



Te Kāwanatanga o Aotearoa
New Zealand Government

REGIONAL DEALS

Strategic Framework



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Foreword

I am excited to be introducing this new opportunity for how central government, local government and the private sector can be working together to deliver for communities.

We are facing significant economic challenges, including the affordability of housing and how we provide for critical infrastructure. These challenges affect all of us, whether we are living in urban, regional or rural areas. We have been elected as a Government to address these challenges and find practical solutions to fixing them.

Central and local government have powerful tools and mechanisms at their disposal to meet these challenges, unlock economic growth and boost productivity. Regional deals will be a practical and enduring way to ensure that these tools and mechanisms are used in a coordinated way to ensure we are doing everything we can to support New Zealanders

Regional deals will unlock growth in specific geographic areas by providing a regional-level approach. They will focus on funding and financing tools, regulatory relief mechanisms, efficient and innovative use of existing funding and planning mechanisms and improved central government coordination. The deals will align with local government's 10-year planning cycles, allowing for more effective delivery and shared objectives and outcomes. They will reset systems to enable local government, with central government support, to deliver for communities.

Regional deals provide an opportunity for central and local government to agree on joint priorities, and how they wish to accomplish common objectives. Deals are about doing things differently, making the best use of what we already have, and empowering local authorities to support growth for their communities.

This Strategic Framework is just the beginning of this exciting journey to implement an effective and enduring regional deals model for New Zealand. I'm excited about the potential of this new way of doing things and looking forward to working together with local government to deliver the infrastructure investment and economic growth our communities are asking for.



Hon Simeon Brown
Minister of Local Government

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Executive Summary



New Zealand's economic growth and the prosperity it affords to communities goes hand in hand with the growth of our regions

To be a world-class, competitive actor in the 21st century, our regions need to be productive and efficient in the use of their resources and tools. Unlocking economic opportunities will require all levels of government to define shared priorities, actions, and timeframes, and consider all available levers at their disposal to support improved regional economic outcomes. It will also require developing optimal conditions for collaboration with the private sector.

The Speech from the Throne set out the Government's intention to partner with local government to create Regional Deals. Regional Deals provide a long-term approach to address some of the underlying issues impacting economic development and productivity by providing a focus on regions as integrated economic areas.

This strategic framework sets out the Government's expectations for Regional Deals and criteria for selecting regions for deals. Development of this framework includes consideration of local government objectives for Regional Deals as set out in Local Government New Zealand's *'What communities need from the framework for city/regional deals'*.¹

Regional Deals will be based on a 30-year vision, with negotiated 10-year strategic plans to deliver shared objectives and outcomes between central and local government. Deals will be long-term commitments, intended to endure, promoting economic growth and productivity, delivering connected and resilient infrastructure, and improving the supply of affordable, quality housing.

Regional Deals will be a vehicle for greater regional collaboration and coordination, improved local government decision-making and funding and financing, promoting innovative and collaborative ways of working between central and local government, and ensuring resilient cities and regions. They will provide a holistic approach to aligning and delivering agreed outcomes tailored to local conditions and national priorities. The regional deals timeframe includes reviews and evaluation of outcomes to ensure deals continue to reflect current needs.

Priority Objectives

Building economic growth

Delivering connected and resilient infrastructure

Improving the supply of affordable and quality housing

Secondary Objectives

- Greater regional and private sector collaboration
- Improved local government decision-making and funding
- Promoting innovative and collaborative ways of working between central and local government
- Ensuring resilient and sustainable cities and regions

Guiding Principles

To ensure a consistent approach across all Regional Deals, the following principles will apply:

- **partnership**
- **adaptability**
- **certainty of decision-making and funding and financing**
- **accountability and transparency**

Partnerships will involve central and local government, with opportunities for the private sector and iwi/Māori to participate.

Regional Deals will require sustainable funding and financing to develop and implement. Central and local government presently face fiscal constraints, but central government will unlock a range of funding and financing tools (existing and new), regulatory relief, and regional-central government coordination to support the deals.

Regional Deals will be led by Ministers as the main interface with local government leadership. Ministers will have delegated decision-making authority and will manage alignment across portfolios, ensuring that all necessary central government levers are available in support of the system.

Once a deal is finalised, central and local government partners from the region will establish an oversight body. The composition and membership of oversight bodies will be agreed by both parties and will have independent chairs, and senior partner representatives. Involvement of the private sector and iwi/Māori entities will be encouraged.

Regional Deals will be finalised in a staged 'waves' approach, with the first deal finalised in 2025.

Introduction and Purpose

This strategic framework for Regional Deals is the first step for giving effect to the National Party manifesto commitment and the National and ACT New Zealand coalition agreement commitment to institute long-term regional deals. This commitment is also reflected in the Speech from the Throne for New Zealand's 54th Parliament.²

The framework is a guide for discussions between central government and councils (territorial and regional authorities), and relevant private sector entities (including domestic and international investors), to deliver Regional Deals in support of shared objectives and outcomes.

Context

Current settings do not support local government to foster economic growth in their regions. Councils' existing funding and financing tools are an example of this, where councils are not rewarded for economic growth. Instead, increased tax revenue from local growth flows to central government, not local government. In practice, this means that councils and ratepayers are bearing the costs of growth. In many cases, local communities are either unable or unwilling to embrace growth and development, leading to local decisions that impede economic growth and contribute to New Zealand's significant infrastructure deficit and unaffordable housing market.

This misalignment is also reflected in central and local government's budget cycles: whereas central government operates on yearly budget cycles, local government makes most significant funding decisions through 10-year plans, produced every three years. This makes securing long-term public funding for infrastructure challenging, which in turn translates into reduced certainty for capturing private investment.

New Zealanders are facing significant affordability challenges. For example, New Zealand ranks amongst the least affordable housing markets in the OECD, with inflation-adjusted house prices rising by 256 percent between 2000 and 2021.³ Addressing housing affordability will require strong and aligned central and local government leadership to unlock more land for housing developments, to unlock funding and financing tools for councils, and to develop the right local incentives to encourage housing growth.

Affordability is also reflected in the infrastructure our communities need to thrive and prosper. New Zealand has a significant infrastructure deficit, driven by a combination of historic underinvestment and future challenges like servicing a growing population and decarbonising the economy.⁴ Building bridges, sewerage systems, roads and water supplies has also become increasingly expensive for councils.⁵

Addressing affordability and cost of living issues requires an all-of-New Zealand approach, where central and local government work together to identify and mobilise all available funding and financing and policy levers in a way that better incentivises and distributes the benefits of economic growth.

Regional Deals, will provide an opportunity to focus on getting the basics right by supporting regions to deliver the best for their communities, and the country as a whole.

What are Regional Deals?

Regional Deals will be based on a 30-year vision, with negotiated 10-year strategic plans to deliver shared objectives and outcomes between central and local government

Regional Deals will be based on a 30-year vision, with negotiated 10-year strategic plans to deliver shared objectives and outcomes between central and local government. Deals will be long-term commitments, intended to endure, to promote economic growth and productivity, delivering connected and resilient infrastructure, and improving the supply of affordable, quality housing. To better deliver shared objectives and outcomes between central and local government, the deals will align with local government 10-year planning cycles rather than central government's three-year planning cycles.

Regional Deals will be a vehicle for greater regional collaboration and coordination, enhanced private sector involvement, improved local government decision-making and funding and financing, promoting innovative and collaborative ways of working between central and local government, and ensuring resilient cities and regions. Deals will work to unlock economic and regional growth, remove regulatory bottlenecks, and support investment in infrastructure funding and provisions, in exchange for a commitment of planning liberalisation. This will provide better value for ratepayers and taxpayers who are one and the same.

By working together through a Regional Deal, central and local government will aim to provide a more strategic vision for how to enable and support economic growth in New Zealand, while generating greater certainty and long-term stability for public- and private-sector investments.

Implementing deals will create system change through:

- enabling competition for growth between regions;
- promoting the best use of planning processes for growth;
- ensuring the right incentives drive growth, including unlocking potential new revenues for local government; and
- certainty over future investment pipelines.

Regional Deals in New Zealand



Regional Deals will be enabling, empowering, enduring and adaptable

Regional Deals will empower local government and enable them to achieve their objectives. While Regional Deals will include specific central governmental priorities and objectives, projects and investments within each deal will be identified regionally through available spatial planning instruments. Regional Deals will coordinate and align central government work programmes and levers, bringing together solutions.

Regional Deals will need to be both enduring and provide the certainty needed to attract and retain the necessary investments to deliver change, especially over several central and local government electoral cycles. They will also need to be adaptable and evolve to different circumstances. To balance these competing requirements, deals will need to be made in a high-trust environment between central and local government. They will need to have strong political commitments to create enabling policy, regulatory and funding and financing environments, followed by contractual arrangements with providers. They will also need to provide for prioritisation and sequencing of investments in a way that aligns with agreed-upon objectives and outcomes.

Foundational components of Regional Deals

Though each Regional Deal will cater for local priorities, they will share the following foundational components:

- A defined economic/geographic area;
- a 10-year strategic plan with clear outcomes sought and the actions required to achieve them;
- decision-making arrangements, delivery timeframes and accountabilities;
- the capital and operational investments required;
- performance metrics with monitoring and reporting requirements; and
- regulatory and institutional settings to support the deal.

‘Regions’ in the context of Regional Deals could be regional, sub-regional or another appropriate scale, so long as they are defined economic and geographic areas with functional local authorities.

Objectives and outcomes

This framework includes the following priority and secondary objectives for central government to pursue across Regional Deals in New Zealand. The objectives aim to focus both central and local governments to build economic growth.

Priority objectives	Outcomes
Build economic growth ⁷	<ul style="list-style-type: none"> Increased jobs and skills Improved standard of living Increased productivity
Deliver connected and resilient infrastructure ⁸	<ul style="list-style-type: none"> Better connected communities and businesses through infrastructure Infrastructure built (and identified investment in support of it) is more resilient against the impacts of natural hazards and climate change Infrastructure built enables development, including housing objectives
Improve the supply of affordable, quality housing	<ul style="list-style-type: none"> Increased supply of build ready land (both greenfield and brownfield), including ensuring the necessary infrastructure is in place for development. Improved housing affordability for rental and home ownership
Secondary objectives	Outcomes
Greater regional and private sector collaboration	<ul style="list-style-type: none"> Better connections across regions, between urban and rural communities to allow for economic growth, infrastructure delivery, and improvements in the supply and quality of our housing, and improved collaboration with the private sector.
Improve local government decision making and funding and financing	<ul style="list-style-type: none"> Local government can use an increased mix of funding tools to fund local infrastructure (water, transport, community infrastructure), housing and growth.
Promote innovative and collaborative ways of working between central and local government	<ul style="list-style-type: none"> Levels of government work more effectively and efficiently because of innovative processes. Central and local government have increased agility to respond to changing conditions.
Ensure regions are resilient and sustainable	<ul style="list-style-type: none"> Communities are better prepared for the future, including being able to plan and manage our natural and built environment.

Given the current constrained fiscal environment, Regional Deals will initially be focused on the priority objectives. Central and local government will need to agree on what projects will be best placed to support these objectives, which could involve trade-offs and priority setting as regional deals are negotiated.

Specific outcomes for Regional Deals will need to be agreed between deal partners, allowing for iteration of the deal over time. Identifying outcomes requires an in-depth understanding of the regional economic and social conditions, and the projects and activities that will unlock opportunities and growth.

Through a Regional Deal partners will agree an approach for monitoring progress against these objectives and outcomes. More detail is in the **monitoring, evaluation and accountability mechanisms** section.

Guiding Principles

Guiding principles ensure a consistent approach across all Regional Deals. This framework includes four principles to guide how the deals should be undertaken to achieve the desired objectives and outcomes

Partnership

Regional Deal partners will work in good faith on a no surprises basis to develop long-term, high-trust partnerships that clearly reflect shared long-term objectives and outcomes, and strong commitments to work together. Partnerships will involve central and local government, with opportunities for the private sector and iwi/Māori to participate.

Adaptability

Regional Deals will be adaptable to meet the pace, scale and nature of proposals. They will consider the capability and capacity and readiness of different partners to deliver.

Certainty of decision making and funding

Regional Deals will aim to improve clarity around decision making processes and funding and financing to ensure the integration of long-term strategy and planning. Certainty from Regional Deals will also aim to attract and retain private sector investments.

Accountability and transparency

Regular reporting, monitoring and evaluation mechanisms will hold partners to account, will ensure public awareness of outcomes, and will measure success and provide for lesson learned.

Regional Deal Partnerships

Regional Deals will primarily be between central and local government, with participation as appropriate from other partners, including the private sector and Māori/iwi organisations

Regional Deals will reflect the guiding principle of ‘partnerships’. It will be critical for trust between partners to be built early so it enables agreement over joint priorities and ways of working, to ensure smooth project implementation.

Central and local government

Regional Deals will be a tool used to help unlock funding and financing tools, provide regulatory relief, and be supported by regional-central government coordination. Local government will provide its unique place-based knowledge and apply the necessary planning, funding and financing, and other regulatory processes to ensure successful delivery of projects.

Central and local government will agree on joint priorities and projects and identify how they will each mobilise their individual levers and tools to support Regional Deals. Partners will agree initially to a limited number of projects (five) to progress as part of a Regional Deal.

Both central and local government partners will be able to mobilise existing working relationships as foundations for their Regional Deals, especially when it involves complex, large-scale projects.

Private sector

The private sector’s expertise and investment capability will be a key component of Regional Deals. Private sector entities involved in a deal will have the opportunity to access new central government levers, leading to cost savings and new growth opportunities.

Combined commitments from central and local government will be aimed at creating an enabling investment environment to attract private sector capital where appropriate, and engagement with the private sector at the earliest possible stages is recommended.

Māori organisations and entities

There is significant potential for Māori organisations and entities to be involved in Regional Deals. The framework encourages local government to engage early with Māori organisations and entities to identify opportunities to partner with Māori, to attract iwi investment, and to use Māori/iwi expertise in Regional Deals and projects under Regional Deals. Regional Deals will also need to honour pre-existing Treaty of Waitangi obligations.

Unlocking funding and financing tools, providing regulatory relief mechanisms and coordination

This framework proposes that the Regional Deal system initially follow an approach that combines:

- unlocking funding and financing tools;
- regulatory relief mechanisms;
- efficient and innovative use of existing funding, financing and planning mechanisms; and
- improved central government coordination.

To support Regional Deals, central government and local government will work together to enable a range of options. Potential options could include:

1. a clear commitment to support agreed projects across agency investment pipelines and coordination of capital commitments to funding for transport, schools, hospitals and other aspects of growth relevant to the region;
2. enabling new user charges, value capture, targeted rates, tolling and congestion charging, an enhanced Infrastructure Funding and Financing Act;
3. proposals for the reallocation of existing government funding (e.g. from the International Visitor Conservation and Tourism Levy);
4. enhanced Going for Housing Growth payments which could include a share of GST for local government;
5. sector specific commitments, which could include sharing royalties generated by new and reestablished exploration of the mineral estate, or other forms of regional economic development; and
6. specific legislative changes to be advanced through legislation.

Regional Deals will need to align with local government planning and budgetary cycles including long-term plans and are not intended to supersede independent decisions made by government funding agencies. Regional Deal partners will still need to follow regular funding application and approval processes as set out by relevant agencies.

Leadership and Direction



Strategic leadership and direction, oversight and delivery structures for Regional Deals

Leadership and strategic direction

Leadership and strategic direction over Regional Deals will be provided by both local and central governments. The Infrastructure and Investment Ministerial Group will provide this direction for central government. This Ministerial Group will have delegated decision-making authority and will manage alignment across portfolios, ensuring that all necessary central government levers are available in support of the system, as well as interfacing with local government leadership.

The Infrastructure and Investment Ministerial Group will be supported by the Department of Internal Affairs with support from relevant agencies as required.

Oversight bodies

Once a deal is finalised, central and local government partners from the region will establish an oversight body for the Regional Deal. The composition and membership of the oversight bodies will be agreed by both parties and will have independent chairs, and senior partner representatives.

Because Regional Deals could build on existing relationships between central and local government (such as those in support of urban growth), oversight for Regional Deals will need to consider and align with existing oversight arrangements. Initially, the oversight bodies might be extensions of existing structures.

Because private sector investment and expertise will be critical for the success of Regional Deals, these oversight bodies will be encouraged to consider involvement of the private sector.

Implementation and delivery

Decisions regarding the implementation, delivery and evaluation of Regional Deals is contingent on further policy development, discussions with local government and delivery bodies, and the New Zealand Infrastructure Commission's development of a National Infrastructure Plan.

This framework envisages that initially each deal will have the support provided by a central government delivery agency (or agencies) who will coordinate central government and receive input from local government delivery agencies. Delivery agencies will optimise and manage effective prioritisation/sequencing of project milestones, and support procurement and delivery models for delivering infrastructure.

Entities involved in implementation and delivery will also lead on monitoring and evaluation.

Monitoring, evaluation, and accountability measures

A framework for monitoring, evaluating and accountability mechanisms will be developed for all Regional Deals to allow for comparisons and consistency across deals. Bespoke performance indicators for each deal, including metrics and a baseline – against which progress can be assessed on a regular basis – will need to be negotiated between partners and included in the deal. Continuous evaluation and negotiation of new commitments will occur over the lifetime of the deal.

In considering these mechanisms, partners will need to consider:

Complexities in evaluating the impact of deals

For example, outcomes related to economic growth (usually measured by Gross Domestic Product or Gross Value Added for a region) can be affected by many policies and circumstances, which makes it difficult to isolate how much an individual policy has contributed to a particular outcome.

Evaluation timeframes may need to be considered over a longer time horizon

While assessment of whether deals are on time, budget and meeting specific targets is possible within a shorter timeframe (for example annually, or three-yearly), it may be more realistic to assess the wider, strategic achievements over a longer time horizon. Consideration of central and local government election cycles will be important.

Capacity in local authorities

The process of developing a Regional Deal is unique to each deal, a large amount of executive time and negotiation can be required over a significant period. The capacity and skill set within local authorities to deal with the additional demands for project assessment and monitoring that comes with a Regional Deal is likely to be variable. The potential resource burden on local government needs to be monitored over time.

Coherence with existing accountability mechanisms

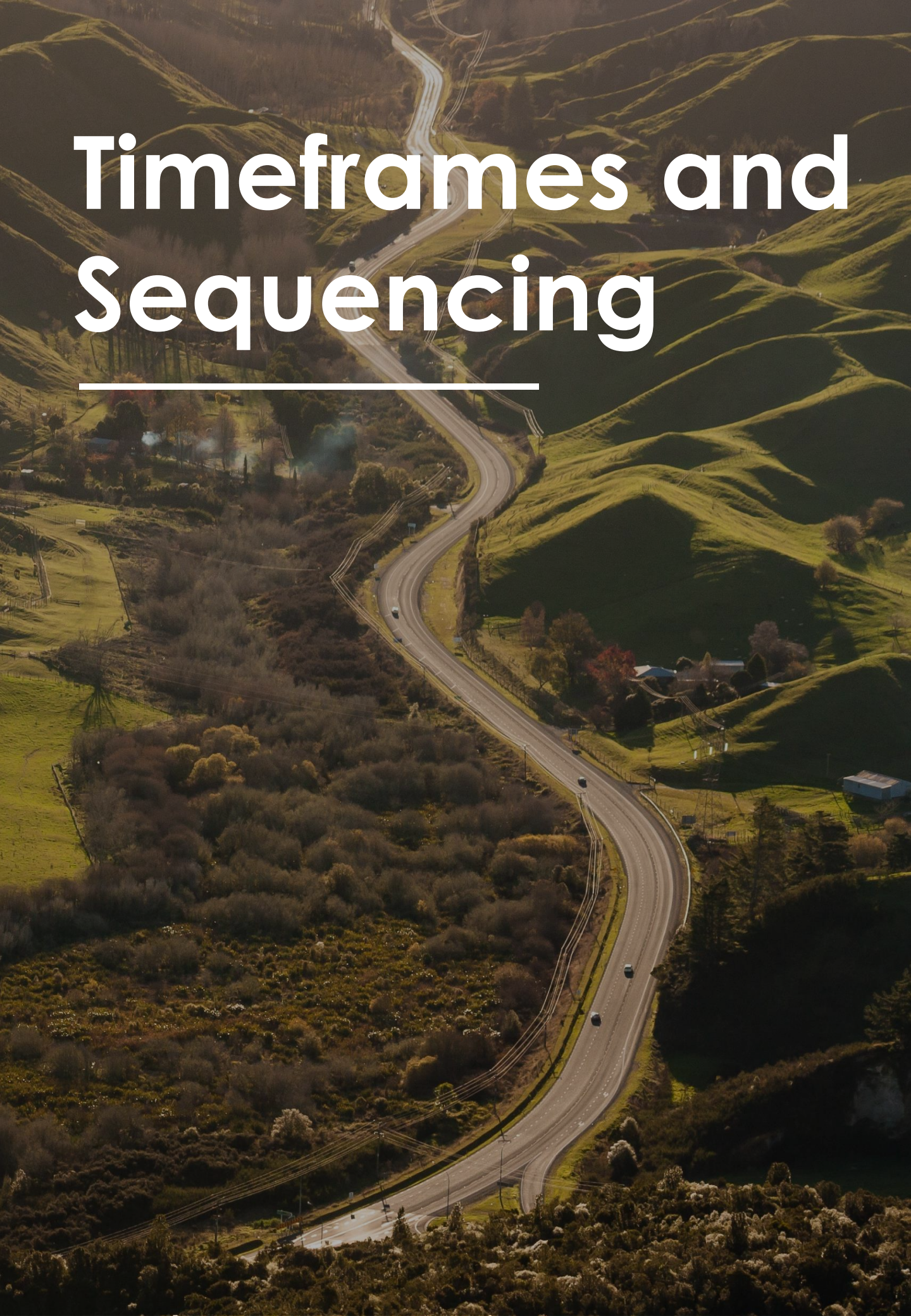
Consideration needs to be given to how any Regional Deal reporting and monitoring framework would integrate and align with existing legislation and regulatory frameworks for central and local government planning and reporting, and which bodies are best placed to assess regional deal progress.

Adaptability to changing circumstances

Consideration also needs to be given to how any variations to a regional deal will occur and how these will integrate with existing processes operated across agencies who are already involved in delivering infrastructure projects with local government partners.

Examples could include macroeconomic targets and council performance metrics such as GDP, population spend metrics, financial accountability measures, joint governance effectiveness; tourism numbers, housing consents, compliance certificates issued.

Timeframes and Sequencing



Regional deals will be based on a 30-year vision, with negotiated 10-year strategic plans to deliver shared objectives and outcomes, to provide optimal time for evaluation of outputs and delivery of projects with long-term outcomes

Timeframes

Regular reviews will be imbedded within the lifespan of deals (e.g. annually) to assess progress and project delivery using the measures discussed in the ***monitoring, evaluation and accountability measures*** section.

The lifespan will cover multiple parliamentary and local government electoral and planning cycles, which will ensure both a long-term approach to growth infrastructure, and capture and retain private sector investment. Regional Deals will need to consider other relevant central and local government planning and funding cycles.

Deal making milestones

Regional Deals will follow a staged approach with the following phases:

- **Milestone 1:** a letter from the Minister of Local Government inviting the regions to apply and laying out the government's expectations for proposals
- **Milestone 2:** consideration of proposals
- **Milestone 3:** a signed Memorandum of Understanding (MOU)
- **Milestone 4:** final stage negotiation of a deal

Milestone 1

Release a national regional deal framework

Decision makers: Cabinet

A high-level framework that sets out what the government wants to see in Regional Deals. A public version of this document will be used by councils to prepare proposals for Regional Deals.

The framework is not specific to local needs and does not make specific promises of regulatory relief or funding and financing.

Milestone 2

Consideration of proposals

Decision makers: Infrastructure and Investment Ministerial Group | selected councils.

Central government invites expressions of interest (up to five in the first wave). Selected councils provide a light-touch proposal with an outline of the following:

- drivers of economic growth in a region: regions to identify their own areas of growth and key economic drivers;
- what the region will do to unlock growth: regions to identify what actions they intend to take to unlock or enable growth; and
- what the region needs from central government to assist: regions to identify policy and legislative action they need from central government.

Regional Deal Criteria

Light touch proposals assessed against (but not limited to):

- alignment with the strategic framework
- growth potential
- commitment to a regional spatial plan
- capability, capacity, readiness to deliver
- commitment to fiscal prudence
- that councils meet all their regulatory standards (economic and water quality regulation).

Milestone 3

Signed Memorandum of Understanding

Decision makers: Infrastructure and Investment Ministerial Group | LG Partners

Central government will confirm initial intent to progress into an MOU with selected regions.

Central and selected local government partners both develop and agree an MOU setting out intended areas to work together. Central government will provide guidance to support the MOU process to minimise council expenditure during this phase.

A region will need an MOU to enter the pre-deal queue.

Milestone 4

Final Stage Negotiation for a Deal

4.1 Pre-deal Queue

Decision makers: Infrastructure and Investment Ministerial Group | Office of Regional Deals | LG Partners

Ahead of a deal, regions will undertake work that may be needed to support the deals (for example: zoning decisions, community agreement, establishment of any necessary committees, cross-council collaboration, including proposals to establish CCOs for cross-council service delivery).

Central and local government will agree monitoring and reporting metrics to measure overall regional performance (e.g. GDP, population, spend metrics, tourism numbers, housing consents, compliance certificates issued).

4.2 Funding and Financing

Decision makers: Infrastructure and Investment Ministerial Group | Office of Regional Deals | LG Partners

Central government will assess what is needed from local government for a deal. This could include a mix of the following:

Funding and Financing tools

- A pipeline of project funding as set out in the GPS Transport;
- commitment to support the agreed projects across agency investment pipelines and capital commitments;
- value capture/ support for a targeted rate;
- new user charges;
- enhanced Going for Housing Growth payments. For example: share of GST for local government and/or potential earn back mechanisms;
- legislation + other tools to better enable longer term funding and financing commitments, for example, enhanced IFF; or
- sector specific commitments – for example a greater sharing of royalties from an activity like mining.

Regulatory Relief

- Fast track consenting for projects

Coordination

- Coordination of decisions around planning and programming of schools, hospitals, for example, needed to support a growth region

Milestone 4

4.4 Finalised regional deal

Decision makers: Infrastructure and Investment Ministerial Group | Office of Regional Deals | LG Partners

Partners sign the Regional Deal. The first deal will be finalised in 2025.

A regional deal is likely to have the following characteristics:

- A defined economic/geographic area;
- 10-year strategic plan with clear objectives, outcomes and actions to meet shared objectives and outcomes;
- alignment with 30-year National Infrastructure Plan;
- clear leadership arrangements, delivery timeframes and accountabilities;
- identified capital and operational investments and operating costs;
- clear performance measurements and regular monitoring and reporting;
- clear operational roles and responsibilities defined and an operating model that balances flexibility and responsiveness with accountability; and
- regulatory and institutional settings to support the deal.

Sequencing

Given the time and resourcing required to negotiate, implement and monitor Regional Deals, this framework proposes that deals be finalised in a staged approach.

The Government intends to complete the first deal in 2025.

Region Selection



Selection of regions for Regional Deals will be made by Ministers using a set of standardised criteria. Guidance will be issued to local government on what they will need to provide to be eligible for a Regional Deal

High level criteria

Local authorities will generally be selected for Regional Deals by the Infrastructure and Investment Ministerial Group (IIMG) based on assessments against standardised criteria:

- alignment with the strategic framework;
- growth potential;
- commitment to a regional spatial plan;
- capability, capacity and readiness to deliver;
- commitment to fiscal prudence; and
- commitment to broader government reform objectives such as Local Water Done Well and Going for Housing Growth.

First wave or tranche

Five regions will be invited to provide light-touch proposals for a first wave of Regional Deals. Selection of regions for the first wave will be led by Ministers, based on selection criteria, and agreed to through a Cabinet process. Selection will be supported by the high-level criteria with particular emphasis on:

- councils being in a growth area that has clear objectives around economic growth, productivity and infrastructure in alignment with the Regional Deal strategic framework;
- councils with an already identified functional economic area, such as through an existing urban partnership, and therefore have initial supporting structures, spatial plans and future development strategies in place, including where relevant, funding and financing proposals for infrastructure development and delivery; and
- councils being ready to deliver on a deal, including having the capability and capacity, a clear plan for the city/region, and a track record of having worked successfully with central government, other councils in the region, private sector and iwi/Māori.

It is noted that central and local government are part of several partnerships that may already satisfy the above criteria, including for example, Urban Growth Partnerships. These urban partnerships could be mobilised as foundations for Regional Deals.

Subsequent waves or tranches

Subsequent Regional Deals will build on the lessons learned from previous Regional Deals to ensure the system is refined as more deals are established. Regions or sub-regions for subsequent waves will be selected through an open expressions of interest process. Proposals received from the expressions of interest will be assessed against the high-level criteria set out in this strategic framework and consideration by the Office of Regional Deals.

Advice to the Infrastructure and Investment Ministerial Group will follow this assessment, and subject to their approval, will proceed to a Cabinet process for formal agreement.

Sources

1. https://img.scoop.co.nz/media/pdfs/2405/Framework_City_and_Regional_deals.pdf
2. Speech from the Throne <https://gazette.govt.nz/managePDF?file=2023/2023-vr5697.pdf>
3. <https://www.hud.govt.nz/assets/Uploads/Documents/Cabinet-papers/Cabinet-Paper-Fixing-the-Housing-Crisis.pdf#:~:text=Unaffordable%20housing%20has%20far%2Dreaching,standards%20for%20all%20New%20Zealanders>
4. Report into New Zealand’s Infrastructure Challenge, Sense Partners for the New Zealand Infrastructure Commission, Oct 2021, <https://media.umbraco.io/te-waihanga-30-year-strategy/lhnm5gou/new-zealands-infrastructure-challenge-quantifying-the-gap.pdf>.
5. A report commissioned by Local Government New Zealand demonstrates that in the last three years, building bridges, sewerage systems, roads and water supplies has become 38%, 30%, 27% and 27% more expensive to build respectively
https://d1pepq1a2249p5.cloudfront.net/media/documents/Analysing_increases_in_local_government_costs_LI2BVKU.pdf
6. LGNZ media release: <https://www.lgnz.co.nz/news/media-releases/drivers-behind-rates-rises-across-the-country-laid-bare/>
7. Economic growth is a broad concept that may involve many industries. Funding and financing and regulatory frameworks that underpin industry-specific projects will vary and will need to be considered when regional deals are formalised.
8. Infrastructure refers to “the fixed, long-lived structures that facilitate the production of goods and services, including transport, water, energy, social assets, and digital infrastructure such as our broadband and mobile networks” as defined by the Treasury
<https://www.treasury.govt.nz/information-and-services/nz-economy/infrastructure>
9. Including the Department of Internal Affairs (as initial lead), the Treasury, the Ministry for Housing and Urban Development, the Ministry of Business, Innovation and Employment, the Ministry of Transport, and the Ministry for the Environment. Involvement from the infrastructure Commission is also expected in support of the infrastructure portfolio.

