Delivery	Moderate	Strong	Proposal B may provide greater organisational capacity. Proposal A would need to demonstrate capability through detailed planning.
Financial Sustainability	Moderate	Moderate–Strong	Both proposals require detailed financial modelling. Proposal B may benefit from a broader rating base.
Civil Defence	Strong	Strong	Both proposals have potential advantages, although Proposal A emphasises locally based decision-making during emergencies.
Treaty & Mana Whenua	Strong	Moderate–Strong	Both proposals should preserve statutory obligations. Proposal B would require engagement across a wider area.
Economic Development	Strong	Strong	Both proposals could support regional growth and investment if supported by integrated planning.

Ease of Implementation	Moderate	Moderate	Both proposals would require legislative change, engagement and transition planning.
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7.2 Preferred Proposal

On the basis of this indicative assessment, Wairoa District Council considers Proposal A to be its preferred governance direction. Proposal A most closely aligns with the Council's objective of maintaining strong local democracy while integrating regional and territorial responsibilities within the existing district.

Proposal B remains a credible alternative for investigation should the Government determine that collaborative proposals involving more than one territorial authority are necessary.

7.3 Matters Requiring Further Investigation

The Council considers that the following work should be undertaken before any formal proposal is advanced:

- detailed financial and organisational modelling;
- governance and representation design;
- legal analysis;
- engagement with mana whenua and neighbouring councils;
- community consultation;
- implementation planning and transition analysis.

This assessment indicates that both proposals have merit and warrant further examination. Proposal A remains the Council's preferred option because it best reflects Wairoa's community of interest and commitment to locally accountable governance. Proposal B provides flexibility should a collaborative model be required by the Government.

8. Treaty Settlements, Mana Whenua and Māori Representation

Any governance reform must preserve the integrity of existing Treaty settlement legislation and statutory obligations. Governance reform should strengthen, not diminish, partnerships between local government and mana whenua. Māori representation should remain an integral component of future governance arrangements. Detailed engagement with mana whenua and Post-Settlement Governance Entities (PSGEs) would be essential before any formal proposal is advanced.

The Wairoa District has deep and enduring relationships with mana whenua, iwi and hapū. These relationships are reflected in Treaty settlement legislation, statutory acknowledgements, customary interests and ongoing partnerships across environmental management, planning and community wellbeing.

The Council considers that any future governance model must be developed in partnership with mana whenua and must preserve existing legal rights and responsibilities.

8.1 Treaty Settlement Continuity

This Indicative Proposal does not seek to alter or diminish any existing Treaty settlement arrangements. Rather, the Council considers that any future governance reform should provide certainty that statutory obligations currently applying to local authorities continue uninterrupted.

Detailed legal analysis would be required to identify how responsibilities currently exercised by regional and territorial authorities would transfer under any future governance model.

8.2 Partnership with Mana Whenua

The Council recognises that meaningful engagement with mana whenua is fundamental to successful governance reform. Future work should be undertaken collaboratively and should recognise the distinct interests, aspirations and responsibilities of iwi, hapū and PSGEs within the district.

Engagement should occur from the earliest stages of proposal development and continue throughout any subsequent statutory process.

8.3 Māori Representation

The Council recognises the importance of Māori participation in local decision-making. Existing arrangements, including Māori ward representation, provide an important foundation for future governance discussions. Feedback through community engagement has signalled strongly that Wairoa District Council's Māori Wards are to be retained in any future governance arrangements.

As part of any detailed proposal, the Council would investigate opportunities to strengthen Māori participation through governance structures, advisory mechanisms and collaborative decision-making processes, while ensuring compliance with legislative requirements.

8.4 Natural Resource Management

Many Treaty settlement arrangements relate directly to freshwater, rivers, biodiversity, coastal environments and other natural resources. The Council considers that governance reform should support integrated management of these resources while respecting statutory settlement obligations and the role of mana whenua as kaitiaki.

Future governance arrangements should therefore be designed to improve collaboration in planning, environmental management and long-term stewardship.

8.5 Matters Requiring Further Investigation

Further work would be required on:

- engagement with mana whenua, iwi and hapū;
- continuity of Treaty settlement obligations;
- statutory acknowledgements and relationship agreements;
- governance and representation arrangements;
- implications for planning and environmental management; and
- legislative implementation.

The Council considers that strong relationships with mana whenua are central to the future governance of Wairoa. Governance reform should protect existing Treaty settlement commitments, strengthen collaborative relationships and provide opportunities for meaningful Māori participation in decision-making, whilst also retaining Māori Wards.

9. Civil Defence, Community Resilience and Geographic Isolation

Wairoa's geographic isolation and exposure to natural hazards are central considerations in any future governance model. Governance arrangements should support timely decision-making, coordinated emergency management and resilient infrastructure. Civil Defence capability is a strategic factor supporting further investigation of locally responsive governance arrangements.

Wairoa District is one of New Zealand's most geographically isolated districts. Its dispersed rural communities, extensive river catchments, coastal environment and reliance on key transport corridors create unique resilience challenges. The Council considers that these characteristics should be an important consideration in the Government's assessment of future governance arrangements.

9.1 Geographic Isolation

The district is connected to neighbouring centres primarily by State Highway 2 and State Highway 38. Severe weather, flooding and landslips can disrupt these connections for extended periods, affecting access to emergency services, health care, freight and essential supplies.

During periods of isolation, local leadership and decision-making become critical. The Council considers that governance arrangements should recognise the practical realities of managing essential services in an isolated district.

9.2 Civil Defence and Emergency Management

Recent emergency events have highlighted the importance of integrated planning, rapid decision-making and strong local coordination. Effective emergency management requires close alignment between land-use planning, transport, flood protection, infrastructure, welfare, communications and recovery planning.

The Council considers that greater integration of regional and territorial functions may improve strategic coordination and resilience.

9.3 Infrastructure and Lifeline Resilience

Resilient infrastructure is fundamental to community wellbeing. Governance arrangements should support coordinated investment in transport networks, bridges, flood protection, water services, telecommunications and other lifeline infrastructure.

Future investigations should consider how different governance models would influence infrastructure planning, funding priorities and long-term resilience.

9.4 Climate Adaptation and Natural Hazards

Climate change is expected to increase the frequency and severity of weather-related hazards. Future governance arrangements should support integrated adaptation planning across river catchments, coastal areas, transport corridors and critical infrastructure.

The Council considers that governance reform should complement wider Government work on climate adaptation and resilience rather than operate in isolation.

9.5 Implications for Governance

From the Council's perspective, resilience is not solely an emergency management issue; it is a governance issue. Decisions relating to environmental management, infrastructure investment, planning and community recovery are interconnected.

Proposal A (Wairoa Unitary Authority) has the potential to strengthen local accountability by integrating these responsibilities within a single organisation. Proposal B (Northern Hawke's Bay Unitary Authority) may provide additional organisational capacity while also requiring governance arrangements that maintain strong local responsiveness.

9.6 Matters Requiring Further Investigation

Further work should examine:

- Civil Defence governance arrangements;
- emergency management capability;
- infrastructure resilience and investment priorities;
- transport network resilience;
- river and flood management;
- climate adaptation responsibilities;
- inter-agency coordination; and
- implications for long-term recovery planning.

The Council considers that Wairoa's geographic isolation and natural hazard profile distinguish it from many other districts and justify careful consideration during the Government's reform programme. Future governance arrangements should strengthen resilience, support integrated planning and ensure that emergency decision-making remains effective and responsive to local communities.

10. Resource Management Reform, Planning and Environmental Stewardship

Local government reform should be considered alongside the Government's planning and resource management reforms. Integrated governance has the potential to improve planning, infrastructure coordination and environmental stewardship. Wairoa's significant river catchments, coastal environments and rural landscapes require governance arrangements that support long-term environmental resilience. This section identifies strategic opportunities and matters for further investigation rather than recommending changes to statutory planning responsibilities.

The Government is reforming New Zealand's planning and resource management system with the objective of improving environmental outcomes, enabling infrastructure, supporting housing and economic development, and simplifying regulatory processes. Wairoa District Council considers that governance reform and planning reform should be assessed together because both influence how land, water, infrastructure and communities are managed over the long term.

10.1 Integrated Planning

Future governance arrangements should support better integration between strategic planning, land use, infrastructure investment, transport, environmental management and community development. Regardless of the governance model ultimately adopted, planning should provide greater certainty for communities, investors and mana whenua while protecting the district's environmental and cultural values.

10.2 Freshwater, Rivers and Catchments

Wairoa's river catchments and freshwater resources are central to the district's environmental, cultural and economic wellbeing. Effective management requires coordinated decision-making across land use, flood management, water quality, biodiversity and climate resilience.

The Council considers that any future governance proposal should be assessed against its ability to support integrated catchment management and collaborative decision-making with mana whenua and relevant agencies.

10.3 Environmental Stewardship

The district contains significant indigenous biodiversity, productive rural land, coastal environments and culturally important landscapes. Future governance arrangements should support environmental stewardship by integrating policy, regulation, monitoring and long-term investment while recognising the role of mana whenua as kaitiaki and maintaining statutory obligations.

10.4 Infrastructure and Growth

Planning reform provides an opportunity to better align infrastructure investment with economic development. The Council considers that integrated planning can support transport, water services, renewable energy opportunities, digital connectivity and the proposed Wairoa Special Economic Zone, while ensuring development occurs in a resilient and environmentally responsible manner.

10.5 Implications for Proposal A and Proposal B

Proposal A (Wairoa Unitary Authority) may provide opportunities to integrate district and regional planning functions within a single organisation, potentially improving coordination between environmental management, infrastructure and economic development.

Proposal B (Northern Hawke's Bay Unitary Authority) may also provide integrated planning opportunities across a broader geographic area, although governance, representation and service delivery arrangements would require detailed investigation to ensure local priorities continue to be reflected.

10.7 Matters Requiring Further Investigation

Further technical work should examine:

- implications of the Government's planning reforms;
- future planning responsibilities;
- freshwater and catchment governance;
- biodiversity management;
- infrastructure planning;
- climate adaptation;
- relationships with mana whenua; and
- implementation requirements under any future legislative framework.

The Council considers that planning reform and local government reform are closely connected. Future governance arrangements should support integrated planning, environmental stewardship and resilient infrastructure while recognising Wairoa's distinct environmental, cultural and economic context.

11. Economic Development and the Wairoa Special Economic Zone

Sustainable economic development is a core objective of effective local government. Governance arrangements should support investment, infrastructure delivery and long-term regional resilience. Wairoa's economy is characterised by a strong primary sector, a growing Māori economy, tourism, and emerging opportunities associated with Mahia. The proposed Wairoa Special Economic Zone (SEZ) provides a strategic opportunity that warrants further investigation alongside governance reform.

Economic development and governance are closely linked. Decisions about planning, infrastructure, environmental management, transport and investment all influence the ability of communities to attract business, create employment and improve wellbeing. Wairoa District Council considers that local government reform should support, rather than constrain, economic opportunity.

11.1 Wairoa's Economic Context

Wairoa's economy is built on the primary industries (agriculture, horticulture, forestry, fisheries), as well as the Māori economy, tourism and public services. The district also has nationally significant opportunities associated with the Mahia Peninsula, space and aerospace activity, renewable energy potential and innovation.

Future governance arrangements should recognise these existing strengths while supporting economic diversification and resilience.

11.2 The Proposed Wairoa Special Economic Zone

The Council has identified the concept of a Wairoa Special Economic Zone as a potential catalyst for long-term regional development. The concept is intended to encourage investment, support innovation, improve productivity and create employment opportunities.

Any Special Economic Zone would require detailed investigation, engagement with Government, mana whenua, the business community and other stakeholders. This section signals that Wairoa District Council will continue to for such a zone and identifies it as a strategic opportunity that may benefit from integrated governance and planning.

11.3 Governance and Economic Development

Integrated governance has the potential to improve coordination between economic development, infrastructure planning, environmental management and regulatory processes. Subject to further analysis, Proposal A may provide opportunities for streamlined decision-making within the district, while Proposal B may provide access to a broader economic base and shared capability across northern Hawke's Bay.

The Council considers that both proposals should be assessed for their ability to support investment while maintaining environmental stewardship and community wellbeing.

11.4 Infrastructure and Investment

Reliable transport networks, digital connectivity, water services, energy infrastructure and resilient public assets are fundamental to economic growth. Future governance arrangements should provide clear strategic direction for infrastructure investment and improve coordination between planning and delivery.

Detailed financial and infrastructure assessments will be required before any conclusions can be reached.

11.5 Māori Economic Development

The Māori economy is an important contributor to Wairoa's future. Governance arrangements should support partnerships with mana whenua, encourage opportunities for Māori enterprise and ensure that economic development complements cultural, environmental and social aspirations.

11.6 Matters Requiring Further Investigation

Further work should examine:

- the feasibility of a Wairoa Special Economic Zone;
- economic impacts of governance reform;
- infrastructure investment priorities;
- workforce and skills development;
- regional investment opportunities;
- implications for business and industry; and
- opportunities for collaboration with mana whenua and neighbouring councils.

11.8 Summary and Implications

The Council considers that economic development should be viewed as a central outcome of governance reform rather than a separate policy issue. Future governance arrangements should enable investment, strengthen resilience and support sustainable prosperity while protecting Wairoa's environmental and cultural values.

12. Financial Sustainability, Governance and Implementation Considerations

Financial sustainability is fundamental to any future governance arrangement. Neither Proposal A nor Proposal B should proceed without robust financial, legal and operational analysis. This section identifies the investigations required before moving onto the detailed design phase. The Council is committed to evidence-based decision-making and prudent financial management.

The Government's reform programme seeks governance arrangements that are financially sustainable, operationally effective and capable of delivering quality public services over the long term. This chapter identifies the financial and governance considerations that should inform the next stage of work under the Head Start Pathway.

12.1 Financial Sustainability

Any future governance proposal should demonstrate that it is financially sustainable over the long term. This will require detailed modelling of operating expenditure, capital investment, debt, revenue, rating impacts, infrastructure renewal requirements and organisational efficiencies.

At this stage, Wairoa District Council has not completed this analysis. Accordingly, no assumptions are made in this Indicative Proposal regarding the financial superiority of either governance model.

12.2 Governance and Organisational Design

A detailed governance design process would be required before any proposal could proceed. Matters requiring consideration include:

- elected member representation;
- Māori representation and Māori wards;
- committee structures;
- executive leadership and organisational design; and
- accountability and performance frameworks.

12.3 Assets, Liabilities and Staff

Should governance reform progress, a comprehensive due diligence process would be required to identify the treatment of assets, liabilities, contracts, statutory responsibilities and workforce arrangements. This work should be undertaken transparently and in collaboration with affected organisations and employees.

12.4 Rates and Service Delivery

Future investigations should assess the potential implications of governance reform for rates, service levels and customer experience. The Council considers that any

governance change should seek to maintain or improve service quality while providing value for money for ratepayers.

12.5 Risks and Implementation

Implementation risks requiring assessment include:

- legislative complexity;
- transition costs;
- organisational capability;
- continuity of public services;
- information technology and systems integration;
- contractual obligations; and
- stakeholder engagement and public confidence.

12.6 Indicative Implementation Roadmap

Subject to Government feedback, the Council envisages the following broad stages:

1. Government consideration of the Indicative Proposal.
2. Technical investigations and business case development.
3. Engagement with mana whenua, neighbouring councils and the community.
4. Detailed financial, legal and governance analysis.
5. Preparation of any formal proposal under the applicable legislative framework.
6. Legislative consideration and, if approved, transition planning and implementation.

The Council considers that financial sustainability, governance capability and implementation planning are essential components of any future reform. This chapter confirms that the current document is an indicative proposal only and that additional technical work would be required before any governance change could be recommended.

13. Conclusions, Recommendations and Next Steps

Wairoa District Council supports the Government's objective of improving local government and formally signals that it intends to participate in the Head Start Pathway. This Indicative Proposal identifies a preferred and an alternative governance option for further investigation. The Council's and the community's preferred option is a Wairoa Unitary Authority. A Northern Hawke's Bay Unitary Authority is retained as an alternative.

13.1 Overall Findings

This Indicative Proposal concludes that Wairoa's distinctive geography, communities of interest, Treaty relationships, environmental responsibilities, economic opportunities and resilience requirements justify consideration of governance arrangements that differ from a standard regional model.

The Council considers that governance reform should improve outcomes for communities while preserving effective local democracy, strengthening partnerships with mana whenua and supporting sustainable economic development.

13.2 Preferred Governance Direction

The Council's preferred governance direction is the establishment of a Wairoa Unitary Authority, subject to detailed investigation and any future statutory process.

The Council considers that this option has the greatest potential to:

- retain decision-making within the district;
- integrate regional and territorial responsibilities;
- strengthen accountability;
- support integrated planning and environmental management;
- improve Civil Defence coordination; and
- align governance with Wairoa's distinct community of interest.

13.3 Alternative Governance Direction

Recognising the Government's interest in collaborative proposals, the Council also identifies a Northern Hawke's Bay Unitary Authority as an alternative for investigation. This option should only proceed following comprehensive technical analysis, engagement with mana whenua, discussions with neighbouring councils and community consultation.

13.4 Position on a Hawke's Bay-wide Unitary Authority

Based on the information currently available, Wairoa District Council does not support a Hawke's Bay-wide Unitary Authority comprising Wairoa, Napier, Hastings and Central Hawke's Bay.

Based on feedback gathered during community engagement, the Council's concerns include:

- reduced local representation and accountability;
- centralisation of decision-making;
- diminished recognition of Wairoa's geographic isolation and distinct community of interest;
- potential weakening of locally responsive Civil Defence and resilience planning; and
- uncertainty regarding governance relationships with mana whenua.

13.5 Recommended Next Steps

The Council proposes to submit this Indicative Proposal to the Government as part of the Head Start Pathway.

13.6 Recommendations

Wairoa District Council recommends that the Government:

- receive this Indicative Proposal as a constructive contribution to the Head Start Pathway;
- recognise Wairoa as a district with distinctive characteristics that warrant separate consideration during local government reform;
- support further investigation of a Wairoa Unitary Authority as the Council's preferred governance option;
- note the Northern Hawke's Bay Unitary Authority as an alternative option for investigation; and
- continue to work collaboratively with Wairoa District Council, mana whenua and neighbouring councils as the reform programme develops.

13.7 Closing Statement

Wairoa District Council views local government reform as an opportunity to shape governance that is resilient, locally accountable and fit for the future. Through this Indicative Proposal, the Council seeks to contribute to the Government's reform programme by advancing practical, evidence-informed options that reflect the unique character and aspirations of Te Wairoa.

The Council looks forward to continuing its partnership with the Government, mana whenua, neighbouring councils and the community in the next phase of the Head Start process.



Community Engagement Analysis

Government Head Start Process

Engagement Overview

Over the last couple of months, Council has been engaging with its communities regarding the Simplifying Local Government Reforms and the Head Start Process.

Council initially met with Tātau Tātau o Te Wairoa, Ngāti Pāhauwera Development Trust and Wairoa Taiwhenua on the 26th of May to outline the reforms process.

Council then undertook a community engagement programme across the district to consult with its affected communities about the Simplifying Local Government Reforms and the Head Start Pathway. This engagement was undertaken from June 22 through to July 10, 2026. Council has determined that engagement will continue as opportunities to engage with affected communities arise.

Meetings were held throughout the district, including Wairoa Township, Mahia, Nūhaka, Frasertown, Raupunga, Tuai, North Clyde, Ruakituri and a meeting with members of Age Concern.

The engagement comprised:

Engagement Activity	Number
Community Meetings	9
Written Submissions Received and Reviewed	36
Approximate (TOTAL)	160+

(Includes public meeting attendance and written submitters, recognising some people may have participated in more than one way)

Themes Raised During Consultation

Theme	Written Submissions (n=36)	Community Meetings (n=9)	Overall Level
Local representation and local decision-making	31	9	Very High
Financial sustainability, rates and debt	28	9	Very High
Better information and due diligence	26	9	Very High
Wairoa's unique identity/community of interest	25	9	Very High
Māori representation and mana whenua	23	9	High
Civil Defence and geographic isolation	21	9	High

Theme	Written Submissions (n=36)	Community Meetings (n=9)	Overall Level
Protection of local assets (QRS, Port, HBRC assets)	20	9	High
Economic development and future growth	17	6	Moderate–High
Environmental management and catchments	16	6	Moderate

Note: Counts are indicative until all submissions are fully coded.

Governance Preferences

The consultation identified four principal governance preferences.

Governance Preference	Indicative Level of Support
Wairoa Unitary Authority	Highest
Northern Hawke's Bay (Napier–Wairoa)	Moderate
Hawke's Bay-wide Unitary Authority	Moderate
Gisborne / East Coast Option	Lower but consistently raised

While participants expressed a range of governance preferences, the strongest support among those expressing a preference was for further investigation of a Wairoa Unitary Authority with Wairoa District Council undertaking the functions of the HBRC as a Unitary Authority from 2028. Support was also expressed for a Northern Hawke's Bay Unitary Authority as a second option.

The overwhelming majority of participants expressed support for investigating a standalone governance model for Wairoa, including the possibility of Wairoa assuming regional council responsibilities.

To a much lesser extent, a Hawke's Bay-wide Unitary Authority and an East Coast/Tairāwhiti option were also raised. However, many submitters expressed reservations regarding larger regional governance models. Several participants questioned whether governance decisions affecting Wairoa would continue to reflect local priorities within a larger regional authority and particularly expressed reservations about a Hawke's Bay-wide amalgamation if it reduced Wairoa's representation or influence.

A notable proportion of submitters did not advocate for a specific governance model, instead emphasising that any future arrangement should retain local decision-making, protect Wairoa's representation, ensure financial sustainability, and recognise the district's unique identity.

Key Findings

Local Representation (31 submissions; all 9 meetings)

This was the most consistently raised issue throughout the engagement process.

Participants were concerned that Wairoa could lose influence within a larger authority and emphasised the need for governance arrangements that retain locally elected representatives with meaningful decision-making powers. The issue was discussed at every community meeting.

Financial Sustainability (28 submissions; all 9 meetings)

Participants consistently requested further information regarding:

- debt allocation;

- rates;
- infrastructure funding;
- Hawke's Bay Regional Council assets;
- Port of Napier ownership;
- long-term affordability.

There was broad agreement that no preferred governance option should be adopted without detailed financial analysis.

Timeframe and Better Information (26 submissions; all 9 meetings)

Many residents considered that the short timeframe was unacceptable and compounded the issue good information being available, more time was needed so that better information could be made available, including:

- governance structures;
- costs and benefits;
- legal processes;
- implementation timeframes;
- future responsibilities.

Participants requested independent evidence before decisions are made.

Wairoa's Identity (25 submissions; all 9 meetings)

Residents consistently described Wairoa as:

- geographically isolated;
- rural;
- culturally distinctive;
- resilient;
- different from Napier and Hastings.

There was strong support for governance arrangements recognising Wairoa as an exceptional district rather than treating it as part of a generic regional model.

Māori Representation (23 submissions; all 9 meetings)

Protection of Māori Wards, relationships with mana whenua and Treaty settlement arrangements featured prominently.

Participants consistently sought assurance that Māori representation would not be weakened through any future governance model and members of the public attending the community meetings saw the retention of Māori wards as an absolute "bottom line".

Civil Defence and Geographic Isolation (21 submissions; all 9 meetings)

Cyclone Gabrielle strongly influenced community thinking.

Participants consistently stated that Wairoa's isolation requires governance arrangements capable of making timely local decisions during emergencies.

Local Assets (20 submissions; 7 meetings)

Many participants identified the importance of protecting:

- Protecting QRS;
- Securing a fair share of the Port of Napier shareholding;
- Securing a fair share of the of the HBRIC other assets;
- Securing a fair share of the Hawke's Bay Regional Council assets;
- Protecting local infrastructure;
- Protecting environmental assets.

There was widespread concern that locally generated wealth should continue to benefit Wairoa communities. Share of assets should not be determined by reference to population but to land area and export volume.

Although opinions differed regarding the preferred governance model, there was strong consistency regarding the outcomes sought by the community.

Across the consultation, participants consistently supported governance arrangements that:

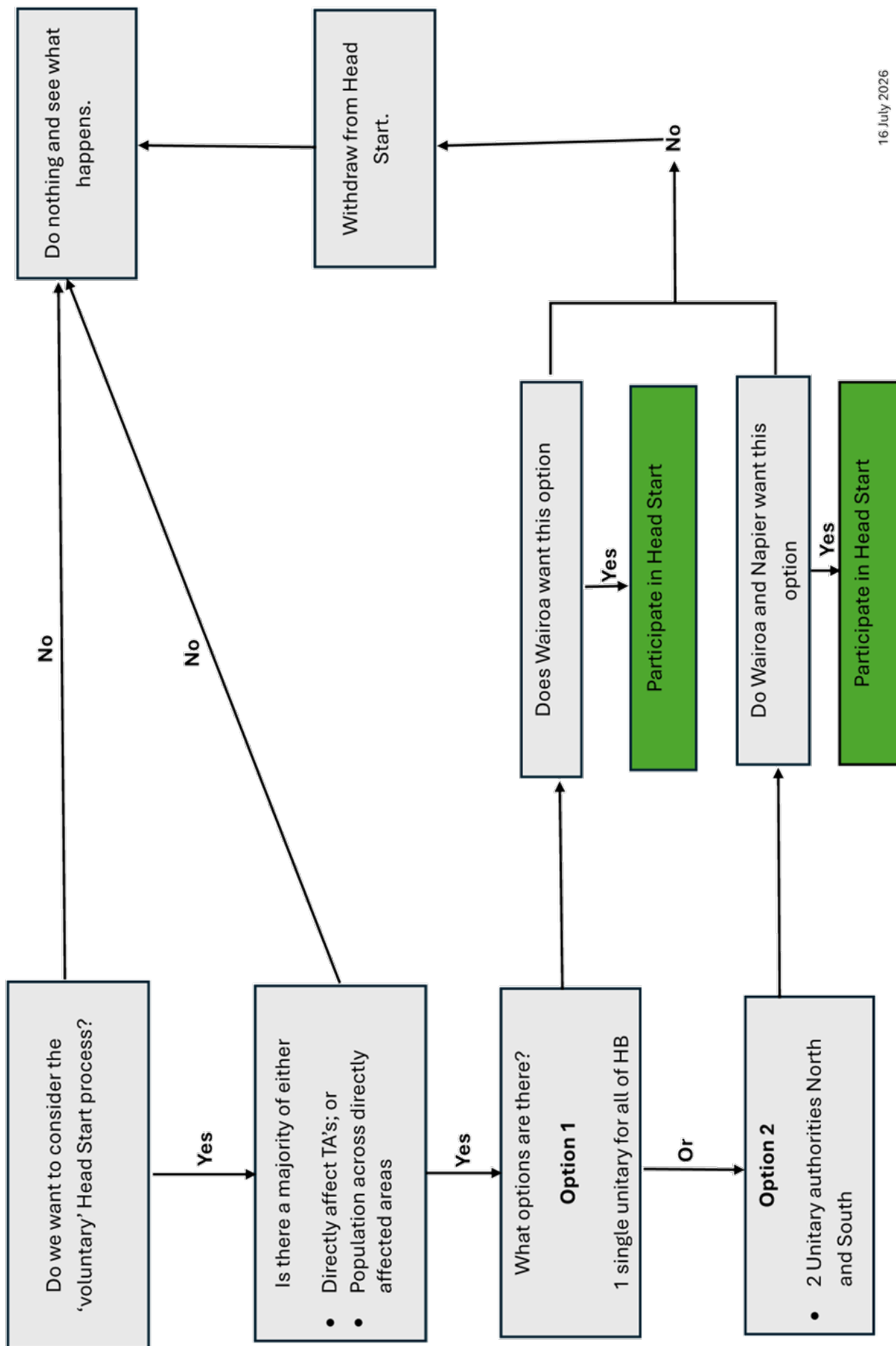
- retain local decision-making;
- strengthen democratic representation;
- recognise Wairoa's unique geography and community of interest;
- protect Māori representation and Treaty relationships;
- ensure financial sustainability;
- safeguard local assets;
- improve resilience;
- support future economic development.

Importantly, many submitters evaluated governance options against these principles rather than advocating for a particular structural model.

The consultation demonstrates that the community's concern is not necessarily the name or structure of a future authority, but whether governance reform will strengthen Wairoa's ability to determine its own future.

The strongest message emerging from both the written submissions and the community meetings is that any future governance arrangement should preserve Wairoa's local voice, democratic representation, financial sustainability and resilience while recognising the district's unique cultural, environmental and economic characteristics.

HEAD START



16 July 2026