

Local Government Reform

June 2026



A Pacifecon Research Team Presentation

Times are a changing

“New Zealand faces big infrastructure challenges – water, transport, resilience. And each of those will be absolutely critical to get right”.

Central government was doing its bit and “... *it was time for local government to do theirs... rein in the fantasies...*,” focus on core services, exercise fiscal prudence & align local priorities with the national objective of economic growth.



Christopher Luxon, PM

LGNZ CONFERENCE AUGUST 2024



Government changes and repeals

A photograph of a water treatment facility with a large circular tank and a walkway over it.

Water

Over 40 distinct water entities
40+ new water strategies

More regional partnerships expected

A photograph of a building under construction with scaffolding.

Resource management

Plan stop – Councils must halt most plan & policy statement changes until the end of 2027 (some exceptions)

Compliance & enforcement stepped up

A photograph of a highway with a truck driving on it.

Land Transport

Work halted on projects previously funded (walking & cycling)

Focus on roads of national significance

A photograph of wind turbines against a blue sky with clouds.

Climate change

Ban on new oil & gas exploration lifted

Government working on various energy initiatives to boost renewable energy & realise NZ's clean energy potential



New legislation drafted & before the house

New legislation



WHAT	IMPACT
Local Government system improvements	New purpose for local government • Removes reference to wellbeing • Focus on core services: network infrastructure, public transport, waste, civil defence, community facilities
Resource management x 2 (possibly 3) • Planning Act – framework for planning & regulating the use, development & enjoyment of land • Natural Environment Act – framework for use, protection & enhancement of the natural environment • Possible Enforcement Act	Regional spatial plan (Jointly prepared by councils) Combined Regional e-Plan incorporating: • Land use plan (prepared by individual councils) • Natural environment plan (prepared by unitary authorities) • Possible national compliance & enforcement regulator for more consistent enforcement across the country

New legislation con't



WHAT	IMPACT
Resource Management (Duration of Consents) Amendment Act 2025	Transitional provisions until new regime is in place (e.g. Existing consent expiry dates will be extended to 2 years after the end of the transition period)
Building – various bills to speed up the consenting process. • Small Stand-alone Dwellings • Self-certification by Plumbers & Drainlayers • Strengthening Occupational Licensing Regimes • Other changes & reforms	Exempts 'granny flats' from needing a consent Reduces no. of inspections completed Increases industry accountability Introduces: • building warranties to take the burden off the council when things go wrong • proportionate liability system (builders, plumbers etc. are liable for their bit)
Building – Earthquake	•System will regulate only high-risk building types in medium & high seismic zones

There's more waiting in the wings...

Pending legislation

Pending legislation



WHAT	IMPACT
Simplifying Local Government	• Regional councillors to go • ‘Head Start’ pathway for councils wishing to ‘go early’ on amalgamation & establish a unitary authority. Proposals to be submitted to the Minister by 9 August 2026 • Government will determine the amalgamation arrangements for councils that did not opt for ‘Head Start’ • Amalgamation arrangements implemented from 2028 Local Body Elections
Rates capping	• Fully implemented from 1 July 2029 • Tight budgets • Less money to do new stuff

Pending legislation con't



WHAT	IMPACT
Development levies	• Replaces development contributions • Currently can collect contributions on <u>planned</u> & <u>costed</u> infrastructure • New levies enable Councils to collect levies on actual costs of growth • Charging for development levies begins from July 2028
Climate change amendment	• Councils required to prepare adaptation plans in priority areas
Building & Construction – voluntarily consolidation of Building Consent Authorities (BCAs)	• Councils no longer required to be a BCA • Doesn't have to be a council • Updating & standardising regulations to eliminate duplication & incentivize collaboration

What this means for the construction industry



There will be a lot of change in local governments for some time
(upwards of 3 years)

There will be new agencies to deal with

There will be new/more plans to understand and keep an eye on
While the detail is still coming, the reduction in 'red tape' for construction will be welcomed

How will Pacifecon adapt?



Our researchers are based locally throughout NZ and will keep on top of all of the changes and importantly, who is doing what

During these periods of change there will be more complexity for our editing team members, however they will continue to adapt to achieve consistent project reporting for our customers

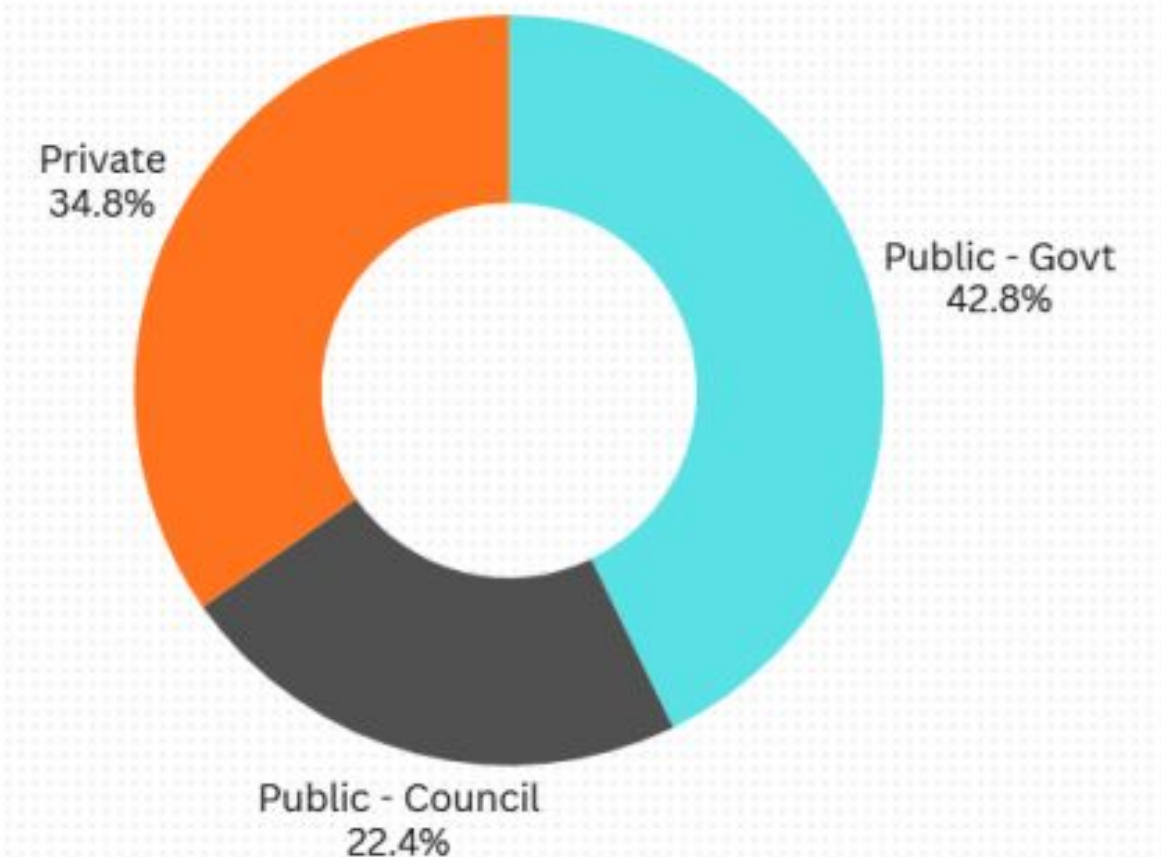
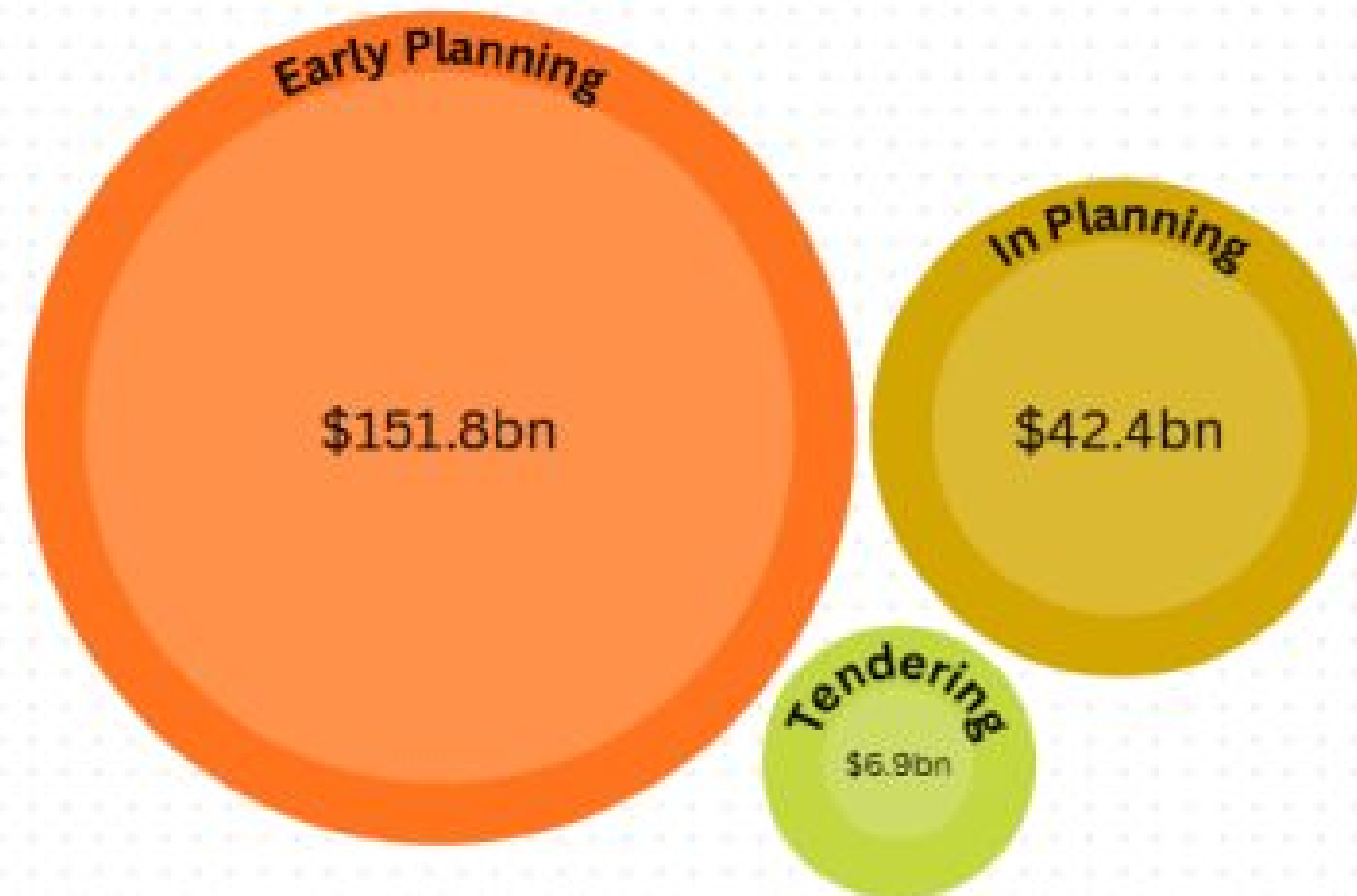
Pacifecon Pipeline

Our project numbers for some sectors...



Civil, Energy and Heavy Industry Infrastructure

Value of projects with an Estimated Start greater than Q3 2026



Pacifecon Pipeline

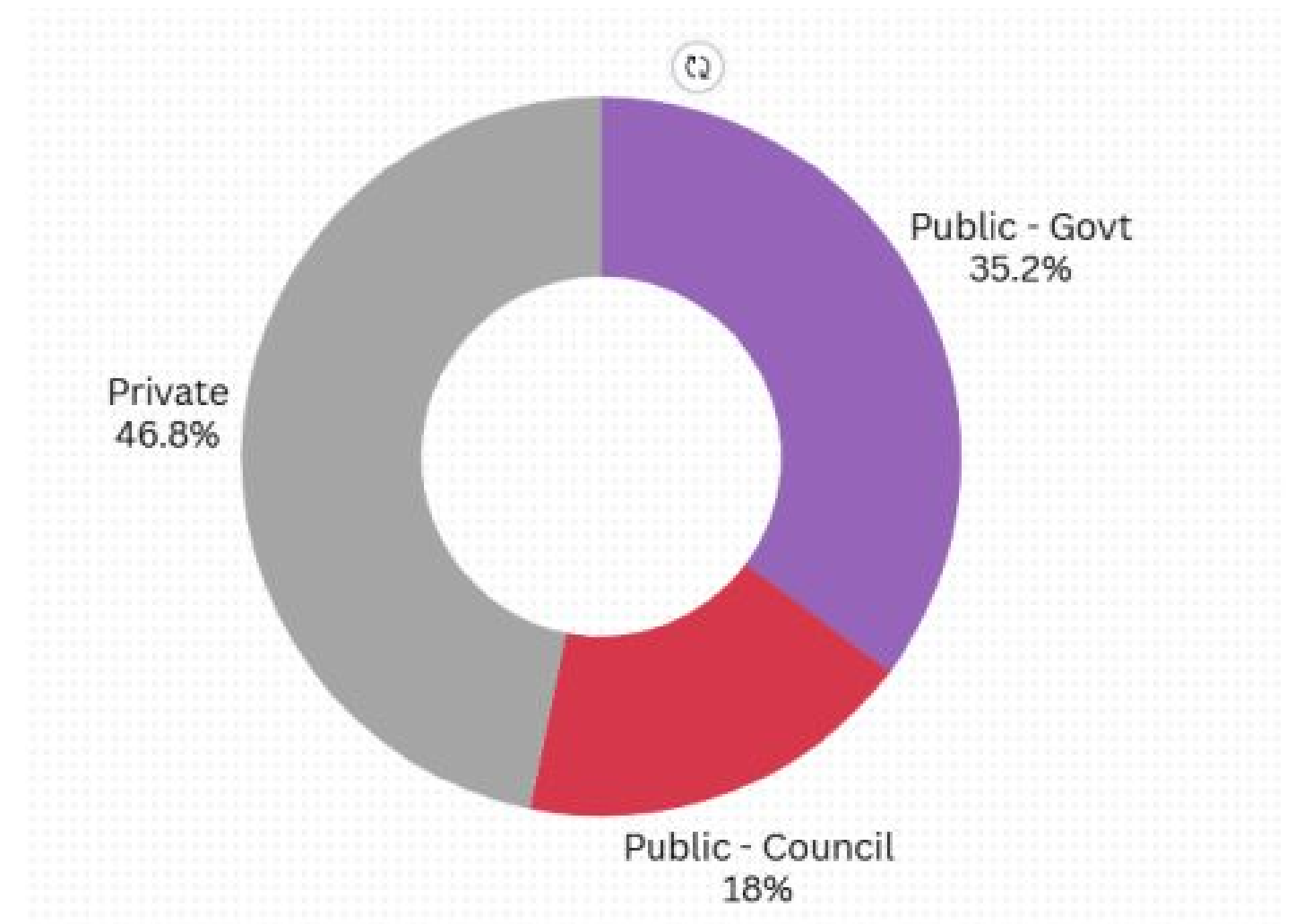
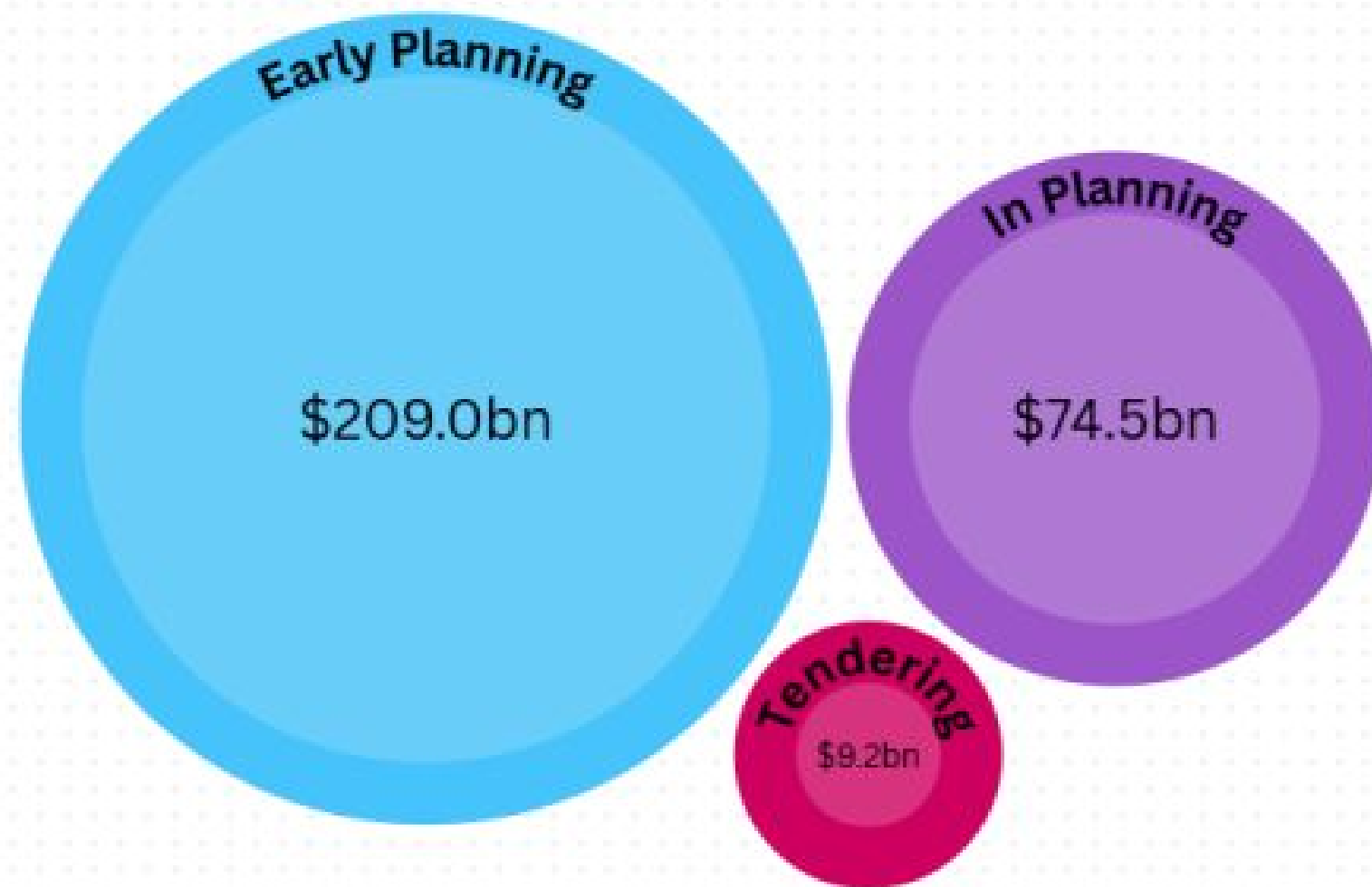
Our research team go to great lengths to gather projects, strong relationships within the industry are key...



Non-Residential

(civil, commercial, education, health, industrial, sport and multi)

Projects by value with an Estimated Start greater than Q3 2026



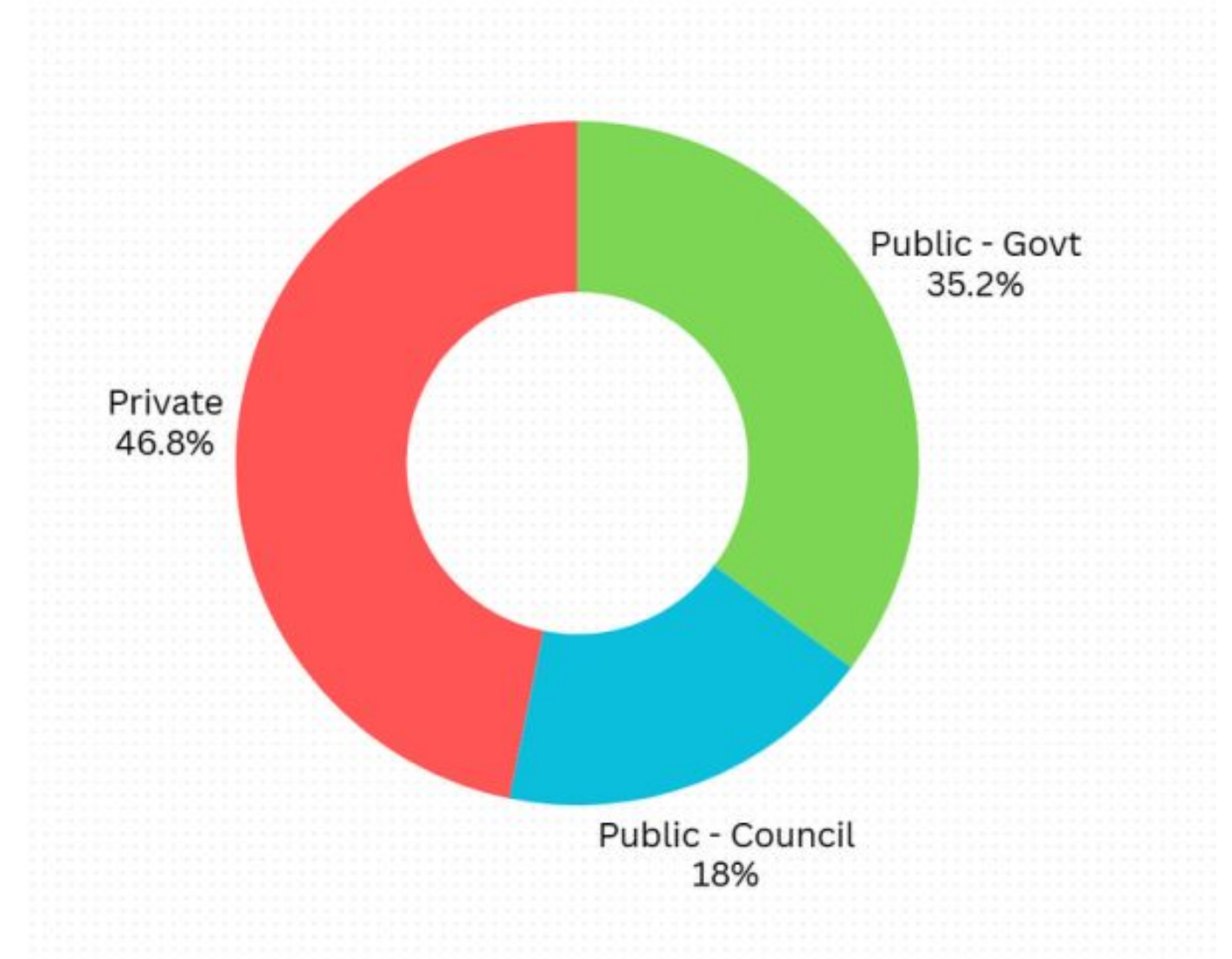
Pacifecon Pipeline

All our insights are built from the ground up, starting with a comprehensive database of project information



Residential

Projects by value with an Estimated Start greater than Q3 2026



Pacifecon opportunities

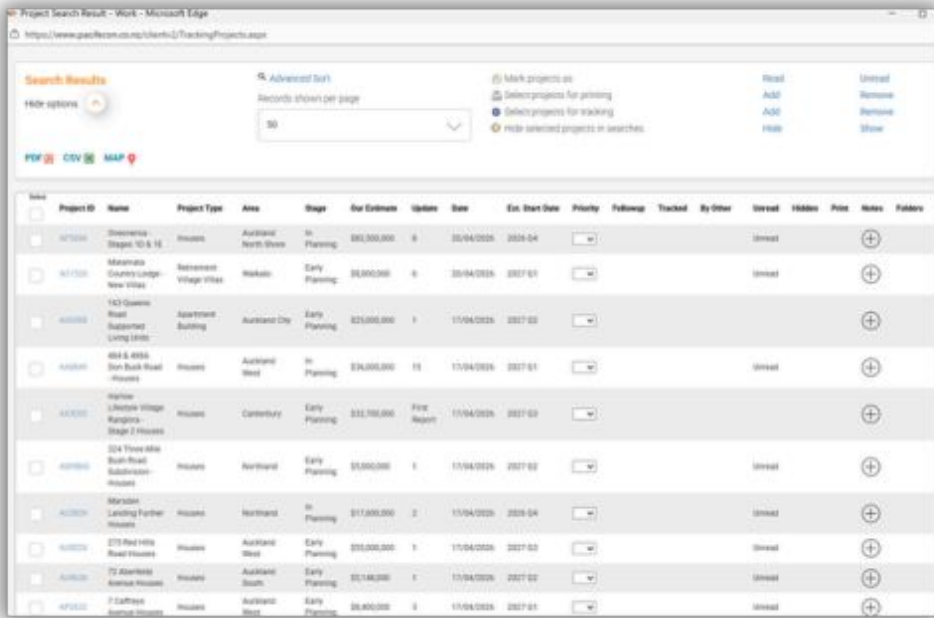
Wish to know more about specific construction projects or other industry information?

Head to www.pacifecon.co.nz to contact us or email us directly on projects@pacifecon.co.nz

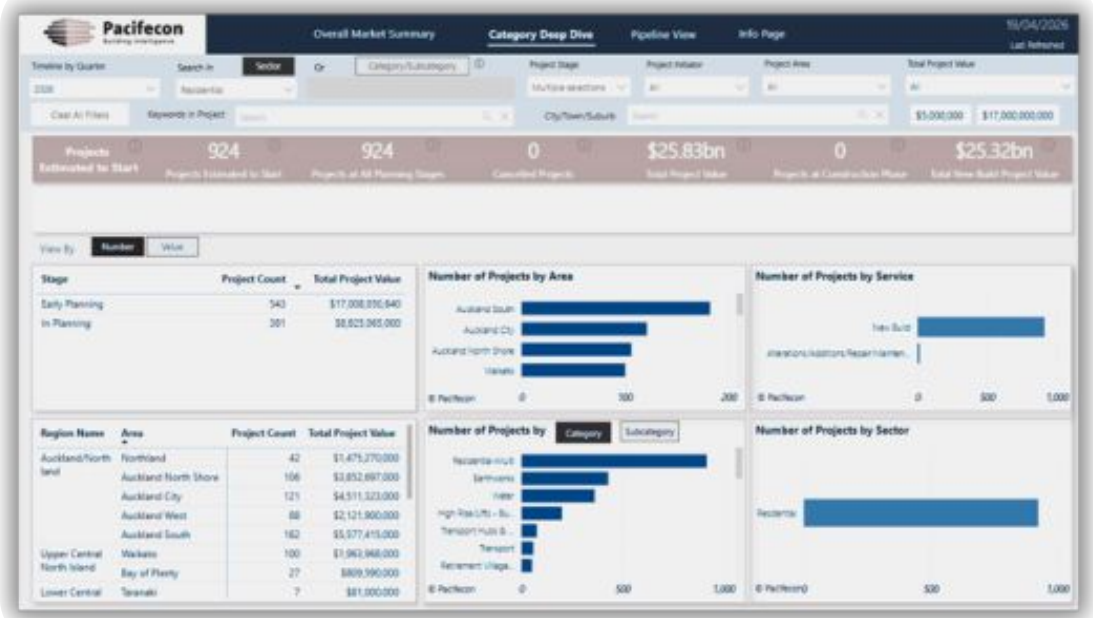


John Houma
National Sales Manager

Project LeadHub
find projects



Insights Dashboard
indentify where there is growth



Relationship Matrix
see who is working with who



Notes about Pacifecon and this report



At Pacifecon our team are based across the country and spend nearly 1,000 hours phoning/researching/gathering information each week to bring you the most accurate up-to-date construction project information and industry news.

This report is based on information known to Pacifecon team members and other publicly available information as at May/June 2026

All reasonable care has been taken in gathering, compiling and furnishing the information specified herein, but Pacifecon (NZ) Limited will not be responsible for errors, omissions, inaccuracies or lateness or liable for any claims, actions or suits arising directly or indirectly there from.

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