



HEAD START

PROJECT **PROPOSAL**

Southland District Council
and Gore District Council

GO
DISTRICT COUNCIL
RE



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Proposal Summary

Southland District Council and Gore District Council propose that a two unitary authority council structure would provide significant advantages in delivering a wide and complex range of services efficiently, through a simplified structure. We have presented a high-level subregional proposal intended to reduce duplication, improve accountability, and preserve local voice.

The proposed model replaces the current four-council structure with a subregional model, consisting of:

- **An Invercargill City Council (Unitary Authority)** based on the current Invercargill City Council boundary, retaining Bluff Community Board.
- **A Greater Southland Council (Unitary Authority)** combining the current Southland District and Gore District boundaries, retaining existing and establishing new local or community boards.

Representation, wards, and local/community board delegations will be refined in the detailed design phase.

Our proposal:

- Creates a simpler, more efficient, and financially sustainable local government system while maintaining strong local representation and decision-making.
- Represents an agile approach to simplification of local government which is less complex and has the advantage of being implemented relatively quickly, supporting one of government's objectives of a more effective resource planning system.
- Is subregional and meets eligibility criteria through combining more than one territorial authority and transferring regional functions into fewer local authorities overall. This aligns directly with the guidance on eligible subregional proposals.
- Will strengthen local voice and enhance local representation through local boards or community boards, ensuring the model reflects the community it serves. Further design together with mana whenua will ensure Treaty settlement arrangements continue with equivalent effect.
- Is intended to be high-level and strategic. While this model reduces complexity and duplication, it requires careful design to protect local voice and manage catchment-based regional functions.

Why this proposed structure?

Our proposal concludes that two unitary authorities represents the best overall fit against the Head Start assessment criteria. A single unitary authority may offer the greatest theoretical level of organisational integration, but it also carries greater risks to local voice, rural representation, and community confidence as well as greater transition risks and costs.

The proposed model retains separate urban and rural governance arrangements while consolidating functions where scale, capability and regional coordination are most important, including catchment management, data, science, and specialist services. The inclusion of a Regional Business Unit aligns with Te Rūnanga o Ngāi Tahu's aspirations of a takiwā-wide approach to the delivery of regional functions.

Detailed design will be carried out once confirmation of moving to the next phase is received. Transition arrangements, regional planning continuity, and cross-boundary catchments will need further work, but will be less complex and disruptive than a one Council model.

Consultation findings across Southland and Gore Districts very clearly indicate that communities are supportive of simplification, but only where strong local representation is preserved. For that reason, the proposal considers the two-council model to provide a more balanced and sustainable outcome than a single unitary authority.

Assessment Area	Status Quo	Single UA	Two UAs + RBU
Governance simplicity	Low	High*	High
Local representation	High	Moderate	High
Rural representation	High	Low	High
Planning alignment	Moderate	Very High	High
Deliverability	High	Moderate	High
Community acceptability	Moderate	Low	High

**Once local representation arrangements and the governance needed to keep them effective are factored in, this model may prove more complex than it initially appears.*

Our proposed model better balances local voice, rural representation, transition risk, and community acceptance. Overall, the proposal aims to create a simpler, more financially sustainable, and strategically aligned local government system that strengthens regional capability, while maintaining local representation and community influence.

Councils directly affected

Southland District Council

Southland District Council covers a large geographic area, home to a mix of urban towns and rural communities. It has history of successful community representation through community boards.

How this council is affected:

- the area managed by SDC would be incorporated into a Greater Southland Council
- the current community board structure would be retained with enhancements to responsibilities and delegations or local boards established where these have been identified as the most effective arrangement.

Gore District Council

Gore District Council is the smallest territorial authority in Southland and, on a relative basis, is a very lean council. It serves the region's second-largest urban centre and a compact surrounding rural area.

How this council is affected:

- the area managed by GDC would also be incorporated into a Greater Southland Council
- the Mataura community board would be retained with enhancements to responsibilities and delegations, or become a local board
- a community board or local board for Gore would be established
- GDC would retain its water assets within the Southern Waters joint water Council-Controlled Organisation if that arrangement still exists post local government changes.

We will develop further details on the structure of Boards (community or local) ensuring the type of structure effectively represents our communities of interest.

Invercargill City Council

Invercargill City Council (ICC) is the largest entity among the four councils with the greatest ratepayer concentration (excluding the regional council).

How this council is affected:

- ICC would remain a city-based territorial authority
- the Bluff community board would be retained.

Environment Southland

Environment Southland has authority of the following functions in the Southland region:

- Environmental management of the air, land, marine and freshwater ecosystems
- Monitoring and managing water quality and quantity
- Managing flood protection and control works
- Managing land use and sustainability
- Biosecurity management and conservation (animals and plants)
- Natural hazards (avoidance and mitigation)
- Harbour management and activities in the coastal marine area
- Allocation of water and contaminant discharge capacity
- Identification and monitoring of contaminated land.

Several regional functions are already delivered through shared arrangements involving all four Southland councils. These include emergency management, through Emergency Management Southland and the regional Emergency Coordination Centre; and regional transport, where responsibilities are shared between the regional council, territorial authorities, and public transport providers.

This demonstrates an existing foundation for collaborative regional service delivery and coordination across Southland.

How this council is affected:

- Environment Southland would be disestablished as a regional council
- Responsibilities would be allocated between councils and the RBU according to which body is best placed to deliver each function effectively.

Clutha Community of Interest and Boundary Considerations

Some communities in Clutha regard Gore as a community of interest. While this has not yet been fully explored, as part of the development of the detailed proposal, we would like to engage with Clutha to consider whether the natural boundary may extend to include parts of Clutha where appropriate, like whether areas such as Tapanui should be included.

Support for proposal

Council positions

This is a joint proposal from Gore District Council and Southland District Council.

Gore and Mataura community feedback was sought between 15 June and 27 July 2026 and received 372 responses. Of those responses, 52 submitters (14%) favoured one unitary authority for Southland, while 227 submitters (61%) preferred two unitary authorities for Southland. A petition submitted by Gore District residents to their Council, containing approx. 1100 signatures is included as supplementary information to this proposal.

Southland District Council community engagement undertaken in 2025, and again in 2026 has confirmed a preference within the community for a two-council model. Community Boards have supported this model, which will retain representation at a local level and support enhanced community board delegations. Community support is detailed more fully in the supplementary information attached.

Invercargill City Council supports one unitary authority for all of Southland, which has been supported by Environment Southland. Between 22 June and 12 July 2026 ICC engaged the community on this issue and received 92 submissions. Of those submitters, 38 (41%) supported a one unitary authority model, while 31 (34%) supported a two-council model.

Environment Southland has also advised in a letter sent to Southland District Council (attached as supplementary information), they will work constructively with any proposal that can demonstrate how it protects strong local voice, catchment integrity, regional capability, environmental stewardship, partnership with Ngāi Tahu ki Murihiku and clear accountability.

Cross-council working party

A joint working party comprising elected members from the four affected council was established to explore how democratic representation and community influence could be strengthened under a potential amalgamated Southland council structure.

The working party has identified emerging preference for two options, including a two-council model (two TAs supported by a joint CCO for regional functions) and one single unitary authority. A letter from the working party has been provided as supplementary information to this proposal.

Federated Farmers

Federated Farmers have publicly expressed strong support for a unitary authority comprising Southland District and the Gore District Councils, with Invercargill City Council operating as a separate unitary authority. A letter of support has been provided as supplementary information to this proposal.

Proposed governance structure

Our proposed model would replace the current four-council structure with two councils supported by a shared regional business unit (RBU), creating fewer decision-making bodies, clearer accountability, and stronger regional coordination. Under this model:

- Invercargill City Council would continue to deliver within the existing city boundary as a unitary authority.
- Greater Southland Council would combine the current Southland and Gore districts and assume responsibilities across the combined area as a unitary authority.
- The RBU would provide shared regional services requiring scale, specialist expertise, consistency, or regional coordination.

How regional functions will operate

The RBU would operate alongside, rather than above, the two unitary authorities and would not constitute an additional tier of local government.

The legal form of this entity and the functions it would deliver is subject to further detailed analysis, but the conceptual thinking at this stage is that it would be functions like catchment management, biosecurity, environmental science, and monitoring. Bringing these functions together would support implementation of the future planning system by improving alignment between regional spatial planning, natural environment planning, and land-use planning.

The two councils would retain responsibility for:

- Local infrastructure and service delivery
- Community facilities and amenities
- Place-based decision-making
- Community engagement and representation
- Local economic and community development.

The detailed design process would determine the operational structure for delivery of economic development, noting Gore District Council's preference that this service be brought in house, which would be one of the options considered.

The RBU approach would align with principles suggested by Te Rūnanga o Ngāi Tahu, including establishment of a joint takiwā-wide entity established to provide shared back-office and specialist functions on behalf of new unitary councils. While not encompassing Papatipu Rūnanga across the entire Te Waipounamu takiwā, a joint arrangement for Murihiku would address local issues effectively and reduce duplication.

Local Representation and Mana Whenua Participation

A core principle of our proposal is that governance simplification should not come at the expense of local voice. Local representation would be supported through:

- Retention of existing Southland Community Boards with enhancements where appropriate
- Establishment of a Gore Community/ Local Board
- Recognition of Mātāura's distinct community interests
- Enhanced board delegations (either community or local boards)
- Continued local service centres
- Place-based governance arrangements, including river liaison and catchment-focused structures where appropriate.

Representation arrangements, including wards, councillor numbers and community board structures, would be developed during the detailed design phase to ensure fair and effective representation of communities of interest. For example, the Gore District area will remain a minimum of 25% of a new unitary council and based on a council of 12 would have a minimum of three councillors.

Rating powers and representation would be based on equal population distribution to retain local decision making and community voice. Decisions on local or community board structures will be developed in partnership between SDC, GDC, and current board members.

The proposal also seeks to build on our existing relationships with mana whenua. Existing partnership mechanisms, including Te Ao Mārama Incorporated, Te Roopu Taiao Murihiku and He Huarahi mō Ngā Uri Whakatapu (Charter of Understanding), would provide the foundation for ongoing participation in governance, planning, and environmental management.

Community/Local board clarification

There is currently limited understanding of how community and local boards operate. While local boards are a legislated feature of Auckland's governance model, that approach may not be appropriate for Southland. As part of the detailed design process, we will need to ensure that any community or local board structure is tailored to the Southland context rather than simply replicating the Auckland model.

A key concern raised by communities is the need for legal recognition and protection of the boards' status. The focus should therefore be on determining the appropriate powers, functions, and parameters for Southland boards, while ensuring they have sufficient legal standing and certainty for the future.

Catchment-Based Governance

Te Rūnanga o Ngāi Tahu have stated river catchments should be the primary determinant of unitary council boundaries within the Ngāi Tahu takiwā, recognising that natural systems do not conform to current administrative boundaries.

Our proposal adopts a catchment-based approach to environmental management. Where river catchments extend across the boundaries of the two unitary authorities, management would be coordinated through joint catchment planning, shared technical expertise, common monitoring systems, coordinated governance arrangements, and agreed funding mechanisms through the Regional Business Unit.

This approach would apply to major catchments including the Maitai, Oreti, Aparima and Waiau catchments, helping ensure integrated management of freshwater, biodiversity, flood risk, land use, and environmental outcomes. This aligns with the aspirations of Te Rūnanga o Ngāi Tahu.

Potential Benefits

Preliminary analysis suggests the model could deliver significant long-term benefits, including:

- Reduced duplication across governance, management, planning, and corporate services.
- Improved financial sustainability through greater economies of scale and purchasing power.
- Stronger strategic planning and implementation of the future planning system.
- Better integration of environmental management, land-use planning, and infrastructure investment.
- Enhanced environmental resilience through catchment-based management and coordinated flood and hazard planning.
- Improved engagement with mana whenua through fewer, more streamlined council processes.
- Greater organisational capability and specialist expertise across planning, engineering, environmental science, finance, information technology, and emergency management.
- Clearer accountability and stronger regional leadership.
- Continued local representation through strengthened community governance arrangements.
- More consistent and resilient service delivery across the region.

Key Challenges

The principal challenges are transition-related and include:

- Implementation and transition costs.
- Perceptions that environmental issues are not adequately governed.
- Disruption to ongoing strategic initiatives during organisational change.

These risks require careful management through strong transition governance, clear communication, workforce planning, dedicated implementation resources, robust environmental arrangements, and continued partnership with mana whenua.

Supports the new planning system

Supporting community and environmental outcomes through streamlined planning arrangements

Our proposal supports implementation of the new planning system by reducing the number of planning authorities, consolidating regional planning functions, and improving alignment between regional spatial planning, natural environment planning, and land-use planning.

This would simplify planning processes, reduce duplication, streamline consultation and engagement, strengthen strategic integration, and provide clearer accountability for environmental and development outcomes across Southland.

Rural and urban communities face different challenges, opportunities, and growth pressures. By allowing each council to specialise in its core area of focus, the new planning system creates an opportunity for more effective and tailored planning. Dedicated governance and planning expertise within each council will enable more targeted solutions that reflect the distinct aspirations and needs of local communities.

The proposed two-council model, supported by shared regional capability, would help maintain planning continuity during transition while minimising disruption and making implementation of the new planning system less complex. This is particularly relevant given the scale of our combined land base and the fact that most land-use and marine planning needs to occur there. Adding Invercargill City priorities into that process could introduce unnecessary complexity without delivering additional benefit.

Moving to two authorities reduces duplication while strengthening opportunities for mana whenua participation in planning and environmental governance. Existing arrangements through Te Ao Mārama Incorporated and Te Roopū Taiao Murihiku provide a strong foundation for future planning partnerships.

Catchment Management

The RBU would provide stronger alignment through shared services, common environmental data systems, joint planning protocols, and formal cross-boundary arrangements for catchments, flood protection, coastal management, and regional monitoring. This approach would align with principles suggested by Te Rūnanga o Ngāi Tahu, including:

- Establishment of a joint takiwā-wide entity established to provide shared back-office and specialist functions on behalf of new unitary councils.
- River catchments should be the primary determinant of unitary council boundaries within the Ngāi Tahu takiwā, recognising that natural systems do not conform to current administrative boundaries.

Simplifies local governance

Less complexity, greater accountability

Currently four councils serve just over 100,000 residents. Our proposal simplifies local governance by reducing four local authorities to two. This structure would provide clearer accountability, stronger regional leadership, less duplication across governance and administration, and better alignment of planning, environmental management, and infrastructure delivery. Importantly, it provides an opportunity to strengthen local representation arrangements.

The division of responsibilities would be clear and transparent, with the two councils responsible for local services, community governance, infrastructure, place-based decision-making, and community outcomes.

The RBU would deliver regional planning, environmental science and monitoring, data and information management, specialist technical capability, and other functions where consistency, scale and expertise are required.

Community feedback has identified confusion regarding which council is responsible for particular services and decisions. Under a two-council model, most residents will only need to engage with one council, reducing confusion by clearly defining the city as the authority for urban matters and the remainder of the district as Greater Southland. This makes it easier for communities to understand who is responsible for specific services, improving transparency and confidence in local government decision-making.

Community boards will be retained with enhanced delegations (or local boards established) to ensure communities continue to have meaningful influence over decisions affecting their area, while benefiting from a simpler governance structure.

Economies of scale

Reduced duplication - strengthened capability – improved service delivery

The proposal would create larger and more capable organisations with improved ability to deliver services and plan for long-term financial sustainability. Moving from four councils to two authorities, supported by an RBU, would reduce duplication while strengthening capability in areas where scale is essential.

However, these benefits must be weighed against transition costs, workforce disruption, system integration costs, and one-off implementation expenses.

Examples of potential scale benefits

Service or Function	Potential Benefits
Governance and Leadership	Reduced governance and executive costs through fewer mayoral, chair, chief executive, and elected member positions, resulting in lower expenditure on remuneration, travel, vehicles, technology, and administrative support.
Corporate and Business Support Services	Reduced duplication across finance, payroll, HR, procurement, IT, data management, and specialist support functions, improving efficiency, consistency, and organizational resilience.
Planning, Regulatory and Environmental Management	Simplified and integrated planning, consenting and regulatory processes through consolidated plans, policies, bylaws, and service delivery. Improved consistency, reduced duplication, and better coordination of environmental management, monitoring and catchment-based planning.
Procurement and Contract Management	Improved value for money through combined purchasing power, standardised contracts, consistent supplier management and reduced administrative effort.
Information Systems and Data	Centralised expertise, integrated systems and consolidated regional datasets, improving service delivery, decision-making, accessibility of information and organisational capability.
Regional Infrastructure and Service Delivery	More effective planning and delivery of transport, infrastructure, flood protection, catchment management and emergency management through clearer accountability, coordinated decision-making and shared regional capability.

Workforce and Specialist Capability	Increased organisational resilience and capacity through larger specialist teams, improved recruitment and retention, clearer career pathways, better workload management, and reduced reliance on external consultants.
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Long-term financial benefits

There are long-term savings through reduced structures, consolidated support services, and more efficient systems. These potential savings should be tested through detailed financial modelling during the design phase. Our proposal will avoid presenting savings as guaranteed until transition costs, operating models, staff structures, systems integration, and implementation requirements have been fully assessed.

Debt, assets, and liabilities would require careful allocation. Debt would not simply be pooled without analysis. Options could include quarantining debt to originating communities for a transitional period, allocating costs to areas of benefit, and developing agreed formulas for genuinely regional assets and liabilities.

We would reinvestigate the Southern Waters joint water CCO to consider whether all assets are included within this structure, to achieve maximum economies of scale and provide the best outcomes for communities. Gore District has a preference to remain in Southern Waters.

While a single council may appear more economical in principle, the transition costs of moving from four councils to one would be significantly higher. The complexity and disruption associated with restructuring would likely affect service delivery and impede the implementation of government reforms for an extended period. By contrast, these impacts would be more contained under a two-council model.

There are likely to be further potential savings from a takiwā-wide “centre of expertise” model proposed by Te Rūnanga o Ngāi Tahu. The RBU is one step towards implementation of a takiwā -wide centre of expertise, with the potential to establish the basis for this model.

The historic funding agreement for the electricity provision within the Gore urban area (“ penny per unit”) will continue, covering the same area as present.

Maintains local voice

Local voice, front, and centre

Maintaining local voice is a core principle of the proposal. Reorganisation should simplify regional governance while strengthening community-level decision-making and ensuring that distinct rural, township, island, and urban communities continue to be represented.

Our proposed model would maintain local voice through:

- retaining existing community boards, including Matakura Community Board, Bluff Community Board, and Southland District Council’s Community Boards – with potential to structure these as local boards where these provide the most effective arrangement
- establishing a Gore Community or Local Board
- strengthening delegations to boards for local facilities, parks, libraries, halls, pools, heritage, arts, place-making and other community-facing services
- retaining local council service centres across the district
- ensuring rural, urban and island communities are represented by elected members who understand their interests.

A key principle underpinning the proposal is that we share strong rural communities of interest centred around agriculture, rural service industries, and shared economic interests. Preserving a strong rural voice

through district-based representation is considered important to ensuring our communities remain effectively represented within future governance arrangements.

Final representation at the table is to be determined through the next phase of investigation and assessment. However, the Gore District area would retain a minimum of 25% of the new Unitary Council. As an example, for a Council of 12, Gore District would have a minimum of 3 Councillors.

Local boards/community boards would have real decision-making power, not just advisory status. Delegations, detailed warding, and membership arrangements would be developed later to ensure fair and effective representation of communities of interest.

Mana Whenua

The proposal recognises that local voice is mana whenua voice. Existing relationships through Te Ao Mārama Incorporated, Te Roopu Taiao Murihiku, Papatipu Rūnanga and the Charter of Understanding provide a strong foundation for future arrangements.

The Regional Business Unit aligns with Te Rūnanga o Ngāi Tahu aspirations for a centre of expertise, and detailed design will ensure mana whenua leadership is embedded in planning, environmental management, local decision-making, and Treaty partnership arrangements.

Connection to our communities

Community access to council services would be maintained through existing offices and service centres. These local points of contact are important for residents who value direct engagement with council staff, including face to face engagement. Where appropriate, council offices may also continue to support community meetings and local engagement.

A simplified governance structure may also reduce duplication in consultation processes. Fewer councils would mean fewer annual plans, long-term plans, representation reviews, bylaw reviews, and district planning processes. The intent is not to reduce community participation, but to reduce duplication while maintaining meaningful opportunities for communities, mana whenua, stakeholders, and government agencies to engage.

Deliverability

Implementation Approach

Our proposal is considered capable of implementation before the 2028 local elections, subject to Cabinet agreement, enabling legislation, transition funding, and alignment with related reform programmes, (including Local Water Done Well and resource management system).

Implementation would require detailed design of governance, representation, service delivery, and transition arrangements, including the establishment of the shared regional services entity.

Key areas of focus include asset and liability allocation, debt management and financial sustainability, workforce transition and retention of specialist capability, information systems and data integration, the transfer of regulatory, planning, and operational functions, and the development of governance and accountability arrangements to support effective service delivery and statutory continuity.

Potential approaches include transitional debt arrangements (ringfencing), phased implementation of selected services, dedicated transition governance structures, and continuity arrangements for statutory and regulatory functions. For example, any historical and projected capital project debt ring-fenced to the host council for a minimum of 10 years as to not impact either the Gore or Southland District ratepayer bases.

High-Level Implementation Timeline

Milestone	Indicative Timing
Cabinet agreement in principle	2026
Transition governance established	2026
Detailed design and stakeholder engagement	2026-2027
Draft representation model and governance arrangements confirmed	2027
Asset, debt, and implementation principles agreed	2027
Enabling legislation and implementation processes completed	2027-2028
Establishment of new authorities and regional business unit	2029

Government Support Required

Government support is likely to be required for:

- Enabling legislation and associated implementation mechanisms.
- Transitional funding and implementation support.
- Technical, legal, and organisational design advice.
- Assistance with regulatory and statutory transition arrangements.
- Coordination with related reform programmes.
- That requirements of the 2027- 2037 Long Term Plans be relaxed, particularly audit requirements, until the new entity is stood up.
- Considering any representation reviews or work towards a regional spatial plan is halted until the new entity is stood up.

Treaty settlements arrangements and relationships with Mana Whenua

Our proposal recognises that all Treaty settlement arrangements, statutory obligations, and partnership commitments must be maintained with equivalent effect under any future local government structure. It does not seek to alter Treaty settlement rights or redress arrangements.

Rather, it provides an opportunity to build on existing partnerships and consider how governance, planning and operational arrangements can better support integrated environmental management, effective participation in decision-making, recognition of kaitiakitanga, and long-term stewardship of te taiao.

The detailed design phase would be undertaken in partnership with mana whenua through a co-design approach. This work would consider:

- governance and participation arrangements
- catchment-based environmental management
- planning and policy processes
- the integration of mātauranga Māori
- opportunities to improve outcomes for freshwater, biodiversity, climate resilience, cultural heritage, and community wellbeing
- particular attention would be given to identifying approaches that support effective engagement while reducing unnecessary duplication for councils and mana whenua.

As part of this process, all relevant statutory acknowledgements, deeds of recognition, relationship agreements, consultation obligations, and participation mechanisms would be reviewed to confirm how they would be recognised and maintained under any new governance structure.

Any changes required to governance, planning or operational arrangements would be developed collaboratively to ensure existing Treaty settlement commitments continue to have equivalent effect.

The Crown would retain responsibility for any settlement-related legislative or legal processes, while councils and mana whenua would work together on the operational and implementation arrangements necessary to maintain existing commitments and relationships.

Existing partnership mechanisms, including Te Ao Mārama Incorporated, Te Roopu Taiao Murihiku and He Huarahi mō Ngā Uri Whakatapu, provide a strong foundation for this work and would be expected to continue unless otherwise agreed through the detailed design process.

Experience from local government reorganisation elsewhere suggests that reducing the number of council organisations can simplify engagement and reduce the administrative burden on iwi representatives, whose capacity is often stretched across multiple planning, policy, and operational processes. This creates an opportunity to focus effort on substantive participation, long-term partnership outcomes, and collaborative decision-making.

Through the establishment of new governance arrangements, there is also an opportunity to strengthen commitments to kaitiakitanga, partnership and integrated environmental management by embedding mana whenua aspirations within governance, planning, and service delivery frameworks from the outset.

Summary risk assessment

The principal risks relate to maintaining integrated environmental management, preserving local voice and community confidence, managing transition impacts, and realising anticipated efficiencies.

These will be further assessed, with clearly defined responsibilities for mitigation, during detailed design.

Theme	Key Risks	Potential Impact	Key Mitigation Measures
Planning and Environmental Integration	Fragmented catchment management, cross-boundary coordination challenges, disruption to planning processes during transition, and concerns about environmental independence.	Reduced effectiveness of environmental management, delays in planning and consenting, and inconsistent outcomes across catchments.	Catchment-based governance arrangements, formal inter-authority collaboration, integrated planning functions, transitional continuity arrangements, dedicated environmental capability, and partnership with mana whenua.
Local Representation and Community Confidence	Perceived loss of local identity, reduced visibility of elected members, more distant decision-making, and uncertainty about representation arrangements.	Reduced public confidence, lower community engagement, and resistance to change.	Empowered community or local boards, strong local delegations, retained service centres, place-based governance arrangements, active community engagement, and representation arrangements reflecting communities of interest.
Transition and Workforce Delivery	Workforce uncertainty, loss of specialist staff, service disruption, and complexity of transferring statutory responsibilities.	Reduced organisational capability, temporary service impacts, and implementation delays.	Early staff engagement, retention and workforce planning, staged implementation, robust transition governance, continuity planning, and dedicated programme management. Consideration of bringing services inhouse within each new entity.
Financial and Realisation Risk	Transition costs, debt allocation concerns, and slower-than-expected achievement of efficiencies and benefits.	Financial pressure, reduced public support, and delayed delivery of anticipated savings and service improvements.	Detailed financial modelling, transparent debt allocation principles, benefit tracking, phased implementation, clear communication with stakeholders. Assessment of CCOs (e.g. Great South) with the potential to dissolve and bring inhouse, noting Great South as CCO has joint shareholders, some of which are not council entities, who would need to be involved in this decision-making.
Programme Deliverability	Complexity of implementation and coordination with wider local government and central government reforms.	Increased implementation risk, duplication of effort, and potential delays.	Strong programme governance, clear accountability, coordination with other reform programmes, legislative support, and regular review of implementation progress.

Further work required

Our proposal identifies an RBU as the preferred mechanism for delivering functions requiring scale. The final legal form, governance arrangements, funding model, and allocation of responsibilities would be determined during the detailed design phase.

Detailed design would focus on the following key workstreams:

- Governance and representation
- Mana Whenua partnership
- Finance and service delivery
- Planning and environmental management
- Organisation and transition (implementation planning)

As part of the proposal, we would like to engage with Clutha to consider whether the natural boundary may extend to include parts of Clutha where appropriate, and how this would impact representation and the structure of local or community boards.

Further work would confirm whether the proposed governance model requires any changes to local authority boundaries, wards, or community board arrangements. A key focus will be ensuring fair representation to retain local decision making and community voice.

Existing partnership mechanisms, including the Mayoral Forum and its Papatipu Rūnanga partners, could provide a foundation for progressing this work.

Further consideration of a takiwā-wide approach to shared services (Centre of Expertise) would also be explored with Te Rūnanga o Ngāi Tahu, as this is aligned with their aspirations.

The proposal is supported by substantial work already undertaken, including assessment of alternative governance models, community engagement, discussions with neighbouring councils, and analysis of governance, planning, financial and service delivery implications. This provides a strong foundation for the detailed design and implementation phase.

Partnership between Gore District Council and Southland District Council will be important to develop a detailed design for a future unitary authority that supports enhanced community outcomes across both district council areas.

A few of the matters raised by Gore District Council require further consideration and are noted below to be assessed further during detailed design phase.

Gore District Council request	Preliminary assessment
That existing roading funding being maintained at a level equivalent to the Financial Assistance Rate (FAR) of 61% currently received by Council.	Southland District Council has been advocating for increased FAR. In the detailed proposal we would state that current FAR rate for the GDC boundary should continue at a minimum and FAR increased across the new entity.
Parks and Reserves and Roding services are brought in house for the new joint entity.	This will be investigated in the detailed design phase. Important principle to consider in any arrangements agreed post transition is that there should be no net negative outcomes for ratepayers.
That Gore District Roding quality matches that of the surrounding District within the first 5 years of establishment.	Standardised levels of service for all ratepayers is important to try and achieve. Unsure how this could be written into any transition arrangement or to make binding for a new Council. This would usually form part of LTP development and Roding Strategies to be developed.

The Gore District Council have reserved the right to exit the Head Start proposal upon the modelling completed by the Local Government Commission, especially in the event where there is a net negative rating impact for Gore District ratepayers over the next 10 years.

If you have any questions about the information provided in this proposal, please contact:

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Appendix A: Supporting information

The proposal draws on a substantial existing evidence base, including previous reorganisation investigations, council planning documents, financial and performance information, and recent community engagement. At the outline proposal stage, this information is considered sufficient to identify the preferred direction of travel and assess potential benefits, risks, and opportunities.

Collectively, the evidence supports the proposal against the key assessment criteria by demonstrating opportunities to improve strategic planning and coordination, simplify governance arrangements, achieve efficiencies through reduced duplication, maintain strong local representation, and provide a practical pathway for implementation.

SDC consultation on current reorganisation ideas

At the beginning of 2025, Southland District Council developed a short survey (with supporting information) to gather feedback on the reorganisation of local government. The 2025 engagement was designed to test broad community appetite for local government reorganisation and identify key issues that would need to be addressed through any future proposal.

Between 20 January and 11 February 2025, Council received 174 submissions. Of these, 134 agreed with the ideas for reorganisation put forward and 38 disagreed (with 2 submitters not stating a preference). This feedback supports the proposal's focus on reducing duplication and improving organisational efficiency while retaining strong local representation and community influence over decision-making.

Feedback Summary	Themes Identified
Support for Change	Protection of rural voices; strong local representation and accountability; reduced duplication; economies of scale; cost savings and efficiency; simpler governance arrangements.
Concerns to Address	Potential loss of rural influence; concentration of decision-making in Invercargill; maintaining environmental and catchment management capability; preserving local identity and community connections.

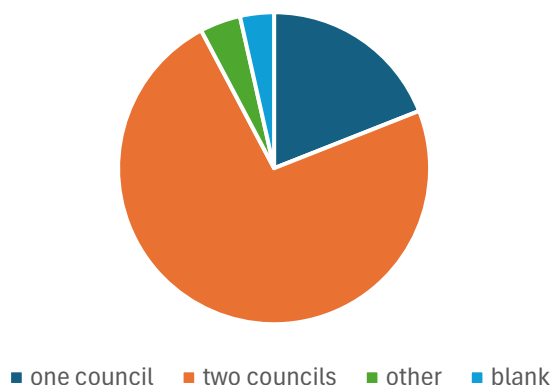
Reconfirmation of proposed structure

SDC undertook an online survey between 1-13 July 2026, seeking feedback on preferred local government structure. There were 142 responses to the survey.

While the 2025 engagement explored whether there was broad support for considering reorganisation, the 2026 survey tested preferences between alternative governance structures. Together, the surveys provide evidence of both support for change and a preference for retaining strong local representation through a two-council model.

The survey asked respondents to select a preferred local government structure. 104 preferred the two council structure (76%). 27 respondents chose the single council structure (19%). Six respondents preferred an alternative.

Which is your preferred local government structure?



Feedback from respondents

Theme	Support for Two-Council Structure	Support for Single-Council Structure
Representation and Local Voice	Stronger rural representation and local voice; concern that smaller towns and rural communities could lose influence under a single authority; improved local accountability and place-based decision-making.	Representation concerns could be managed through community boards and local advisory structures.
Community Differences	Better recognition of the distinct needs of rural and urban communities, particularly in relation to roading, bridges, water infrastructure, and dispersed populations.	The distinction between urban and rural Southland was viewed by some respondents as overstated.
Funding and Service Priorities	Greater confidence that rural communities would receive appropriate attention and investment, rather than resources being concentrated in Invercargill.	More efficient allocation of resources across the region through a single organisation.
Environmental and Regional Functions	Better protection of specialist environmental expertise and catchment management functions, with concerns these could be diluted in a larger organisation.	Stronger regional coordination of planning, infrastructure, and service delivery through a single authority.
Efficiency and Governance	Retains local accountability while still allowing opportunities for shared services and regional coordination.	Reduced duplication, streamlined administration, simpler governance arrangements, less bureaucracy, and faster decision-making.
Financial Considerations	Balances efficiency gains with preservation of local representation and responsiveness.	Greater economies of scale, shared services, lower operating costs, and potential ratepayer savings.
Strategic Perspective	Reflects different communities of interest across Southland.	Southland's population was viewed as too small to justify multiple councils and better suited to a unified regional structure.

Survey limitations

The survey results provide insight into community views but should not be interpreted as statistically representative of the entire Southland population. Participation was voluntary, and while responses were received from across the region, rural communities were proportionately well represented. The findings are useful for identifying themes, concerns, and priorities rather than measuring precise levels of public support.

Invercargill City Council consultation response

Between 22 June and 12 July 2026 ICC engaged the community on this issue and received 92 submissions. Of those submitters, 38 (41%) supported a one unitary authority model, while 31 (34%) supported a two-council model. Of the 38 people favouring one unitary, 33 (87%) came from Invercargill City. Of those supporting an urban / rural split, 17 (55%) were from Invercargill.

Gore District Council consultation response

At its meeting on 9 June 2026, Gore District Council resolved to seek public feedback on five possible options relating to local government reorganisation:

- Option one — No Head Start: remain involved in the Local Government Commissions review of Southland and not submit a Head Start proposal.
- Option two — One unitary authority for Southland: a single organisation, but with local rural representation built into how it's governed.
- Option three — Two unitary authorities for Southland: Two councils (Invercargill and Southland–Gore), each delivering both regional and territorial functions within their area, with coordination on cross-boundary issues.
- Option four — A rural unitary across Southland and Otago: Gore, Southland, Clutha, Waitaki and Central Otago districts join up as one unitary authority.
- Option five – Other: an open option for any other ideas residents want to put forward.

Community feedback opened on 15 June 2026 and closed on 27 July 2026, with the results as follows:

Option	Percentage Response	Number
Option one — No Head Start	11%	41
Option two — One unitary authority for Southland	14%	52
Option three — Two unitary authorities for Southland	61%	227
Option four — A rural unitary across Southland and Otago	9%	33
Option five – Other	5%	19
Total		372

At its meeting on 4 August 2026, GDC voted unanimously to partner with SDC to develop a Head Start proposal, including specific recommendations for GDC representation.

Gore Ratepayers Petition

The Gore Rates Reform Group organised a petition, which sought signatures over a two week period. The purpose of the petition was to seek support for a two unitary authority model, to avoid Gore District Council being absorbed into one unitary authority. The petition received 1,057 signatures and was presented to both Southland and Gore District Councils.