



Cabinet Business Committee

Minute of Decision

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Progressing City and Regional Deals

Portfolios **Infrastructure / Local Government**

On 16 June 2025, the Cabinet Business Committee:

1 **noted** that:

- 1.1 in November 2024, Councils were invited to submit Regional Deal proposals to the Government [CAB-24-MIN-0421], and that by February 2025, 18 proposals had been submitted;
- 1.2 the Infrastructure and Investment Ministers Group has recommended that three regions (Auckland, Otago Central Lakes, and Western Bay of Plenty) progress to the Memoranda of Understanding stage;

2 **agreed** that through City and Regional Deals (the Deals), the Government is seeking to achieve:

- 2.1 better co-ordination between central government and the regions, including improving how to work together and align priorities;
- 2.2 unlocking regions' unique potential and lifting economic growth;
- 2.3 making room for housing growth;
- 2.4 local government are able to do a better job at managing and utilising their asset base, and make significant progress to close their infrastructure deficits, without new funding from central government;
- 2.5 local government comprehensively adopts the Government's priority reforms, such as Local Water Done Well, Resource Management Act reform, and Going for Housing Growth;

3 **agreed** that the Government broadly wants local government to:

- 3.1 provide a better framework/structure for regional relationships with central government;
- 3.2 make room for housing growth, and simplify planning and consenting;

- 3.3 be open to explore existing and new funding and financing tools for infrastructure, such as asset recycling, targeted rates, levies under the Infrastructure Funding and Financing Act 2020, domestic/international investment, and time-of-use charging, as well as non-traditional procurement approaches such as strategic leasing;
- 3.4 demonstrate a credible investment plan or investment partners that will drive economic growth;
- 3.5 comprehensively adopt the Government's priority reforms, including Local Water Done Well, Resource Management Act reform (including national direction), and Going for Housing Growth;

9(2)(j)



- 5 **approved** the Deals Memoranda of Understanding for Auckland, Otago Central Lakes, and Western Bay of Plenty, attached as Appendices A, B and C respectively to the paper under CBC-25-SUB-0024;
- 6 **agreed** that the Minister for Infrastructure and the Minister of Local Government (joint Ministers) will oversee the Deals negotiation process and will report back to Cabinet in October 2025 with the in-principle draft of the first Deal for Cabinet's agreement;
- 7 **noted** that joint Ministers will return to Cabinet should the negotiation parameters need to deviate materially from what is outlined in the paper under CBC-25-SUB-0024;

9(2)(j)



- 9 **authorised** joint Ministers to:
 - 9.1 make any minor and technical amendments to final Memoranda of Understanding, if required;
 - 9.2 appoint Crown Negotiator(s) to lead negotiations with the regions;

- 9.3 decide on any matters needed to conclude Deal negotiations, including consulting with relevant Ministers as needed;
- 9.4 sign-off negotiation briefs in conjunction with relevant portfolio Ministers;
- 9.5 sign Memoranda of Understanding on behalf of the Crown;
- 10 **noted** that joint Ministers intend to discuss the Deal programme with opposition parties;
- 11 **authorised** joint Ministers to make decisions on the final design of a detailed monitoring and evaluation of Deals framework, including appropriate indicators to use to measure success.

Jenny Vickers
Committee Secretary

Present:

Rt Hon Christopher Luxon (Chair)
Hon David Seymour
Rt Hon Winston Peters
Hon Nicola Willis
Hon Chris Bishop
Hon Simeon Brown
Hon Brooke van Velden
Hon Shane Jones
Hon Erica Stanford
Hon Paul Goldsmith
Hon Louise Upston
Hon Judith Collins KC
Hon Nicole McKee
Hon Matt Doocey
Hon Simon Watts

Officials present from:

Office of the Prime Minister
Department of the Prime Minister and Cabinet