

Consistency Accountability Statement: Local Government (Rates Capping) Amendment Bill

Agency responsible	Ministry for Cities, Environment, Regions and Transport
Portfolio	Minister of Local Government
Date finalised	6 August 2026
Identification number	REG-2186

Statement of Review

I confirm that the Ministry for Cities, Environment, Regions and Transport has assessed the above legislation, and the process for developing it, for consistency with the principles of responsible regulation as set out in section 9 of the Regulatory Standards Act 2025.

This assessment identified the following inconsistencies with the principles of responsible regulation:

Relevant principle of responsible regulation	Relevant clauses in proposed legislation
Good law-making: Consultation 9(i)	Not applicable
Summary of inconsistency	
Both local authorities and ratepayers will be directly and materially affected by the legislation. Neither have been consulted on the rates capping model in its entirety. Limited consultation was undertaken with all councils given the opportunity to respond on the question of how the rates cap target range will be set.	
Relevant principle of responsible regulation	Relevant clauses in proposed legislation



Good law-making: Most effective,
efficient and proportionate response
9(m)

Not applicable

Summary of inconsistency

The options for analysis were narrowed, with direction given to consider a rates cap as a potential solution. This restricted the ability to consider other possible alternatives outside of a model focused on limiting rates increases in some way. However, the status quo was assessed as part of the regulatory impact assessment as a viable option. The limitation of options available for consideration means that MCERT cannot confirm that this is the most effective, efficient, and proportionate response to the issue concerned.

Ruth Fairhall

Executive Leader – Policy

Ministry for Cities, Environment, Regions and Transport