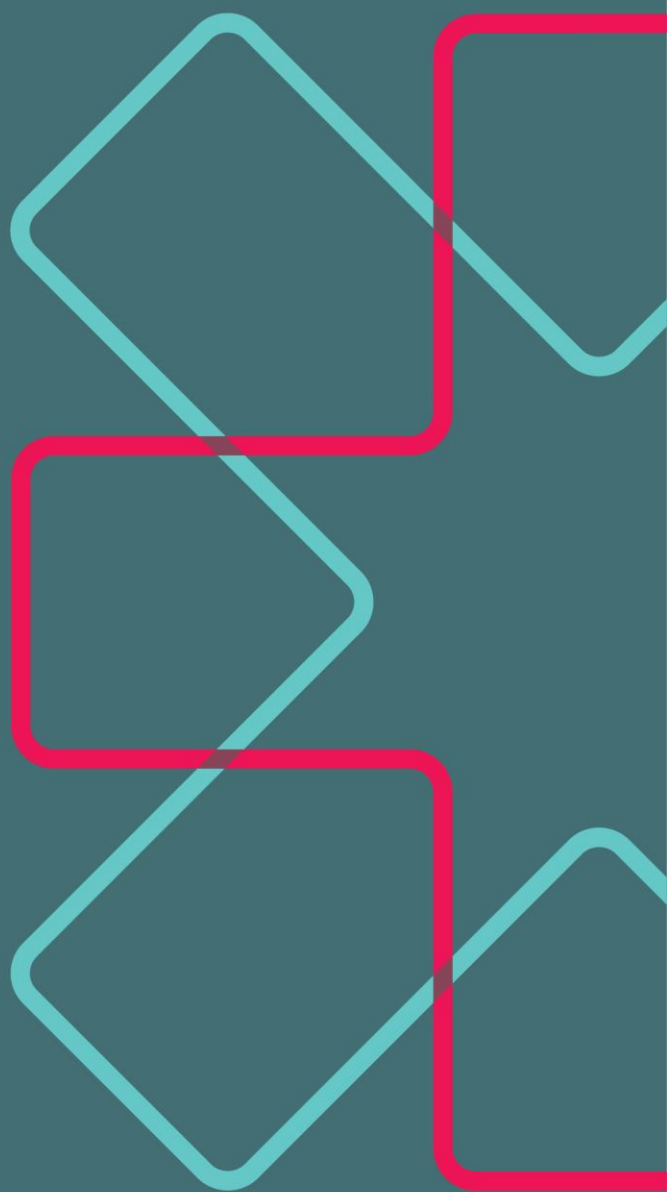


# Clause 10 Assessment Framework Report

Prepared for the Local Government Commission to support the Southland Reorganisation Investigation Final Report



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# Contents

<b>The Commission is investigating possible local government reorganisation in Southland</b>	<b>1</b>
Purpose of this report	1
How the framework was developed	2
The assessment framework has four domains	2
<b>How to use the framework to assess options under clause 10</b>	<b>4</b>
Assessment steps	4
Step 1: Explore how each option performs against each objective	4
Step 2: Form an objective-level assessment across options	5
Step 3: Synthesise findings using the domain structure	5
Step 4: Form the overall clause 10 assessment	5
Evidence informing the process	6
Recording the assessment	6
<b>About the framework content</b>	<b>8</b>
Guidance and background information	8
Criteria and measures	8
How to read and use the tables	9
<b>Criteria and measures to assess the objectives in each domain</b>	<b>10</b>
Domain 1: Better fulfilment of the purpose of local government	10
Objective a (limb 1): to enable democratic local decision-making and action by, and on behalf of, communities	11
Objective a (limb 2): to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future	14
Domain 2: Efficiency, effectiveness, capability, and sustainability	17
Objective b: productivity improvements within the affected local authorities	18
Objective c: efficiencies and cost savings	20
Objective d: assurance that any local authority established or changed has the resources necessary to enable it to effectively perform or exercise its responsibilities, duties, and powers	22
Objective f: enhanced effectiveness, efficiency, and sustainability of local government services	24
Domain 3: Place, identity, and current and future community needs	26
Objective e: effective responses to the opportunities, needs, and circumstances of the affected areas	27



Objective g: better support for the ability of local and regional economies to develop and prosper	29
Objective h: enhanced ability of local government to meet the changing needs of communities for governance and services into the future	30
Domain 4: Statutory partnership and management obligations with iwi and Māori	32
Objective i: effective provision for any co-governance and co-management arrangements that are established by legislation (including Treaty of Waitangi claim settlement legislation) and that are between local authorities and iwi or Māori organisations	33
Te Ao Mārama feedback, 1 April hui	36
Council feedback, 30 March workshop	36
Matters raised but not incorporated into the framework	38

## Appendices

<b>Appendix 1 How workshop feedback informed the framework</b>	<b>36</b>
<b>Appendix 2 Design principles</b>	<b>39</b>

## Tables

Table 1: Clause 10, objective a (limb 1) assessment criteria and measures	12
Table 2: Clause 10, objective a (limb 2) assessment criteria and measures	15
Table 3: Clause 10, objective b assessment criteria and measures	19
Table 4: Clause 10, objective c assessment criteria and measures	21
Table 5: Clause 10, objective d assessment criteria and measures	23
Table 6: Clause 10, objective f assessment criteria and measures	25
Table 7: Clause 10, objective e assessment criteria and measures	28
Table 8: Clause 10, objective g assessment criteria and measures	30
Table 9: Clause 10, objective h assessment criteria and measures	31
Table 10: Clause 10, objective i assessment criteria and measures	34



# Preface

This report has been prepared for the Local Government Commission by Donella Bellett and Penny Fitzpatrick from MartinJenkins (Martin, Jenkins & Associates Ltd).

For over 30 years MartinJenkins has been a trusted adviser to clients in the government, private, and non-profit sectors in Aotearoa New Zealand and internationally. Our services include organisational performance, employment relations, financial and economic analysis, economic development, research and evaluation, data analytics, engagement, and public policy and regulatory systems.

We are recognised as experts in the business of government. We have worked for a wide range of public-sector organisations from both central and local government, and we also advise business and non-profit clients on engaging with government.

Kei te āwhina mātau ki te whakapai ake i a Aotearoa. We are a values-based organisation, driven by a clear purpose of helping make Aotearoa New Zealand a better place. Our firm is made up of people who are highly motivated to serve the New Zealand public, and to work on projects that make a difference.

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# The Commission is investigating possible local government reorganisation in Southland

The Local Government Commission (the Commission) is investigating possible local government reorganisation in Southland under Schedule 3 of the Local Government Act 2002.

The investigation follows a reorganisation application lodged by Southland District Council, which proposed changes to existing local government arrangements. The Act sets out a process for reorganisation investigations, and Schedule 3, clause 10 sets out the areas the Commission must take into account when assessing the desirability of options for the reorganisation of local government within the affected area.

This report has been prepared by MartinJenkins to support the Commission's investigation. It forms part of Phase 1 of the investigation, which focuses on early design and information gathering, including development of an assessment framework for applying Schedule 3, clause 10. Phase 1 does not involve assessing, comparing, or selecting reorganisation options. The framework is intended to support later phases of the investigation, should the Commission decide to progress.

## Purpose of this report

This report sets out a clause 10 Assessment Framework. MartinJenkins was commissioned to design an assessment framework aligned with clause 10 of Schedule 3 and the broader Act, workable in practice, and useable by Commissioners.

The framework does not determine outcomes or recommend a preferred option. It provides a structured way to:

- examine strengths and weaknesses of each option, including the status quo
- make transparent, reasoned assessments against each statutory objective, and
- bring those assessments together into an overall assessment of desirability.

The statutory objectives in clause 10 cannot be changed or aggregated into a single score. Making an overall assessment requires the exercise of evaluative judgement, informed by the assessments across all objectives.



## How the framework was developed

The framework was developed through an iterative design process. This included structured workshops and discussion with Commissioners and Commission officials, representatives from Southland councils, and Te Ao Mārama. Input was also drawn from Commission-led engagement and information gathering.

Throughout the design process there was strong support for an approach and framework that:

- makes trade-offs explicit
- can work with uneven and incomplete evidence
- supports clear explanation of assessment and final judgement, and
- avoids rigid scoring or weighting.

To support these features, and to ensure the framework can meet the full range of areas the Commission must take into account under clause 10, a set of design principles was developed. The principles guide how the framework is structured and how it is applied in practice. The principles are not criteria and they are not measures. Instead, they provide a consistent foundation for statutory alignment, transparent reasoning, and defensible judgement across different proposals and evidence contexts.

The full set of design principles is in Appendix 2.

## The assessment framework has four domains

Clause 10 sets out multiple areas or objectives the Commission must take into account when assessing the desirability of options for the reorganisation of local government in the affected area. In practice, these objectives overlap, and progress against one objective may contribute to others. However, the legislation requires that each area or objective is individually considered.

To make assessment workable, the framework groups the nine objectives the Commission must take into account under clause 10 into four assessment domains. The objectives are not presented in strict legislative order within each domain, but have been grouped to reflect how they operate together in practice.

Grouping the objectives into domains provides a clear and navigable structure for Commissioners, while retaining a direct line of sight to each objective. The domains organise evidence, surface overlaps and interactions, and reduce duplication, supporting clear overall assessment without losing statutory discipline. Each domain structures criteria, measures, and evidence against the clause 10 objectives.

### **Domain 1: Fulfilment of local government purpose**

- a) better fulfilment of the purpose of local government:



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

**Domain 2: Efficiency, effectiveness, capability and sustainability**

- b) productivity improvements within the affected local authorities
- c) efficiencies and cost savings
- d) assurance that any local authority established or changed has the resources necessary to enable it to effectively perform or exercise its responsibilities, duties, and powers
- f) enhanced effectiveness, efficiency, and sustainability of local government services

**Domain 3: Place, identity, and current and future needs**

- e) effective responses to the opportunities, needs, and circumstances of the affected areas
- g) better support for the ability of local and regional economies to develop and prosper
- h) enhanced ability of local government to meet the changing needs of communities for governance and services into the future

**Domain 4: Statutory shared leadership obligations**

- i) effective provision for any co-governance and co-management arrangements that are established by legislation (including Treaty of Waitangi claim settlement legislation) and that are between local authorities and iwi or Māori organisations.



# How to use the framework to assess options under clause 10

This section sets out the process Commissioners use to apply the framework when assessing the desirability of options under Schedule 3, clause 10 of the Local Government Act 2002. It applies to all options, including the status quo, and explains how objective-level assessments, domain-level synthesis, and the overall clause 10 assessment are formed and recorded.

No single criterion, measure, or domain is determinative. Clause 10 requires Commissioners to consider all objectives together and to explain how competing considerations have been weighed in reaching an overall assessment. The domain structure provides a practical way to organise that task, but domains are not intended to be applied in isolation or to override consideration of individual objectives.

## Assessment steps

### Step 1: Explore how each option performs against each objective

Commissioners work through the framework domain by domain. For each domain, they consider each clause 10 objective within that domain, assessing all options together, including the status quo, using the criteria, considerations, and measures set out in the framework, before moving to the next domain.

This step is about exploring and understanding the evidence, not forming conclusions. For each objective, Commissioners explore:

- how each option performs against the objective, based on the criteria and available evidence
- the strengths, weaknesses, and merits of each option, including the status quo
- how options differ from one another, and where differences are material, marginal, or unclear, and
- where options perform similarly, or where none clearly perform better.

This step does not involve ranking or scoring options or drawing conclusions. Its purpose is to surface evidence, differences, risks, and areas of uncertainty for each objective. Uncertainty, gaps in evidence, and contested views should be noted explicitly.



## Step 2: Form an objective-level assessment across options

Using the understanding developed in Step 1, Commissioners form a reasoned assessment for each objective, considering the relative strengths and weaknesses of each option, including the status quo.

Objective-level assessments should:

- draw directly on the criteria, measures, and evidence explored in step 1
- summarise what matters most for the objective when comparing options
- explain any significant trade-offs or tensions within the objective, and
- note where conclusions are finely balanced or evidence is limited.

Objective-level assessments do not replace the detailed exploration undertaken in step 1. They distil that exploration into a clear, traceable assessment of how options compare for the objective, and provide the foundation for domain-level synthesis in step 3.

## Step 3: Synthesise findings using the domain structure

Objectives are grouped into four domains to support usability and coherence. The domains do not introduce new criteria or change the weight of individual objectives. For each domain, Commissioners bring together the objective-level assessments to form a domain-level synthesis. This involves considering:

- patterns of strengths and weaknesses across the objectives within the domain
- where objectives point in a similar direction, and where they highlight different issues
- how risks, uncertainties, or limitations recur across objectives within the domain, and
- whether any option shows a materially different pattern of performance within the domain compared with other options.

Domain-level synthesis does not reconcile, offset, or override individual objectives, which must each be considered on their own terms.

## Step 4: Form the overall clause 10 assessment

The overall assessment of desirability is formed by bringing together the objective-level assessments, using the domain structure as an organising aid.

In this final step, Commissioners assess:

- all clause 10 objectives together, across all options including the status quo
- what the combined objective-level assessments indicate about the desirability of each option
- where objectives point in different directions, and what trade-offs this creates, and
- how uncertainty or gaps in evidence affect the overall assessment.



Trade-offs are expected and unavoidable. The task is not to eliminate trade-offs, but to identify them clearly and explain why they are acceptable or not. There is no prescribed formula. The overall assessment involves the exercise of evaluative judgement and relies on transparent reasoning, clear statutory linkage, and explicit acknowledgement of trade-offs and uncertainty.

## Evidence informing the process

The overall clause 10 assessment should draw on a range of evidence, recognising that different objectives and domains rely on different sources and types of information.

Evidence may include:

- feedback from Commission-led engagement, including input from communities, councils, iwi and key stakeholders
- information requested from councils, and council planning and reporting documents
- independent technical analysis commissioned where required, for example financial modelling or specialist advice, and
- iwi-led input developed with Te Ao Mārama on matters where mana whenua perspectives are essential.

Evidence will vary in strength, coverage, and certainty. Commissioners should be explicit about the evidence relied on, where evidence is limited or contested, and where assessment and evaluative judgement have been applied to bridge gaps.

## Recording the assessment

For each option, the clause 10 assessment should be recorded in a way that shows a clear chain from statutory objectives, to evidence, to assessment.

At a minimum, the record should include:

- the objective-level assessments and the reasons for them
- how each objective within a domain has been taken into account before forming the domain-level synthesis
- the domain-level synthesis and the reasoning that supports it
- the key trade-offs and why they were accepted or not
- where impacts fall unevenly across communities or places, and
- the main uncertainties or evidence limits that affect confidence in the conclusion.



This approach supports transparency, consistency, and defensibility, while recognising that clause 10 requires evaluative judgement rather than mechanical application. This record is a core part of the Commission's statutory decision-making.



# About the framework content

This report provides the detailed content needed to apply the framework in practice. There is a section for each domain. Each section contains guidance and background information, followed by criteria and measures to support assessment.

## Guidance and background information

For each of the four domains, the report sets out:

- assumptions and limits which explain:
  - what the domain can and cannot assess
  - where evidence is uncertain, incomplete, or contested, and
  - where evaluative judgement is required as part of the assessment
- plain-language descriptions for each statutory objective in the domain
- contextual material for each statutory objective in the domain, drawn from engagement and information gathering.

The contextual material is included to inform judgement and understanding of the Southland context. It does not determine outcomes.

These sections are critical to the credibility of the framework and should be read before applying the criteria and measures.

## Criteria and measures

There is a table for each statutory objective. These tables set out the criteria and measures for assessing reorganisation options. They are the core assessment tools and are designed to support structured comparison across options.

Each table is organised to support a disciplined but flexible assessment process.

The tables include:

- **assessment criteria**, which describe the key aspects of the statutory objective that matter for assessment
- **core considerations** under each criterion, which explain in plain language what Commissioners should be thinking about when applying that criterion
- **core measures or information**, which all options should be considered against, and



- **conditional measures or information**, which should be considered only where they are material to the option being assessed.

The criteria and measures are not thresholds, scores, or tests. They are prompts to ensure that the same types of considerations are addressed consistently across options.

## How to read and use the tables

Commissioners should use the tables as a structured aid to assessment. For each objective they should:

- start with the assessment criteria for the objective, to understand what matters for that objective
- use the core considerations to interpret each criterion in practical terms
- review the core measures or information, drawing on the available evidence
- consider any conditional measures where they are relevant to the option, and
- form a reasoned assessment of the relative strengths, weaknesses, and risks of each option against the objective.

Each table is preceded by a short section titled "How to use the criteria and measures table". This provides objective-specific guidance on how to interpret and apply the table, including where judgement is required and which considerations are likely to matter most.

Commissioners are not required under clause 10 to give equal weight to every objective. The relevance and depth of assessment should be proportionate to the nature of the option being assessed, including its scale, complexity, and the extent of change from current arrangements. All of the objectives in clause 10 of Schedule must however be taken into account as part of the Commission's decision-making process.

Judgement is expected and necessary. Commissioners should focus on what is most material to understanding how each option performs against the statutory objective, rather than seeking to address every measure exhaustively.

The scale of the potential benefits that flow from the objectives set out in clause 10, and likelihood of those benefits being realised, are also part of the next phase of the process once a reorganisation investigation is completed. The Commission must have regard to these areas when deciding whether to adopt a reorganisation plan. Commissioners should therefore be mindful that judgements about the relative strengths, weaknesses, and risks of each option against an objective will help to inform the next stage of the process.



# Criteria and measures to assess the objectives in each domain

## Domain 1: Better fulfilment of the purpose of local government

### Guidance and background information

#### Assumptions and limits for the domain

This domain considers how different local government arrangements may affect fulfilment of the purpose of local government, including democratic local decision-making and the promotion of community wellbeing.

This assessment is subject to the following assumptions and limitations:

- fulfilment of purpose is multi-dimensional and cannot be observed directly through a single measure
- views about democratic legitimacy and wellbeing vary across communities and over time
- perceived legitimacy may differ from formal compliance with governance arrangements
- impacts on wellbeing may be indirect and mediated through other decisions and institutions
- some effects may only become apparent over the medium to long term, and
- evidence may be qualitative, contested, or uneven across communities.

As a result, assessment under this domain requires explicit judgement about trade-offs and relative strengths across options. This domain does not assess compliance with Treaty of Waitangi settlement legislation or co-governance or co-management arrangements that are established by legislation – these areas are considered under Domain 4. References to iwi and hapū in this domain relate to democratic participation and participation capacity.

There is one of the nine clause 10 objectives in this domain: a – better fulfilment of the purpose of local government under section 10 of the Local Government Act. However, the purpose of local government under section 10 has two limbs.

While each limb is dealt with separately, they collectively form the judgement the Commissioners must make about how best to fulfil the purpose of local government.



## Objective a (limb 1): to enable democratic local decision-making and action by, and on behalf of, communities

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how the options for reorganisation of local government in Southland will best achieve democratic local decision-making and action by, and on behalf of, communities.

This area relates to how people in Southland will be empowered to make and shape decisions that affect them through democratic processes. This includes where decision-making sits in relation to communities, and how arrangements reflect the places people live, from small rural settlements to Invercargill. It also includes whether communities, including iwi, hapū, and Māori, are able to participate in democratic processes and influence decisions.

#### Additional assumptions and limits for objective a (limb 1)

This assessment considers how different local government arrangements may affect democratic local decision-making and action. It is based on the following additional assumptions and constraints:

- democratic quality depends not only on formal governance structures, but also on how those structures operate in practice
- measures such as representation ratios and delegation arrangements provide partial indicators, not definitive measures of democratic effectiveness
- meaningful democratic and cultural participation requires sustained capacity from those involved
- the capacity of community groups (including iwi and hapū) to participate in governance, consultation, and partnership processes is finite and is needed across multiple councils and statutory processes, and
- judgement is required when assessing trade-offs between democratic benefits for different groups, participation capacity, and wider risks.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Geography and scale: large distances, low population density, and remote communities affect participation and access to representatives, including Fiordland and Rakiura.
- Rural and township voice: there was repeated concern that larger governance entities could dilute rural and township voice without strong delegation and effective sub-local governance.



- Clarity of accountability: confusion about "who does what" across councils and agencies is undermining accountability and democratic confidence, particularly where responsibilities are fragmented or unclear.
- Accessibility and proximity of decision-makers: perceived distance between communities and decision-makers can undermine trust and legitimacy, particularly where relationships are weak or highly centralised.
- Consultation fatigue: multiple plans and repeated consultation across councils are reducing participation, particularly in smaller communities.
- Cross-boundary communities of interest: functional communities that do not align with territorial authority boundaries are material for representation and local decision design, for example cross-boundary service use by non-ratepayers, for example Gore ratepayers using services located in the Southland District and in Otago.
- Sustainability of iwi participation: engagement highlighted concern that iwi and hapū are already engaging across multiple councils and statutory processes, and that any new governance arrangements must support participation that is sustainable over time, not more complex or duplicative.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of how different arrangements may affect democratic participation, representation, and legitimacy. It focuses on practical influence and accountability in Southland's geography, not on formal compliance alone. Judgement is required where impacts differ across communities or involve trade-offs between local voice and other objectives.

**Table 1: Clause 10, objective a (limb 1) assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Democratic access, engagement, and influence	<ul style="list-style-type: none"> <li>• Whether residents would have meaningful opportunities to influence decisions affecting their area, taking account of formal structures and how they would operate in practice.</li> <li>• Whether communities could participate in ways that are workable and sustainable over time.</li> </ul>	<ul style="list-style-type: none"> <li>• Number and type of formal decision points accessible to communities (for example, local boards, community boards, delegated committees), and whether these bodies have decision authority rather than advisory roles.</li> <li>• Changes in delegation to sub-local bodies, including the type of</li> </ul>	<ul style="list-style-type: none"> <li>• Ratio of elected members to population, used as contextual information, not a proxy for democratic quality.</li> <li>• Practical accessibility for rural and isolated communities, including distance, travel time, and reliance on digital participation where scale or boundary change is material.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
		decisions that can be made locally and the limits of that authority.	<ul style="list-style-type: none"> <li>Evidence of consultation fatigue or duplicated engagement, where arrangements materially change engagement demands.</li> </ul>
Representation quality	<ul style="list-style-type: none"> <li>Whether representatives would be geographically closer to, or further from, the communities they represent.</li> <li>Whether the structure supports effective accountability across different types of communities.</li> </ul>	<ul style="list-style-type: none"> <li>Geographic and community coverage of representation arrangements, including risks where population-based representation may outweigh geographic coverage.</li> <li>Ward and board alignment with communities of interest, including known cross-boundary communities and service-hub relationships.</li> </ul>	<ul style="list-style-type: none"> <li>Role and visibility of local leadership, including any change to the function of directly elected local roles where governance structures change.</li> <li>Implications for representation of small or remote communities, where those communities would be structurally aggregated.</li> </ul>
Responsiveness to community priorities	<ul style="list-style-type: none"> <li>Whether the arrangements would make it easier or harder to respond to distinct local priorities where priorities differ across places and communities.</li> </ul>	<ul style="list-style-type: none"> <li>Alignment between documented community priorities and where decision authority sits, for issues communities identify as most important.</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of place-based discretion, where new structures would centralise or standardise decisions.</li> <li>Clarity for residents about who decides what, where responsibilities materially change or are split across bodies.</li> </ul>
Public legitimacy	<ul style="list-style-type: none"> <li>Whether there is a material risk that the arrangements would undermine democratic legitimacy in parts of the affected area, even if overall support is positive.</li> </ul>	<ul style="list-style-type: none"> <li>Distribution of support and opposition across affected areas, including whether opposition would be structurally outweighed or discounted.</li> <li>Salience of legitimacy concerns raised through engagement, including risks of disengagement or loss of trust.</li> </ul>	<ul style="list-style-type: none"> <li>Risks relating to loss of local identity or perceived remoteness, where boundaries or governance scale materially change.</li> <li>How conflicts between democratic voice and other objectives listed in clause 10 are identified and explained, where trade-offs are significant.</li> </ul>



## Objective a (limb 2): to promote the social, economic, environmental, and cultural well-being of communities in the present and for the future

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how the options for reorganisation of local government in Southland will best promote the wellbeing of communities across Southland. This includes how the arrangements promote the social, economic, environmental, and cultural outcomes for different communities, and how arrangements balance current community needs, and those of future generations.

#### Additional assumptions and limits for objective a (limb 2)

This assessment considers how the options for local government organisation in Southland may affect its ability to promote community wellbeing over time. It is based on the following additional assumptions and constraints:

- community wellbeing is influenced by many factors beyond local government structure, including national policy, funding decisions, market conditions, and demographic change
- the assessment focuses on institutional capability, alignment, and risk, rather than predicting specific wellbeing outcomes
- evidence on wellbeing impacts is uneven across locations, and often qualitative or indicative rather than conclusive
- some impacts, particularly environmental, cultural, and intergenerational effects, may only become evident over long timeframes, and
- judgement is required to weigh potential benefits and risks where evidence is partial or contested.

This assessment supports comparative judgement rather than definitive conclusions.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Rates affordability and distributional impact: strong concern about the affordability of rates and charges, particularly for older people and those on fixed incomes, and about how costs and benefits are distributed across communities.



- Focus on core services and outcomes: repeated calls for councils to prioritise doing the basics well, with emphasis on core infrastructure, essential services, and prudent financial management rather than perceived over-governance.
- Environmental and climate pressures: prominent concern about environmental outcomes that are place and catchment specific, including freshwater quality, flood risk, climate resilience, and the adequacy of environmental and emergency management.
- Iwi and Māori wellbeing and capacity: concern that current arrangements create duplicated engagement and participation demands that strain iwi and Māori capacity, with implications for cultural wellbeing outcomes and partnership effectiveness, alongside the need for councils to strengthen their own capability, cultural responsiveness, and responsibility for supporting sustainable engagement over time.
- Community identity and connection: concern that changes to local government arrangements could weaken local identity, sense of place, and community connection, with past experiences, including Mātaura, cited as cautionary examples.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of how arrangements affect the ability to promote social, economic, environmental, and cultural wellbeing over time. It focuses on institutional capability, alignment, and risk, not on predicting specific wellbeing outcomes. Evidence may be uneven, and judgement is required where impacts are indirect or long-term.

**Table 2: Clause 10, objective a (limb 2) assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Ability to address wellbeing outcomes	<ul style="list-style-type: none"> <li>• Whether the arrangements would strengthen or weaken the council's ability to act on the main drivers of social, economic, environmental, and cultural wellbeing over time.</li> <li>• Whether responsibility and capability for addressing those drivers would be clear and workable.</li> </ul>	<ul style="list-style-type: none"> <li>• Alignment between council functions and key wellbeing challenges relevant to Southland.</li> <li>• Clarity about where responsibility and capability sit for addressing those challenges.</li> </ul>	<ul style="list-style-type: none"> <li>• Evidence relating to the four wellbeings (social, economic, environmental, and cultural), where the option materially changes functional responsibilities or scale.</li> <li>• Risks where fragmentation or consolidation could weaken the ability to address complex or cross-cutting wellbeing issues.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Distribution of wellbeing impacts	<ul style="list-style-type: none"> <li>Whether impacts on wellbeing are likely to be experienced broadly across communities, or concentrated in particular places or groups.</li> </ul>	<ul style="list-style-type: none"> <li>Likely differential impacts across communities, including urban and rural areas, smaller settlements, high growth areas, and cultural groups.</li> </ul>	<ul style="list-style-type: none"> <li>Whether any communities would face disproportionate costs or risks relative to anticipated benefits, where impacts are uneven or contested.</li> <li>Distributional implications that interact with affordability, access, or service reliability.</li> </ul>
Social wellbeing and inclusion	<ul style="list-style-type: none"> <li>Whether the arrangements would support or undermine social connection, inclusion, and access to community facilities and services.</li> </ul>	<ul style="list-style-type: none"> <li>Implications for community facilities, events, neighbourhoods, and place-shaping that support social connection.</li> </ul>	<ul style="list-style-type: none"> <li>Risks to trust, safety, and social disconnection in communities experiencing loss of local presence or influence.</li> </ul>
Environmental wellbeing	<ul style="list-style-type: none"> <li>Whether the arrangements would support effective long-term wellbeing of the environment.</li> </ul>	<ul style="list-style-type: none"> <li>Capability to manage natural resources, environmental pressures, and climate risks over time.</li> </ul>	<ul style="list-style-type: none"> <li>Impacts on catchment-based management or region-wide environmental functions, where boundaries or governance scale change.</li> <li>Risks to continuity of environmental management where responsibilities are split or reorganised.</li> </ul>
Cultural wellbeing	<ul style="list-style-type: none"> <li>Whether the arrangements would support long-term wellbeing of cultural values and culturally significant places.</li> </ul>	<ul style="list-style-type: none"> <li>Capability to recognise, maintain, and support culturally significant places, assets, and practices over time.</li> </ul>	<ul style="list-style-type: none"> <li>Continuity and effectiveness of relationships that support cultural wellbeing, where governance or organisational arrangements change.</li> <li>Risks to cultural connection or identity where local presence or place-based decision-making is reduced.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Economic wellbeing and opportunity	<ul style="list-style-type: none"> <li>Whether the arrangements would support or constrain economic participation and opportunity over time for communities.</li> </ul>	<ul style="list-style-type: none"> <li>Ability to enable infrastructure delivery, land use planning, and economic development functions.</li> <li>Implications for local and regional economic resilience.</li> </ul>	<ul style="list-style-type: none"> <li>Impacts on particular sectors or places, where arrangements materially affect economic coordination or investment.</li> <li>Risks to smaller or peripheral communities where economic benefits may not be evenly distributed.</li> </ul>
Intergenerational sustainability	<ul style="list-style-type: none"> <li>Whether the arrangements would increase or reduce the risk of deferring costs or degrading outcomes for future communities.</li> </ul>	<ul style="list-style-type: none"> <li>Financial and asset sustainability indicators, including renewals funding, debt, and resilience.</li> </ul>	<ul style="list-style-type: none"> <li>Exposure to long-term social, cultural, environmental, or economic risks, where options materially alter stewardship responsibilities.</li> <li>Sensitivity to long-term uncertainty – for example, demographic or climate change.</li> </ul>

## Domain 2: Efficiency, effectiveness, capability, and sustainability

### Guidance and background information

#### Assumptions and limits

This domain considers how different local government arrangements may affect productivity, costs, organisational capability, and the long-term sustainability of services and organisations.

This assessment is subject to the following assumptions and limitations:

- efficiency and productivity are influenced by how work is organised, not only by scale or structure
- claimed efficiencies and cost savings may not be realised uniformly across functions or places
- long-term system risks, including environmental, regulatory, and stewardship risks, may not be captured by short-term efficiency metrics

There are four of the nine clause 10 objectives in this domain: b, c, d, and f. Note that they are grouped for assessment purposes rather than by legislative order.



- transition effects may temporarily reduce productivity or increase costs
- capability and resilience are not fully captured by staffing numbers or budgets alone
- some efficiency and sustainability impacts may emerge over different timeframes, and
- evidence of future efficiencies is often partial, indirect, or reliant on assumptions.

Accordingly, assessment under this domain involves judgement about plausibility, risk, and timing of impacts, and how these differ across functions and places.

## Objective b: productivity improvements within the affected local authorities

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how different options for local government organisation in Southland will improve the overall productivity of the affected local authorities. This includes how work is structured, organised, and coordinated across roles, functions, and activities, and how arrangements affect the use of staff and resources.

This objective focuses on how work is organised and coordinated, not on whether councils have sufficient resources or can meet statutory duties.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Duplication and inconsistencies across councils were frequently identified, particularly in planning, consenting, regulatory, and customer-facing systems, and were seen as reducing productivity and creating frustration for staff and communities.
- Strong caution was expressed against assuming that reducing the number of councils would automatically improve productivity, given Southland's large geography, dispersed settlements, and tight labour market.
- Councils noted that some shared services and joint arrangements are already in place and working well, and that any productivity gains should not be overstated or double-counted.
- Feedback emphasised that regional council and territorial authority functions operate differently, particularly for catchment-based environmental management and hazard functions, and that expectations of productivity improvement need to reflect those functional differences rather than rely on simple like-for-like comparison.



- Concern was raised that limited staff availability during transition could reduce coordination time and slow productivity gains.
- Confusion about roles and responsibilities across the local government system was identified as both a current source of inefficiency and a potential opportunity for improvement.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of how the options for reorganisation of local government in Southland might improve productivity among the affected local authorities. Productivity should be assessed relative to the nature of the function concerned, not assumed from scale or structure alone. In this context, productivity is considered in practical terms, such as the continuity of service delivery and the ability to meet existing commitments during and after transition, rather than through a single quantitative metric. The focus is on plausibility, not on quantifying gains at this stage.

**Table 3: Clause 10, objective b assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Organisation and coordination of work	<ul style="list-style-type: none"> <li>• Whether the arrangements would support more effective organisation and coordination of functions across local authorities.</li> <li>• Whether roles and responsibilities would be clear and workable in practice.</li> </ul>	<ul style="list-style-type: none"> <li>• Clarity of roles and responsibilities across planning, regulatory, and service functions.</li> <li>• Extent to which arrangements reduce duplicated processes or hand-offs.</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to coordinate work across related functions and geographies where functions are consolidated or reallocated.</li> <li>• Risks arising from increased organisational or geographic scale, where coordination demands increase materially.</li> </ul>
Use of workforce capability	<ul style="list-style-type: none"> <li>• Whether the arrangements would make better use of available workforce capability, given Southland's labour market constraints.</li> </ul>	<ul style="list-style-type: none"> <li>• Deployment of specialist capability across councils or functions.</li> <li>• Reliance on small or single-person roles.</li> </ul>	<ul style="list-style-type: none"> <li>• Ability to manage workloads and priorities across a larger organisation, where scale increases.</li> <li>• Risks to workforce sustainability during transition, where change is extensive or concurrent with other reforms.</li> </ul>
Process simplicity and consistency	<ul style="list-style-type: none"> <li>• Whether the arrangements would support simpler and more</li> </ul>	<ul style="list-style-type: none"> <li>• Consistency of planning, consenting, and regulatory processes.</li> </ul>	<ul style="list-style-type: none"> <li>• Reduction in avoidable complexity or confusion, where existing</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
	consistent processes for staff and communities.	<ul style="list-style-type: none"> <li>Ease of navigation for communities and stakeholders.</li> </ul>	arrangements are fragmented. <ul style="list-style-type: none"> <li>Risks that standardisation could reduce functional or place-based fit, where local variation is important.</li> </ul>
Transition impact on productivity	<ul style="list-style-type: none"> <li>Whether there is a material risk that transition would constrain productivity in the short term to an unacceptable degree.</li> </ul>	<ul style="list-style-type: none"> <li>Scale of transition activity relative to available staff capacity.</li> <li>Diversion of staff time from core work during transition.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigations available to manage short-term productivity impacts, where transition is complex or phased.</li> <li>Interaction with other concurrent reforms or change programmes affecting local authorities.</li> </ul>

## Objective c: efficiencies and cost savings

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how best to achieve efficiencies and cost savings as part of the options for reorganisation of local government in Southland. This includes operating costs, shared services, efficiencies accrued through amalgamating or streamlining regulatory processes or harmonising relationships, and how resources are used across councils. It also includes how costs are spread across different communities.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Strong concern was expressed about rates affordability, with many communities describing recent and projected increases as unsustainable for households and businesses.
- Feedback emphasised the importance of distinguishing real, structural efficiencies from savings that rely on assumed behavioural change or optimistic implementation assumptions.
- Engagement highlighted concern about how costs and savings would be distributed across communities, particularly given Southland's uneven rating bases and the sensitivity of smaller districts to cost reallocation, including where geographically specific cost structures or legacy arrangements may be affected by reorganisation (for example, Gore's electricity arrangements, and Ohai Railway Board assets).



- Repeated warnings were raised that transition and disruption costs are likely to be material, front-loaded, and difficult to offset in the short term.
- There was concern that short-term efficiencies could be offset by higher long-term operating or capital costs if functional fit and organisational resilience are not adequately addressed.
- Councils also highlighted Southland-specific financial features, including particular assets, liabilities, and revenue sources, that could materially affect net cost outcomes under different arrangements.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of whether arrangements could reduce, increase, or reallocate efficiencies or costs over time. It focuses on credible and sustainable cost savings or efficiencies, not headline savings. Judgement is required where costs, benefits, and risks fall unevenly or occur over different timeframes.

**Table 4: Clause 10, objective c assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Net cost impacts	<ul style="list-style-type: none"> <li>• Whether the arrangements would reduce, increase, or reallocate overall costs for councils over time.</li> </ul>	<ul style="list-style-type: none"> <li>• Changes in operating and overhead costs.</li> <li>• One-off transition and implementation costs.</li> </ul>	<ul style="list-style-type: none"> <li>• Timing of costs and savings over the short and longer term, where impacts are front-loaded or deferred.</li> <li>• Interaction between operating savings and capital or transition costs.</li> </ul>
Credibility of efficiencies	<ul style="list-style-type: none"> <li>• Whether claimed efficiencies are credible and likely to be realised in practice.</li> </ul>	<ul style="list-style-type: none"> <li>• Extent to which efficiencies are structural rather than reliant on assumed behavioural change.</li> <li>• Sensitivity of savings to conservative assumptions.</li> </ul>	<ul style="list-style-type: none"> <li>• Evidence from comparable arrangements or existing shared services, where functions are materially similar.</li> <li>• Risks that efficiencies are overstated or double-counted, particularly where existing arrangements already exist.</li> </ul>
Distribution of costs and savings	<ul style="list-style-type: none"> <li>• How costs and savings would be distributed across councils and communities.</li> </ul>	<ul style="list-style-type: none"> <li>• Differential impacts on councils with smaller rating bases.</li> </ul>	<ul style="list-style-type: none"> <li>• Cross-subsidies or reallocation effects that materially affect particular communities.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
		<ul style="list-style-type: none"> <li>Potential cross-subsidies or shifts in cost burden.</li> </ul>	<ul style="list-style-type: none"> <li>Implications for ratepayers where costs and benefits accrue unevenly.</li> </ul>
Long-term cost sustainability	<ul style="list-style-type: none"> <li>Whether the arrangements would support sustainable cost profiles over time.</li> </ul>	<ul style="list-style-type: none"> <li>Exposure to future cost pressures, including regulatory and infrastructure demands.</li> <li>Risk that short-term savings are offset by longer-term costs.</li> </ul>	<ul style="list-style-type: none"> <li>Alignment between cost savings and ongoing service and functional needs.</li> </ul>

## Objective d: assurance that any local authority established or changed has the resources necessary to enable it to effectively perform or exercise its responsibilities, duties, and powers

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how best to achieve assurance that options will have sufficient and sustainable resources to perform the functions imposed on local government in Southland. This includes responsibilities imposed by legislation, workforce capability and capacity, systems, funding, and access to specialist skills, and whether this can be sustained over time. This objective is concerned with assurance that councils have the resources and capability to meet the core responsibilities expected from local government in Southland, including responsibilities under legislation.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Councils described ongoing difficulty attracting and retaining specialist staff, with reliance on small teams and single-person roles creating fragility in some statutory functions.
- Engagement highlighted concern about councils' ability to deliver and maintain core infrastructure and services under different arrangements.
- Environment Southland feedback emphasised that councils carry different statutory responsibilities, and that capability and resource needs vary accordingly across regional and territorial functions.



- Concern was raised that fragmented or duplicated systems can undermine the effective performance of regulatory, compliance, and environmental management duties.
- Strong caution was expressed that reorganisation could disrupt the performance of statutory duties during transition if organisational capacity is stretched.
- Councils noted that multiple concurrent reforms and change programmes are already placing pressure on baseline workforce and organisational capacity.
- Engagement highlighted the importance of arrangements that can sustain capability and resilience over time, not only at the point of transition.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of whether arrangements provide sufficient organisational and financial capability to perform or exercise responsibilities, duties, and powers, including obligations under legislation. It is about assurance and resilience, not certainty that all risks are eliminated. Transition and continuity risks form a part of this assessment, but the Commissioners must also take a longer-term view of the ongoing viability of any option to meet the responsibilities imposed on local government in Southland.

**Table 5: Clause 10, objective d assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Organisational capability and capacity	<ul style="list-style-type: none"> <li>• Whether the arrangements would provide sufficient organisational capability and capacity to carry out responsibilities, including statutory requirements.</li> <li>• Whether that capability would be resilient rather than dependent on fragile or single-person roles.</li> </ul>	<ul style="list-style-type: none"> <li>• Availability and resilience of workforce capability required for functions.</li> <li>• Adequacy of systems, processes, and organisational support for core regulatory and service functions.</li> </ul>	<ul style="list-style-type: none"> <li>• Reliance on small teams or specialist roles where organisational scale or structure changes.</li> <li>• Risks to capability where functions are consolidated, redistributed, or newly integrated.</li> </ul>
Financial resources and resilience	<ul style="list-style-type: none"> <li>• Whether the arrangements would provide sufficient financial resources to meet obligations over time.</li> </ul>	<ul style="list-style-type: none"> <li>• Revenue base, financial headroom, and exposure to financial risk relative to statutory responsibilities.</li> <li>• Ability to fund operating costs, asset maintenance, and renewals needed to perform functions.</li> </ul>	<ul style="list-style-type: none"> <li>• Exposure to financial risk arising from transition costs or timing mismatches.</li> <li>• Sensitivity to changes in funding assumptions or cost pressures, where margins are tight.</li> </ul>



Criteria	Core considerations (Interpretive guidance)	Core measures and information	Conditional measures and information
Transition and continuity risk	<ul style="list-style-type: none"> <li>Whether there is a material risk that transition would undermine the ability to perform functions.</li> </ul>	<ul style="list-style-type: none"> <li>Scale and complexity of transition relative to available capacity.</li> <li>Risks to continuity of regulatory, compliance, and service delivery during transition.</li> </ul>	<ul style="list-style-type: none"> <li>Mitigations available to manage identified risks, where transition is staged or prolonged.</li> <li>Interaction with other concurrent reforms or change programmes affecting councils.</li> </ul>

## Objective f: enhanced effectiveness, efficiency, and sustainability of local government services

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how best to enhance the effectiveness, efficiency and sustainability of local government across Southland. This includes how services are delivered, maintained, and improved over time, and how core local government infrastructure that delivers these services is funded or operated. It also includes whether service arrangements are resilient and can be sustained in the longer term.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Communities and councils emphasised the importance of maintaining reliable and effective service delivery, particularly for essential, regulatory, and environmental services.
- Concern was raised about the ability of current arrangements to sustain service quality over time in the face of rising costs, regulatory standards, and climate-related pressures.
- Feedback highlighted that Southland's geography and dispersed settlements shape how services are delivered and experienced, particularly for remote communities.
- Feedback noted tension between achieving consistency across the region and retaining flexibility to respond to different local needs and circumstances.
- Strong emphasis was placed on the effectiveness and continuity of catchment-based environmental management and emergency management services.
- Concern was also expressed that communities could experience reduced service reliability in the short-term during transition if change is not carefully managed.



## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of how arrangements affect service delivery for communities. It focuses on service performance, reliability, and sustainability over time, not on organisational efficiency or cost savings alone. Trade-offs between consistency and local fit should be made explicit.

**Table 6: Clause 10, objective f assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Service performance and reliability	<ul style="list-style-type: none"> <li>Whether the arrangements would support reliable and effective delivery of local government services.</li> <li>Whether essential and regulatory services could be maintained during and after any transition.</li> </ul>	<ul style="list-style-type: none"> <li>Ability to maintain service levels during and after transition.</li> <li>Risks to continuity of essential or regulatory services.</li> </ul>	<ul style="list-style-type: none"> <li>Implications for service responsiveness and quality, where delivery models change.</li> <li>Risks of short-term disruption where transition is complex or prolonged.</li> </ul>
Fit with Southland conditions	<ul style="list-style-type: none"> <li>Whether services would be delivered in ways that reflect Southland's geography and communities.</li> </ul>	<ul style="list-style-type: none"> <li>Ability to deliver services across large distances and dispersed settlements.</li> <li>Balance between regional consistency and local responsiveness.</li> </ul>	<ul style="list-style-type: none"> <li>Alignment with place-based service needs, where standardisation or centralisation is proposed.</li> <li>Impacts on remote or smaller communities, where local service presence changes.</li> </ul>
Operational efficiency of services	<ul style="list-style-type: none"> <li>Whether the arrangements would enable services to be delivered efficiently in practice.</li> </ul>	<ul style="list-style-type: none"> <li>Opportunities to streamline service delivery models.</li> <li>Coordination across related services or providers.</li> </ul>	<ul style="list-style-type: none"> <li>Avoidance of unnecessary duplication in service provision, where consolidation is proposed.</li> <li>Risks that efficiency gains could undermine service quality or accessibility.</li> </ul>
Service sustainability over time	<ul style="list-style-type: none"> <li>Whether the arrangements would support services that can be sustained over the long term.</li> <li>Whether the arrangements would support the ongoing</li> </ul>	<ul style="list-style-type: none"> <li>Resilience to future demand, cost, and regulatory pressures.</li> <li>Ability to adapt services over time.</li> <li>Implications for long term maintenance, renewal, and investment in core</li> </ul>	<ul style="list-style-type: none"> <li>Risks of service degradation if pressures increase.</li> <li>Dependence on fragile capability or funding arrangements, where margins are tight.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
	maintenance, renewal, and resilience of infrastructure that underpins service delivery.	infrastructure required to deliver services.	

## Domain 3: Place, identity, and current and future community needs

### Guidance and background information

#### Assumptions and limits

This domain relates to how different options for the reorganisation of local government in Southland may affect responsiveness to the opportunities, needs, and circumstances of the affected areas, and support local and regional economic development. This domain focuses on place-based fit and future responsiveness. It does not assess democratic legitimacy or co-governance or co-management arrangements between local authorities and iwi or Māori established by legislation, which are addressed in Domains 1 and 4 respectively.

There are three of the nine clause 10 objectives in this domain: e, g, and h. Note that they are grouped for assessment purposes rather than by legislative order.

This assessment is subject to the following assumptions and limitations:

- place-based impacts are highly context-specific and vary across communities and settlements
- economic, social, and service geographies do not always align with local authority boundaries
- views about place, identity, and future needs are not uniform within or between communities
- future opportunities and needs are inherently uncertain and require judgement about trajectories
- impacts may differ across time horizons, with some effects not evident in the short term, and
- it is not possible at this stage to test all plausible future scenarios in detail.



## Objective e: effective responses to the opportunities, needs, and circumstances of the affected areas

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how the options of reorganisation of local government will effectively respond to the opportunities, needs and circumstances in Southland. This includes local circumstances such as geography, settlement patterns, and distance. It also includes how arrangements recognise that needs differ across the region.

#### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Feedback highlighted Southland's economic contribution at a national level, and concern that central government investment does not always reflect the region's contribution to national economic output.
- Southland was described as a region of distinct places, with different communities experiencing different needs and circumstances. Identity was described as layered, with strong local identities sitting alongside a shared regional identity.
- Feedback included that communities of interest and service catchments do not always align with existing council boundaries.
- Rural service towns were identified as important hubs that shape access to services and daily life for surrounding communities.
- Regional and territorial councils were described as having different roles, responsibilities, and time horizons that affect how local needs are addressed.
- Cross-boundary connections, including links with Otago, were described as relevant to how local needs are met in practice.

### Criteria and measures

#### How to use the criteria and measures table

This table supports assessment of how well arrangements respond to Southland's opportunities, needs, and circumstances. It considers place-based fit, local circumstances, and functional patterns that shape how people live, work, and access services. It does not assess democratic legitimacy or service performance, which are addressed elsewhere in the framework. Judgement is required where scale, boundaries, or functional arrangements cut across lived communities or practical patterns of use.



**Table 7: Clause 10, objective e assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Place-based fit	<ul style="list-style-type: none"> <li>Whether the arrangements would reflect the distinct places and communities across Southland, including geography and settlement patterns, and how people live and use services.</li> </ul>	<ul style="list-style-type: none"> <li>Geography, distance, and settlement patterns across the affected area, including remote communities.</li> <li>Alignment between governance structures and the places people live and use services.</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of how arrangements reflect differences between rural settlements, service towns, and larger centres, where boundaries or scale change.</li> <li>Risks where governance structures cut across established place identities or patterns of daily life.</li> </ul>
Responsiveness to local circumstances	<ul style="list-style-type: none"> <li>Whether the arrangements would recognise and respond to different local needs and circumstances across the region.</li> <li>Whether arrangements allow for differences in local opportunity, constraint, and risk across the region.</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of local variation in needs and circumstances, including rural and urban differences.</li> <li>How arrangements support responsiveness to local circumstances, including distance and access constraints.</li> </ul>	<ul style="list-style-type: none"> <li>How arrangements support responsiveness to local circumstances, where decision-making is centralised or standardised.</li> <li>Examples where local circumstances require different approaches across the region.</li> </ul>
Communities of interest and functional catchments	<ul style="list-style-type: none"> <li>Whether the arrangements would align with communities of interest and functional catchments that shape everyday life in Southland.</li> </ul>	<ul style="list-style-type: none"> <li>Known communities of interest, service catchments, and travel-to-service patterns.</li> </ul>	<ul style="list-style-type: none"> <li>Cross-boundary communities or functional clusters that do not align with proposed boundaries.</li> <li>The role of service hubs and service-town relationships, where governance boundaries change.</li> </ul>
Functional roles and responsibilities	<ul style="list-style-type: none"> <li>Whether the arrangements would recognise differences in roles and responsibilities across regional and territorial functions.</li> <li>Whether differences in roles and responsibilities create opportunities or constraints in particular places.</li> </ul>	<ul style="list-style-type: none"> <li>Differences between regional and territorial functions, including stewardship and place-based responsibilities.</li> </ul>	<ul style="list-style-type: none"> <li>How regional and territorial responsibilities interact in specific places, where functions are reorganised.</li> <li>Differences in time horizons and risk profiles associated with different functions.</li> </ul>



# Objective g: better support for the ability of local and regional economies to develop and prosper

## Guidance and background information

### Plain language description

This objective requires Commissioners to consider how the options for reorganisation of local government Southland will achieve better support for the ability of local and regional economies to develop and prosper. It relates to economic activity across Southland and the wider region, and includes planning and investment across economic areas that may cross council boundaries. It also includes how arrangements relate to key industries, service centres, and regional connections.

### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Economic activity in Southland was described as operating across functional areas that may cross council boundaries.
- Service hubs and regional centres were described as playing a key role in supporting surrounding rural economies.
- There are strong economic and labour market connections between parts of Southland and neighbouring regions.
- Infrastructure, transport, and land use planning were described as shaping how the regional economy functions.
- Economic activities and priorities differ across places within the region.
- Alignment between governance arrangements and how the economy operates in practice was described as relevant to economic development.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of how arrangements align with the way local and regional economies function. It focuses on coordination, alignment, and resilience, not on forecasting growth or investment outcomes. Functional economic areas are central to this assessment.



**Table 8: Clause 10, objective g assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Alignment with functional economic areas	<ul style="list-style-type: none"> <li>Whether the arrangements would align with how the Southland economy operates across local and regional scales.</li> </ul>	<ul style="list-style-type: none"> <li>Evidence on functional economic areas, including commuting and labour market patterns.</li> <li>Key economic flows and connections that cross council boundaries.</li> </ul>	<ul style="list-style-type: none"> <li>Cross-boundary economic connections beyond Southland, where governance arrangements change.</li> <li>Risks where governance boundaries cut across established economic patterns or catchments.</li> </ul>
Coordination of planning and investment	<ul style="list-style-type: none"> <li>Whether the arrangements would support coordination of planning, infrastructure, and investment decisions relevant to economic activity.</li> </ul>	<ul style="list-style-type: none"> <li>How planning and infrastructure decisions are coordinated across councils and agencies.</li> <li>Alignment between economic development activity and where decision authority sits.</li> </ul>	<ul style="list-style-type: none"> <li>Examples of infrastructure, land use planning, or investment decisions that require cross-area coordination, where fragmentation or consolidation changes.</li> <li>Risks of misalignment where responsibilities are split or duplicated.</li> </ul>
Support for economic diversity	<ul style="list-style-type: none"> <li>Whether the arrangements would reflect differences across industries, places, and local economies within Southland.</li> </ul>	<ul style="list-style-type: none"> <li>Key industries and economic activities across different parts of the region.</li> <li>The role of service centres and regional hubs in supporting surrounding areas.</li> </ul>	<ul style="list-style-type: none"> <li>Differences in economic priorities or opportunities across places, where standardised approaches are proposed.</li> <li>Risks that smaller or specialised local economies could be marginalised under larger governance structures.</li> </ul>

## Objective h: enhanced ability of local government to meet the changing needs of communities for governance and services into the future

### Guidance and background information

#### Plain language description

This objective requires Commissioners to consider how the options for reorganisation of local government in Southland would enhance its ability to meet the changing needs of communities across both governance and services into the future. It relates to local government's ability to adapt as community needs change over time. This includes responding to growth, decline, and demographic



change, managing long-term risks and stewardship responsibilities, and ensuring arrangements remain workable under uncertainty.

### Context

The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

- Communities in Southland were described as likely to change over time, including through population growth, decline, and demographic change.
- Some local government functions were described as involving long-term stewardship and risk management with impacts over decades.
- Engagement raised the issue of how benefits and impacts are experienced by different communities over time.
- Different parts of Southland were described as facing different future trajectories, including growth, stability, or decline.
- The need for governance and service arrangements to adapt over time without losing local responsiveness was noted.
- Uncertainty about future conditions was described as a relevant consideration for long-term arrangements.

### Criteria and measures

#### How to use the criteria and measures table

This table supports assessment of whether arrangements are adaptable and durable under future change. It focuses on long-term stewardship and flexibility, not on predicting specific future conditions. Judgement is required where future trajectories differ across communities.

**Table 9: Clause 10, objective h assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Adaptability over time	<ul style="list-style-type: none"> <li>• Whether the arrangements would be able to adapt as community needs and expectations change over time.</li> </ul>	<ul style="list-style-type: none"> <li>• Ability of governance and service arrangements to adjust over time.</li> <li>• Ability for arrangements to be modified without repeated structural change.</li> </ul>	<ul style="list-style-type: none"> <li>• Responsiveness to growth or decline in particular areas, where trajectories diverge materially.</li> <li>• Flexibility to respond to emerging needs without loss of local responsiveness.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Long-term stewardship and risk	<ul style="list-style-type: none"> <li>Whether the arrangements would support long-term stewardship and management of risks that unfold over decades.</li> </ul>	<ul style="list-style-type: none"> <li>Long time horizons associated with key functions, including environmental, infrastructure, and hazard-related responsibilities.</li> <li>Governance arrangements that support continuity of stewardship over time.</li> </ul>	<ul style="list-style-type: none"> <li>Exposure to long-term risks that are uneven across the region.</li> <li>Ability to manage cumulative or compounding risks under changing conditions.</li> </ul>
Different future trajectories	<ul style="list-style-type: none"> <li>Whether the arrangements would accommodate different future trajectories across places within Southland.</li> </ul>	<ul style="list-style-type: none"> <li>Evidence of different trajectories across communities, including growth, stability, or decline.</li> </ul>	<ul style="list-style-type: none"> <li>Ability to respond to change in some areas while maintaining governance and services in others.</li> <li>Implications for communities with small populations or remote locations.</li> </ul>
Durability of arrangements	<ul style="list-style-type: none"> <li>Whether the arrangements would remain workable under uncertainty and changing conditions over time.</li> </ul>	<ul style="list-style-type: none"> <li>Sensitivity to uncertainty and change, including demographic, economic, or environmental shifts.</li> </ul>	<ul style="list-style-type: none"> <li>Risks that arrangements could become misaligned with future needs.</li> <li>Likelihood that further structural change would be required to remain effective.</li> </ul>

## Domain 4: Statutory partnership and management obligations with iwi and Māori

### Guidance and background information

#### Assumptions and limits

This domain considers how the options for local government in Southland may affect the effective provision for statutory co-governance and co-management arrangements that are established by legislation, including Treaty of Waitangi settlement legislation.

This assessment is subject to the following assumptions and limitations:

- statutory partnership arrangements vary in form, scope, and maturity across the region

There is one of the nine clause 10 objectives in this domain: i.



- the quality of partnership practice may differ from formal structural provisions
- capacity constraints may affect the ability of parties to participate effectively
- changes to governance arrangements may have unintended consequences for existing relationships or arrangements
- some impacts on trust and partnership effectiveness may emerge over time, and
- evidence about relationship quality and partnership effectiveness is often qualitative and contextual.

Accordingly, assessment under this domain requires careful judgement about risk, durability, and alignment with statutory obligations.

This domain does not assess how the options for local government organisation might affect relationships or arrangements that local authorities and iwi or Māori groups have entered into that are not required by or anchored in legislation.

## **Objective i: effective provision for any co-governance and co-management arrangements that are established by legislation (including Treaty of Waitangi claim settlement legislation) and that are between local authorities and iwi or Māori organisations**

### **Guidance and background information**

#### **Plain language description**

This objective requires Commissioners to consider how the options for local government reorganisation in Southland will continue to provide for co-governance and co-management arrangements with iwi or Māori organisations that are established by legislation, including Treaty of Waitangi settlement legislation. It encompasses the effectiveness of those arrangements, and how councils and iwi or Māori organisations work together in Southland as part of them.

#### **Context**

- The following issues have been raised through engagement and consultation to date. They form part of the evidence base that Commissioners can consider under this objective.

Southland has existing statutory co-governance and co-management arrangements arising from Treaty of Waitangi settlement legislation.

- Arrangements reflect specific rights, interests, and responsibilities that must continue to be met (for example, the Murihiku rohe extends beyond the formal boundary of Southland into Otago as reflected in the Charter of Understanding between Te Ao Mārama and Southland and Otago councils).



- Engagement highlighted the importance of clarity about how statutory arrangements would operate under any changed governance structures.
- Councils and iwi or Māori organisations currently engage through a range of formal and informal mechanisms.
- Capacity and resourcing were raised as relevant factors in how statutory partnership arrangements function in practice.
- Feedback emphasised the need to avoid disruption to existing relationships and agreed processes established through legislation.

## Criteria and measures

### How to use the criteria and measures table

This table supports assessment of whether statutory co-governance and co-management arrangements would continue effectively under different structures. It is anchored in legislative requirements and focuses on continuity, clarity, and workability, not on broader partnership or Treaty policy matters.

**Table 10: Clause 10, objective i assessment criteria and measures**

Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Continuity of statutory arrangements	<ul style="list-style-type: none"> <li>• Whether the arrangements would maintain existing statutory co-governance and co-management arrangements established by legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• Existing co-governance and co-management arrangements established through legislation.</li> <li>• Legislative provisions that specify governance, management, or decision-making roles.</li> </ul>	<ul style="list-style-type: none"> <li>• How arrangements would continue under different structural options, for example under the status quo, or where councils are merged, dissolved, or reconfigured.</li> <li>• Risks of disruption or unintended change to statutory arrangements during transition.</li> </ul>
Clarity of roles and responsibilities	<ul style="list-style-type: none"> <li>• Whether the arrangements would provide clear roles and responsibilities for councils and iwi or Māori organisations under statutory arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>• Allocation of governance, management, and operational roles under proposed arrangements.</li> <li>• Alignment with roles specified in Treaty settlement and other relevant legislation.</li> </ul>	<ul style="list-style-type: none"> <li>• Clarity of decision-making pathways and accountabilities, where organisational structures change.</li> <li>• Risks of ambiguity where responsibilities are split across multiple entities.</li> </ul>



Criteria	Core considerations (interpretive guidance)	Core measures and information	Conditional measures and information
Workability of partnership arrangements	<ul style="list-style-type: none"> <li>Whether the arrangements would support statutory co-governance and co-management arrangements to function in practice.</li> </ul>	<ul style="list-style-type: none"> <li>Existing mechanisms used to support co-governance and co-management arrangements.</li> <li>Resourcing, capability, and administrative requirements associated with partnership arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>Capacity implications for iwi or Māori organisations, where the number or complexity of arrangements changes.</li> <li>Risks that administrative or governance demands become duplicative or unsustainable.</li> </ul>
Protection of statutory rights and interests as part of co-governance or co-management arrangements	<ul style="list-style-type: none"> <li>Whether the arrangements would continue to recognise and protect rights and interests held by iwi or Māori organisations as part of co-governance or co-management arrangements established through legislation.</li> </ul>	<ul style="list-style-type: none"> <li>Statutory rights, interests, and obligations created through legislation that are part of co-governance or co-management arrangements.</li> <li>Evidence of how those rights and interests are recognised in governance and management arrangements.</li> </ul>	<ul style="list-style-type: none"> <li>Risks of dilution, fragmentation, or unintended alteration of rights or interests that are part of co-governance or co-management arrangements established by legislation, where governance scale or structures change.</li> <li>Safeguards proposed to maintain integrity through transition.</li> </ul>



# Appendix 1 How workshop feedback informed the framework

Feedback from Te Ao Mārama and councils was a key input to the design and refinement of the clause 10 assessment framework. Inputs included facilitator notes and recordings from the Te Ao Mārama hui and the council workshop, online whiteboard notes from the council session, and a written submission from Environment Southland. This feedback was considered alongside input from Commissioners and officials and has informed both the structure of the framework and how it is intended to be applied.

## Te Ao Mārama feedback, 1 April hui

Several themes from the Te Ao Mārama hui are now clearly reflected in the framework.

- Te Ao Mārama emphasised a holistic view of the clause 10 objectives, cautioning against treating domains as silos. This is reflected in the framework design, which groups objectives into domains for usability, but explicitly requires Commissioners to consider all domains together when making an overall assessment, which involves the exercise of evaluative judgement. The final section of the report sets out a clear, integrated process for bringing domain-level assessments together.
- Te Ao Mārama raised concerns about the risk of efficiency or economic considerations dominating by default. In response, the framework strengthens the requirement for transparent narrative reasoning, makes trade-offs explicit, and requires Commissioners to record where impacts fall unevenly across communities.
- Te Ao Mārama highlighted capacity constraints on iwi and the risks of duplicated engagement. This feedback is reflected in the assumptions and limits for Domain 1 and Domain 4, which explicitly recognise finite participation capacity and emphasise the need for sustainable, workable arrangements. The framework also distinguishes clearly between democratic participation considerations and statutory co-governance obligations.
- The framework also reflects Te Ao Mārama feedback by making environmental wellbeing clearer within Domain 1, objective a. This aspect was not previously easy to see or distinct, and the feedback was used to improve how it is shown in the framework.
- Te Ao Mārama stressed that some impacts can only be assessed by mana whenua. The framework now explicitly recognises iwi-led input, developed with Te Ao Mārama, as a necessary evidence source for certain domains, rather than treating all evidence as interchangeable.

## Council feedback, 30 March workshop

Several consistent themes from councils are now reflected in the framework.



- Councils repeatedly emphasised the need for explicit handling of trade-offs and weighting across clause 10 objectives. In response, the framework avoids rigid scoring, weighting, or rating scales, and instead strengthens guidance on how Commissioners should make and record evaluative assessments, supported by narrative reasoning and a clear process for bringing together objective-level and domain-level assessments.
- Councils stressed that scale does not automatically equate to efficiency, particularly in Southland's large and sparsely populated geography. This feedback is reflected in Domain 2 assumptions and criteria, which explicitly caution against assuming efficiency gains from scale, recognise labour market constraints, transition costs, and the risk of duplicated effort across large distances, and require judgement about plausibility and timing of efficiency claims.
- Councils highlighted the importance of democratic voice below the council table, including community boards, local identity, and proximity of decision-making. This feedback is reflected in Domain 1 criteria and measures, which now explicitly assess sub-local governance, delegation, accessibility, public legitimacy, and risks of identity loss, rather than relying on representation ratios alone.
- Councils emphasised the need to recognise existing arrangements that already work, including shared services, Council-Controlled Organisations, and cross-boundary collaboration. The framework now consistently treats existing arrangements as relevant context, and cautions against double-counting efficiencies or assuming new structures would automatically improve performance.
- Councils raised strong concern about transition risk, including front-loaded costs, disruption to capability, and impacts on service continuity. These issues are reflected across Domain 2 and Domain 4 assumptions and measures, and in the final guidance on making an overall clause 10 judgement, which requires Commissioners to explicitly consider transition risks and uneven impacts.
- Councils raised sensitivity about public-facing language, particularly the term "co-governance". While the framework retains statutory language where required, it now clearly distinguishes between statutory obligations and broader partnership practice, and frames assessment in neutral, descriptive terms rather than normative labels.



## Matters raised but not incorporated into the framework

### **Framing the purpose of local government (objective a) as a korowai and why it was not adopted**

Te Ao Mārama described the purpose of local government (objective a) as a korowai, or overarching kaupapa, to inform how trade-offs between objectives are considered, rather than to elevate one objective above others.

This framing was carefully considered and tested during development of the framework. Clause 10 requires Commissioners to take into account how best to achieve all of the objectives listed in the clause when assessing the options for the reorganisation of local government in Southland. Adopting a framework at the outset that promotes or weights one or more of these objectives above others – however well-intentioned – would increase the risk of challenge to a decision. This framework therefore applies clause 10 as intended by the legislation.

Commissioners may consider that some areas are more relevant than others to the reorganisation of local government in Southland when they have considered all the evidence, but they should not prejudice or predetermine which areas are more important than others at the outset.

This feedback is recorded here so it remains visible, even though it has not been incorporated into the framework.

### **Additional considerations, scope limits, and thresholds**

Environment Southland provided a detailed written submission emphasising functional differences between regional councils and territorial authorities, system-scale risk, long-term stewardship responsibilities, and the risk of majority validation masking system adequacy.

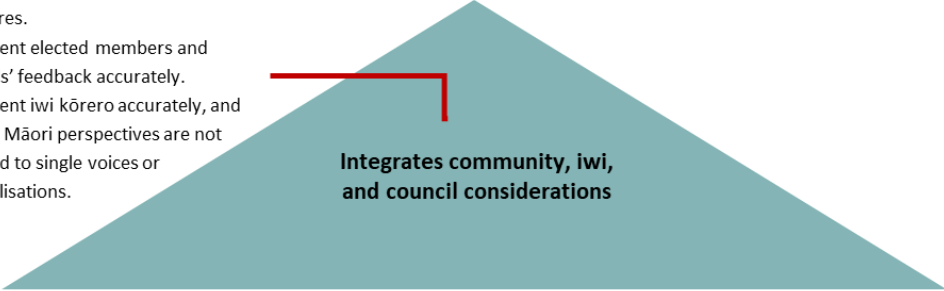
The framework has not added a separate domain, as this would extend beyond the statutory structure of clause 10 and the agreed Phase 1 scope. Instead, the matters raised in the Environment Southland submission have been addressed by strengthening Domain 2 and Domain 3 assumptions and criteria, explicitly recognising long-term system and stewardship risks, and making assurance of statutory capability and continuity explicit under Objective d.

Councils also asked whether the framework could define thresholds or stopping rules for whether an investigation should proceed. The framework does not include thresholds or sufficiency tests, as clause 10 requires comparative judgement rather than pass-fail determinations, and Phase 1 does not involve option selection.



# Appendix 2 Design principles

- Make clear how engagement insights from community inform criteria and measures.
- Represent elected members and councils' feedback accurately.
- Represent iwi kōrero accurately, and ensure Māori perspectives are not reduced to single voices or generalisations.



**Integrates community, iwi, and council considerations**

**Fit for audience and for purpose**

- Focus on what Commissioners need to make defensible decisions.
- Keep the structure simple and easy to navigate.
- Cut material that does not directly support clause 10 analysis.
- Ensure the framework provides space for the uniqueness of Southland, and of affected authorities and communities, to be considered.
- Ensure the framework is clear so people can understand it, engage with it, and provide useful input, and support interested parties to be heard and understood.

**Enables transparent and consistent judgement**

- Separate evidence from interpretation, and clearly mark judgement points, assumptions, and trade offs.
- Provide a simple assessment method that looks across measures, including qualitative feedback, so readers can see how assessments were reached, to avoid debate.
- Record uncertainty and evidence limits rather than masking gaps.
- Define terms and levels so they can be applied consistently, including coherent decision rules rather than subjective descriptors.

**Proportionate**

- Include only criteria that materially influence clause 10 judgements.
- Feasible to apply in practice – avoid over detailed sub-criteria that create noise.
- Keep descriptions short and plain.
- Provide guidance to prioritise measures and focus if capacity or timeline is constrained.

**Statutorily aligned and legally robust**

- Anchor the framework to clause 10, and keep a clear chain from clause 10 requirements to criteria to measures.
- Avoid adding criteria or subtests that are not clearly supported by statute.
- Ensure the process aligns with the Commission's reorganisation process.
- Keep language neutral and factual.
- Ensure relevant sources of evidence are considered (existing or new material).
- Demonstrate an open mind (outcomes are not predetermined).



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