



Infrastructure
New Zealand

Crombie Lockwood Tower
Level 16, 191 Queen Street
PO Box 7244
Wellesley Street
Auckland 1141
New Zealand
Email: office@infrastructure.org.nz

27 February 2023

Infrastructure New Zealand Submission on the Review into the Future for Local Government's Draft Report

1. Introduction

- 1.1 Infrastructure New Zealand (INZ) welcomes this opportunity to submit on the Review into the Future for Local Government's Draft Report.
- 1.2 INZ is New Zealand's membership organisation for the infrastructure sector. We promote best practice in national infrastructure development through research, advocacy and public and private sector collaboration. Our members come from diverse sectors across New Zealand and include infrastructure service providers, investors and operators.
- 1.3 While INZ has submitted as the peak infrastructure sector organisation, we have also encouraged our members to make their own submissions raising those issues specific to their areas of interest or expertise.
- 1.4 INZ would welcome an opportunity to meet with the Panel to discuss our submission.

2. General Remarks

- 2.1 INZ has long recognised that change is needed for local governments to effectively serve their communities and deliver infrastructure services now and into the future.
- 2.2 Local government is responsible for about half of all infrastructure spend¹. The right incentives, mix of funding and financing and governance arrangements must be in place to

¹ New Zealand Treasury, 2016, *Ten Year Capital Intentions Plan 2016*:
<https://www.treasury.govt.nz/sites/default/files/2017-12/2016-capital-intentions-plan.pdf>

ensure that New Zealand's communities are able to effectively respond to existing and coming challenges and opportunities, including the raft of reform programmes underway.

- 2.3 We welcome the draft report and the Review's focus on structural change for local government.
- 2.4 Overall, we support a move towards place-based governance via a regional council model supported by local and community boards.
- 2.5 We do however note the need to cater to differing metro and district needs and to ensure that metro councils' boundaries are able to respond to patterns of growth. In some cases sub-regional governance arrangements may be more appropriate to the local context.
- 2.6 We suggest that a population minimum of $\approx 100,000$ is adhered to in the design of sub-regional entities in order to achieve the efficiencies of scale and scope that may be achieved through regional amalgamation.
- 2.7 As such, we support a re-allocation of networked infrastructure responsibilities from central government where appropriate, and local councils to the regional or sub-regional level, with existing councils disestablished and regional councils' environmental management responsibilities transferred to a central environmental regulator. We recommend that central government increase its capability to fulfil this role.
- 2.8 We do however believe that to provide adequate funding certainty for local bodies, and to deliver a sustainable pipeline of world class infrastructure, the private sector needs to be included more fully through city deal style arrangements and the improved use of both existing and new alternative funding and financing tools.
- 2.9 Increasing depoliticisation of the infrastructure pipeline is also a key aspect in ensuring certainty for the sector. We suggest that central government becomes the 'system manager' once its conflicting service provision role is reallocated and support the Review's view that local government election cycles should be extended to four years.
- 2.10 We acknowledge that implementing any change in this area will be challenging for existing councils, especially in the context of ongoing changes under the Three Waters and Resource Management reform programmes. We suggest that cross-party support for the implementation of the Review's recommendations, and transitional funding for councils will be critical to ensuring the success of future reform.

3. Change is needed

- 3.1 As outlined in our 2019 report – *Building Regions: A vision for local government, planning law and funding reform*² – INZ believes that our system has a significant problem with institutional incentives being misaligned fiscally, financially and structurally.
- 3.2 Central and local government both face different (and often competing) motivations. Local government's primary source of revenue – rates – is detached from council performance and is instead linked to perceptions of need and affordability. The cost of growth for

² Infrastructure New Zealand, 2019, *Building Regions: A vision for local government, planning law and funding reform*: [Report-A-vision-for-local-government-planning-law-and-funding-reform.pdf](https://infrastructure.org.nz/Report-A-vision-for-local-government-planning-law-and-funding-reform.pdf) (infrastructure.org.nz)

communities is prioritised over investment in infrastructure to meet that growth. This puts them at odds with central government who gets direct benefits from improved economic performance.

- 3.3 Historically, incentives to appease active voters through stable rates have supported an underinvestment in infrastructure that will continue to have disastrous effects in the face of worsening climate change and continued population growth unless these incentives are fundamentally realigned.
- 3.4 Change is also needed at an institutional level to enable the successful implementation of the Resource Management and Three Waters reform programmes, as well as any recommendations from the building consent system review currently underway.
- 3.5 Further, the Local Government Act 2002 incorporated the philosophy of the State Sector Act 1988, which is increasingly at odds with the philosophy of the public service following the assent of the Public Service Act 2020. Change is needed to bring the broader governance system into line with the underlying commitments to a joined-up and collaborative public service which underpin recent reform in this area.
- 3.6 In the following submission we draw on our view that both central and local government's institutional incentives are misaligned to the outcomes they are trying to achieve, and that they fail to deliver effectively at a regional level.

4. Roles and Responsibilities (Chapter Four)

- 4.1 In INZ's 2019 report *Building Regions: A vision for local government, planning law and funding reform*, we recommend that a Development Act consolidate the planning functions of the Resource Management Act with the Local Government Act and the Land Transport Management Act. It would provide opportunities for, and processes to establish, regional government, subject to local referenda.
- 4.2 Underpinning this is our view that land transport (excluding rail and a well-defined national roading network) planning, funding and delivery, housing, regional economic development and spatial planning should ultimately become regional activities, subject to demonstrated capability and capacity.
- 4.3 To deliver on this shift of service delivery, INZ broadly supports a shift towards a place-based model outlined in the draft report in that it is likely to improve collaboration on policy issues and common issues across regions and avoid duplication and ill-coordinated responses to shared issues and opportunities. There may be a degree of flexibility needed to allow for a split model which suits individual regions or sub-regions as appropriate. More clustering of contracts and delivery across more than one local council boundary needs to be allowed for where there are more effective economies of scale to be achieved. We consider that there needs to be more discussions at regional or sub-regional levels as to what an appropriate model would be. A one size fits all is not necessarily considered the best approach.

- 4.4 We also note that a focus on cross-boundary collaboration is in line with the joined-up governance and collaboration principles that underpin the State Services Act 2020.
- 4.5 We support the introduction of a place-based framework that draws on the city deals approach in the United Kingdom. We are supportive of such a framework but would like to see an expanded financing approach taken to provide certainty to local government entities, as well as the sector.
- 4.6 We note Local Government New Zealand's support for a regional or city deal framework and support their draft recommendation to develop a legislative or regulatory mechanism that would allow government and councils to initiate a negotiation process for establishing regional or city deals³.
- 4.7 We also support their view that any deal should set out mutual obligations for matters like funding, expected outcomes, collaboration and evaluation.
- 4.8 As we touch on in further detail within the funding and financing section of this submission, INZ submits that a place-based approach needs to be supported by appropriate funding and financing mechanisms that recognise the private sector as an important actor in a whole of society approach to support joined up place based governance and to ensuring that adequate funding and financing is in place to deliver certainty for all levels of government, and the infrastructure sector alike.
- 4.9 Currently, funding uncertainty for councils' long-term plans, as well as cross-boundary urban growth partnerships, have resulted in a lack of certainty for governance bodies and the sector.
- 4.10 INZ recommends that the Panel consider supplementing their recommendation concerning placemaking governance approaches, ideally in the form of city deals, with a joined-up financing model based broadly on the United Kingdom's Town Funds model which draws on co-funding and match funding models including with the private sector, with support from central government to navigate project financing and private sector involvement. There is also an opportunity to draw on New Zealand's experience with initiatives like the Auckland Transport Alignment Plan's integrated planning and funding models.
- 4.11 We recommend that central government agencies enable their independent advisory arms, including Te Waihanga / The New Zealand Infrastructure Commission and the soon to be established national infrastructure advisory body, *Central Crown Infrastructure Delivery* to support local bodies to navigate engagement with the private sector.

³ Local Government New Zealand, 2023, *Tomorrow's Local Government - Local Government New Zealand's response to the Future for Local Government Review Panel's draft report – draft for member feedback*: [Tomorrows-local-government-LGNZs-response-to-the-FFLG-Panels-draft-report-v2.pdf](#)

5. The relationship between local and central government (Chapter Six)

- 5.1 It is well established that the central and local government relationship is strained. INZ is supportive of a move towards co-investment.
- 5.2 The draft report underscores the long-recognised burden of 'unfunded mandates' on local government. INZ supports the draft report's recommendation to amend the regulatory impact statement process to include an assessment of the impacts of a given policy on local government entities.
- 5.3 We note that overseas jurisdictions have constitutional protections to prevent cost-shifting, or agreements that new tasks will be compensated for.
- 5.4 We strongly recommend that such a compensation agreement be reached under a new Local Government Act if it is to be written.
- 5.5 We also support the draft report's recommendation that central government pay rates on its properties as a gesture of goodwill.
- 5.6 Additionally, INZ supports the draft report's recommendation that provisions for inter-departmental secondments under the Public Service Act 2020 be extended to encourage engagement and coordination across central and local governments where appropriate.
- 5.7 The draft report presents two models for co-investment: place-based initiatives that are developed for a specific geographic area and broader approaches that set requirements at a national level while enabling local specificity.
- 5.8 INZ recommends that a move to regional or sub-regional where appropriate, local government structure, with support from local and community boards is taken forward.
- 5.9 This would enable regions to better achieve economies of scale and scope, while better enabling improved realisation of cross-boundary benefits across jurisdictions. At present, local institutions often lack the capability to realise desired outcomes. As a result, responsible agencies find that they are forced to rely on partner organisations without either the incentive or capability to collaborate.
- 5.10 We submit that the Review's final report should consider the funding of local and community boards to support a regional model and to offer certainty to those entities.
- 5.11 In terms of a process to determine the allocation of roles and responsibilities, we suggest that after regional governments are established, they should enter into negotiations with central government for added responsibilities based on capacity. In keeping with a flexible approach to allocating roles and responsibilities at place, we suggest that the Review look to the Treasury's Investor Confidence Rating Scheme which also draws on a similar scheme used by the United Kingdom's National Infrastructure Commission to assess regional governments' ability to invest.

6. Funding and Financing (Chapter Eight)

- 6.1 Fundamentally, local government's rating base is misaligned with the desired outcomes from investment in infrastructure. Central government, which is majority funded by taxes tied to economic performance, has different incentives than local government, whose funding is tied to capped property rates which are guaranteed regardless of economic performance. Central government is incentivised to want to invest in, and proactively pursue economic growth. Local government is much more focused on cost minimisation and is disincentivised from investing in expensive, long-term projects with diffuse benefits, as a result of these arrangements.
- 6.2 Further, the knowledge that central government will carry the great majority of costs for urban growth failure has reduced the incentive for councils to respond to problems. Guaranteed revenue via the linking of rates charges to council costs, not to property values or the economy, insulates the council from the negative impacts of flawed growth policy.
- 6.3 This has led to an underinvestment in critical infrastructure, where incentives for councils to invest in above ground projects which are visible to voters have prevailed. If the Three Waters reform programme proceeds as planned, this will alleviate some of this difficulty, however, alternative funding and financing tools are still needed.
- 6.4 Despite funding constraints, councils in New Zealand use a narrower range of revenue-raising tools than local governments in many other high-income countries⁴. We support the draft report's retention of the rating base as the primary revenue stream for councils, and its view that additional funding arrangements be developed to provide a greater buoyancy of funding to local bodies.
- 6.5 In our view, councils should receive a share in taxes received by central government as a result of growth through regional or city deals.
- 6.6 Further, INZ supports a move towards greater funding certainty for regions and suggests that regional funds, extended on a 'use it or lose it' basis to newly enabled regional councils would create greater certainty and the ability to deliver on long term planning objectives.
- 6.7 We strongly support the Review's view that each region or area should have certainty about the funding to be allocated for their area so it can then determine how best to apply the funds based on the regional needs and priorities.
- 6.8 We note that in the United States, cooperation within cities is encouraged by state and federal funding⁵. If cities as a whole do not thrive, prosper and grow, private and public capital will gravitate elsewhere. Certainty of funding and a joined-up model of governance

⁴ New Zealand Productivity Commission, 2019, *Local Government Funding and Financing*: [Local government funding and financing \(productivity.govt.nz\)](https://www.productivity.govt.nz/publications/2019/06/19-local-government-funding-and-financing)

⁵ Infrastructure New Zealand, 2018, *Enabling City Growth: Lessons from the USA* [Infrastructure-NZ-USA-Report.pdf](https://www.infraco.govt.nz/assets/Uploads/Infrastructure-NZ-USA-Report.pdf)

for cities and regions through city deals and a shift to regional government should encourage greater competition across regions, rather than within them.

- 6.9 We support the report's view that central government funding via the repurposing of GST on rates should make up the bulk of these funds as suggested in its discussion of the opportunity to turn the provincial growth fund into a non-contestable sustainable income source for councils. In particular, GST on new house and land sales in greenfield developments and infill (including apartments) should go to the Water Service Entities to fund water infrastructure and services, and to councils to fund infrastructure and amenities.
- 6.10 However, we suggest that local governments should also have some buy-in to the fund via a match funding mechanism adjusted according to council size and ability to pay.
- 6.11 Additionally, we note that Te Waihanganga/ The New Zealand Infrastructure Commission's recommendation 50 on the consolidation of national capital funding programmes in the New Zealand Infrastructure Strategy was 'noted' by the Government in its response to the Strategy⁶. Our view is that the consolidation of infrastructure funds, through the simplification and standardisation of application processes, in combination with a move away from contestation between local authorities in the same regional area would enable greater public transparency, and a greater efficiency of infrastructure capital funding decisions.
- 6.12 In 2022, at our conference - Building Nations, we heard from mayors from across the country who shared a frustration with the many 'siloed' central government funds and a lack of funding certainty. They noted that each of these funds have different administration bodies and criteria which ultimately results in local authorities having to compete with each other, rather than working together across boundaries. This leads to greater inefficiency and expense for all councils involved.
- 6.13 As such, we submit that the Review should recommend that the Government reconsider its response to recommendation 50 of the Rautaki Hanganga o Aotearoa – the New Zealand Infrastructure Strategy.
- 6.14 The draft report also, rightly, draws on the need to recognise local contexts and ability to pay for infrastructure investment through its discussion of fiscal equalisation. While we support an approach which draws on the Funding Assistance Rates policy applied by Waka Kotahi for investments from the National Land Transport Fund (NLTF), we note that a revenue review of the NLTF is underway as a result of the significant deficit and unsustainability of the fund comparative to the projects it seeks to support. This comes in the context of a broader infrastructure deficit which will place pressure on any commitment of central government led fiscal equalisation.

⁶ New Zealand Government, 2022, *Government response to Rautaki Hanganga o Aotearoa New Zealand Infrastructure Strategy*: [Government response to Rautaki Hanganga o Aotearoa New Zealand Infrastructure Strategy - September 2022 \(treasury.govt.nz\)](https://www.treasury.govt.nz/publications/infrastructure-strategy-response)

- 6.15 In a broader sense, we note that New Zealand has an infrastructure deficit estimated to be \$210 billion⁷. We currently spend 4.5% of GDP on infrastructure, but to meet this deficit the Government would have to increase this to nearly 10% of annual GDP – or \$31 billion a year⁸. With the Government unable to sustainably meet this alone, alternative financing arrangements are required to increase the certainty of the project pipeline for the sector.
- 6.16 At present, the lack of a sustainable and certain pipeline of infrastructure projects is stopping our construction and development sector from growing. Without this pipeline, the sector is unable to build the necessary talent, capacity and equipment availability to deliver the infrastructure this country so desperately needs.
- 6.17 We therefore suggest that adequate attention should be paid in the final report to the potential of alternative financing mechanisms and opportunities for private sector capital to support the delivery of infrastructure by local governments.
- 6.18 One of those which should be explored is a bed tax to fund infrastructure investment to support tourism as is seen overseas. There is also an opportunity to re-explore visitor levies which have been proposed in major tourism centres previously.
- 6.19 We note that the draft report looks to value capture as a potential tool to supplement rates and central government funding. Whilst we are in support of this, we suggest that government needs to purchase land ahead of making decisions public, in order to achieve improved outcomes and funding certainty.
- 6.20 We also recommend a broad view be taken on how and where value is ‘captured’. As the Review notes in its draft report, diffuse benefits are often hard to efficiently and equitably calculate and therefore levy.
- 6.21 We strongly support the Panel’s inclusion of congestion charging as a potential tool for local government funding and would like to see progress on this, especially in the context of the creation of revenue streams to enable greater utilisation of private investment.
- 6.22 As such, INZ supports the Panel’s focus on enabling the development of alternative financing mechanisms but encourages the Panel to also consider how the final report’s recommendations might make existing alternative financing tools more accessible for local government bodies.
- 6.23 With the first of the projects under the Infrastructure Funding and Financing (IFF) Act only recently receiving approval, and tools under the Urban Development Act receiving little attention, INZ encourages the Panel to recommend the simplification of the processes for using these tools. Better support for councils considering their application and navigation of the steps is also required.

⁷ Treasury, 2022, *He Puna Hao Pātiki: 2022 Investment Statement*: [He Puna Hao Pātiki: 2022 Investment Statement \(treasury.govt.nz\)](https://www.treasury.govt.nz/publications/infrastructure/he-puna-hao-patiki-2022-investment-statement)

⁸ New Zealand Infrastructure Commission, 2021, *Investment gap or efficiency gap? Benchmarking New Zealand’s investment in infrastructure*: [Microsoft Word - RN1 December 2021 Investment gap or efficiency gap FINAL.docx \(tewaihanga.govt.nz\)](https://www.infrastructure.govt.nz/assets/Uploads/Investment-gap-or-efficiency-gap-FINAL.docx)

- 6.24 At present, the IFF process takes twice as long as a private plan change under the Resource Management Act 1991. Enabling greater accessibility and useability of current tools will be critical to improved infrastructure development.

7. System Design (Chapter Nine)

- 7.1 Local government in New Zealand is responsible for a relatively narrow range of functions compared to other local government systems around the world. This range will narrow further as the delivery of water services and resource management shift away from territorial authorities. A process of allocation should be undertaken to reset the share of responsibilities across governance bodies.
- 7.2 The report outlines three examples of what a future structure for local government could look like. We believe that a regional approach will better achieve economies of scale, improve capability and capacity at the council level and allow improved access to funding and financing for local government.
- 7.3 This aligns with the regional approach taken with regional planning committees under the new resource management legislation currently before the House, as well as the move towards four Water Services Entities under the Three Waters reform programme.
- 7.4 In practice, we imagine that networked infrastructure responsibilities would be re-allocated from central government and local councils to the regional level, with existing councils disestablished and regional councils' environmental management responsibilities transferred to central environmental regulator.
- 7.5 Additionally, activities with lower capital requirements, more community engagement and limited economies from scale should be devolved down to local and community boards. The benefits of scale need to be balanced against other factors, including whether service impacts are mostly local, regional or national and to what extent cross-subsidisation is desired.
- 7.6 INZ recommends that local boards are charged with developing local plans to set out their infrastructure needs from a community perspective that are outcomes based.
- 7.7 To support this shift, INZ supports the Review's view that electoral cycles at the local government level should be extended to four years to enable better long term planning and certainty for the sector.
- 7.8 We broadly support the core design principles included in the draft report for a new system. As detailed in the funding and financing section of this submission however, we recommend that 'resourced' should also reflect a flexibility to engage with the private sector to finance infrastructure through a city deal approach that ensures that local bodies can operate with greater certainty and have the resources needed to effectively deliver services.

8. System Stewardship (Chapter Ten)

- 8.1 New Zealand has no 'system manager' who is able to act as a champion for infrastructure and local government.
- 8.2 At present, central government's service provision role conflicts with its role as the only viable overseeing system manager which means that issues become increasingly politicised.
- 8.3 After central government's roles are re-allocated, INZ submits that it should become the 'system manager' to act as a champion for infrastructure and local government.
- 8.4 In their draft submission, Local Government New Zealand note that there is no clear mechanism for Parliament to exercise its stewardship interest in the system of local government and its effectiveness. They comment that this is a question that is yet to be addressed in our constitutional arrangements, a situation exacerbated by the lack of a single constitutional document.
- 8.5 We support this point and recommend that such a mechanism be established as a result of this Review.

9. Implementation of changes recommended by the Review

- 9.1 We note that any change that occurs within the local government system as a result of the Review and its recommendations in its final report will be considered alongside significant change in the broader system – particularly with the Resource Management Reform, Three Waters Reform and Building Consent System Review programmes underway at different stages.
- 9.2 These reforms will further narrow the range of functions that local government in New Zealand is responsible for as the delivery of water services and resource management shift towards regional bodies. In the context of change within the local government operating environment, additional reform to the structure of councils will require a focus on supporting councils' capacity and capability to integrate workstreams and adapt to the changing operating environment.
- 9.3 This should include transition funding to enable effective implementation of system changes.
- 9.4 Whilst we don't recommend a specific time frame for implementation, we note that there should be flexibility for regions to implement change based on councils' progress with other reform programmes and their capability and capacity to amalgamate. We note that model regions under the proposed resource management Bills may be good candidates for accelerated regionalisation.
- 9.5 We also note that with an upcoming election, the consideration of the Panel's recommendations, as well as any implementation of changes to the system will be considered by the new Government.
- 9.6 We recommend that cross party support for the programme of change is acquired in order to create certainty for those employed by local government, as well as for the infrastructure sector

as providers for government. A cross-party approach by political parties will be critical to delivering an integrated planning, governance and funding system.

10. Conclusion

- 10.1 As previously stated in this submission, Infrastructure New Zealand has long advocated for significant change in local government. We are encouraged by the Review's system-wide consideration of the future of local government in New Zealand.
- 10.2 INZ broadly supports the Review's draft report, and wishes to see its recommendations further developed in its final report, before being taken forward by the incoming government.
- 10.3 We thank the Review for the opportunity to submit on the draft report and would welcome the opportunity to meeting the Panel to discuss our submission.

Yours sincerely,
Michelle McCormick
Policy Director
Infrastructure New Zealand

Appendix 1: Full summary of recommendations

#	Section	Recommendation
1	2.4	Overall support of place-based governance model focussed at regional level. Noting the need to cater to differing metro and district needs and to ensure that metro councils' boundaries are able to respond to patterns of growth. In some cases sub-regional governance arrangements may be more appropriate to the local context.
2	2.6	Suggest that a population minimum of ≈100,000 is adhered to by sub-regional entities in order to achieve the efficiencies of scale and scope that may be achieved through regional amalgamation.
3	4.2	Recommend that land transport (excluding rail and a well-defined national roading network) planning, funding and delivery, housing, regional economic development and spatial planning should become regional activities, subject to demonstrated capability and capacity.
4	4.5	Support the introduction of a place-based framework that draws on the United Kingdom's city deals approach.
5	4.6	Recommend the development a legislative or regulatory mechanism that would allow government and councils to initiate a negotiation process for establishing regional or city deals.
6	4.7	Recommend that any deal should set out mutual obligations for matters like funding, expected outcomes, collaboration and evaluation.
7	4.10	Recommend that the Panel supplement their placemaking governance recommendations with a joined-up financing model based broadly on the United Kingdom's Town Fund model, drawing lessons from past New Zealand based initiatives as well.
8	4.11	Recommend that central government enable their independent advisory arms to support local bodies to navigate engagement with the private sector.
9	5.2	Support the draft report's recommendation to amend the regulatory impact statement process to include an assessment of the impacts of a given policy on local government entities.
10	5.4	Strongly recommend that legislative protections to prevent cost-shifting, or a requirement for compensation agreements to be reached be included under a new Local Government Act if it is to be written.
11	5.5	Support draft report's recommendation that central government pay rates on its properties.
12	5.6	Support extension of central government secondment provisions to include local government.
13	5.8	Recommend move to regional or sub-regional where appropriate local government structure, with support from local and community boards is taken forward.
14	5.10	Recommend Review's final report consider the funding of local and community boards.
15	5.11	Recommend that after regional entities are established, negotiation processes are undertaken with central government for added responsibilities based on capacity.

16	5.11	Recommend negotiation process to be based on Treasury's Investor Confidence Rating Scheme.
17	6.4	Recommend that councils receive share of taxes received by central government as a result of growth through regional or city deals.
18	6.6	Strongly support the Review's view that each region or area should have certainty about the funding to be allocated for their area.
19	6.9	Support the report's view that repurposed GST on rates should make up the bulk of regional funds but suggest that local governments should also have some buy-in to the fund via a match funding mechanism adjusted according to council size and ability to pay.
20	6.13	Review should recommend that the Government reconsider its response to recommendation 50 of the Rautaki Hanganga o Aotearoa – the New Zealand Infrastructure Strategy.
21	6.17	Recommend that Review give adequate attention to alternative financing mechanisms and opportunities for private capital to support the delivery of infrastructure by local governments.
22	6.18	Review should explore a bed tax to fund infrastructure investment to support tourism.
23	6.19	Support value capture as tool to supplement rates and central government funding for councils. Suggest that government should purchase land ahead of public decisions and that a broad view is taken on how and where value is 'captured'.
24	6.21	Strongly support congestion charging as tool for local government funding and as revenue stream to enable greater utilisation of private investment.
25	6.22	Support draft report's focus on enabling development of alternative financing mechanisms.
26	6.23	Encourage the Review Panel to consider how the final report's recommendations might make existing alternative financing tools more accessible for local government bodies.
27	7.4	Recommend that networked infrastructure responsibilities be re-allocated from central government and local councils to the regional level, with existing councils disestablished and regional councils' environmental management responsibilities transferred to central environmental regulator.
28	7.5	Recommend that activities with lower capital requirements, more community engagement and limited economies from scale be devolved down to local and community boards.
29	7.6	Recommend that local boards are charged with developing local plans to set out their infrastructure needs from a community perspective that are outcomes based.
30	7.7	Support Review's view that local government electoral cycles should be extended to four years.
31	7.8	Recommend 'resourced' core design principle reflect a flexibility to engage with the private sector to finance infrastructure through a city deal approach.
32	8.3	Recommend that after central government's service provision roles are re-allocated, it should become the 'system manager'.
33	8.5	Recommend that clear mechanism be established for Parliament to exercise its stewardship interest in the system of local government and its effectiveness.

34	9.3	Recommend that transition funding be made available to councils during implementation of changes agreed to by government.
35	9.4	Recommend flexibility for regions to implement change based on councils' progress with other reform programmes. Nothing that model regions under the proposed resource management reform changes may be good candidates for accelerated regionalisation.
36	9.6	Recommend cross-party support for the programme of change.