

Regulatory Impact Statement: Discrete interventions

Coversheet

Purpose of Document	
Decision sought:	Analysis produced for the purpose of informing final Cabinet decisions
Advising agencies:	Department of Internal Affairs
Proposing Ministers:	Minister of Local Government
Date finalised:	5 November 2024
Problem Definition	
<p>The local government legislative framework is ageing, and some of its components have become outdated. Over time, this has resulted in inefficiencies and unnecessary costs for councils. These proposed discrete interventions are intended to provide regulatory relief to councils and result in savings and efficiency gains in the short term.</p>	
Executive Summary	
<p>Costs are increasing for councils and therefore ratepayers. The proposals in this regulatory analysis are intended as small, but meaningful changes to local government legislation that could help councils save money and reduce the time spent on activities that do not have a significant benefit.</p> <p>The proposed changes are:</p> <ul style="list-style-type: none">• Removing the requirement to undertake reviews of the cost-effectiveness of service delivery arrangements at specific times.• Modernise public notice requirements by removing requirements for councils to publish public notices in daily newspapers.• Allow councils' chief executives to delegate authority for signing certificates of legislative compliance. <p>Clarifying that third party-contributions to capital projects for which development contributions are charged can be targeted to specific project drivers. This will enable the full growth portion of costs to be recovered from development. While the sector provided some input into the proposals for consideration, time limitations meant that consultation with the sector on this specific set of proposals has not been possible.</p> <p>The time limitations have also meant that for each proposal, only one option was considered against the status quo.</p>	
Limitations and Constraints on Analysis	
<p>This analysis was compiled under time constraints to form part of the first system improvement bill (the bill), for drafting instructions to be issued by the end of 2024.</p>	

These proposals were chosen from a longlist provided by Taituarā – Local Government Professionals Aotearoa through a paper to the Minister in May 2024.¹ The Department provided the Minister with initial advice on the response to the proposals (Appendix A) and the Minister chose from the list the options for inclusion in the bill. There was minimal consultation with councils themselves on these proposals, mitigated partially by the proposals coming from the sector to begin with. However, in some cases we chose a different option than that proposed by the sector and were unable to engage to discuss these options as we did not obtain authorisation to consult with councils.

In some cases, we have a limited amount of input from previous engagement with the sector or other agencies on these topics. In other cases, our information is anecdotal or based on Taituarā's briefing paper, which may not be representative of all councils' experience.

There will be the opportunity for the public and local authorities to participate through the select committee process, although local authorities will be limited in how they can engage due to local elections falling into the projected select committee period. We understand there will be a truncated select committee period of around four months, which is likely to further reduce the input councils are able to have into the legislative process. Progressing legislative change with only limited opportunity for council input creates the risk that the legislation will not be fit for purpose or have unintended effects.

Our data to support these proposals is limited. We have limited information on the possible time and cost savings from amending legislation to implement these proposals.

We did not have time for a full investigation of some of these options and did not look at alternate ways of addressing underpinning issues to that which had already been presented.

Assumptions include that councils do not find these existing provisions useful; that they represent unnecessary financial costs and have limited benefits to councils; and impacts on the public as a result of any changes will be minimal or broadly positive. If this is not correct, there may be negative impacts for councils and members of the public that we have not fully represented in this document.

Given the time constraints and the limited consultation, the evidence that supports this analysis is similarly limited, and there may be gaps or inaccuracies that limit the quality of the analysis. While this may be partially offset by the minor nature of the proposals which limits the potential for negative outcomes, there are still a number of unknowns. As a result we have at best a medium level of confidence in the quality of evidence available to inform this analysis.

¹ *Tuning up the Engine 2024 – Potential Changes to Local Government Law*, Taituarā – Local Government Professionals Aotearoa, May 2024
https://taituara.org.nz/Attachment?Action=Download&Attachment_id=3048

Responsible Manager(s) (completed by relevant manager)

Richard Ward

General Manager, Policy and Operations

Local Government

Department of Internal Affairs



5 November 2024

Quality Assurance (completed by QA panel)

Reviewing Agency:	Department of Internal Affairs
Panel Assessment & Comment:	<p>The panel considers that the information and analysis summarised in the RIS <i>partially meets</i> the quality assurance criteria.</p> <p>The RIS was developed within a tight timeframe to cover four discrete legislative changes selected by the Minister of Local Government. The RIS does an adequate job of explaining the nature and context of the proposed changes, but scope and timing constraints limited the research, and analysis that could be undertaken. These constraints also precluded any public and most stakeholder consultation. Options other than the proposals and the status quo were not considered.</p> <p>As a result, there is little evidence of the potential benefits and the costs and risks associated with the proposals, and no assessment of the merits of alternative means of achieving the objectives. Because of this, the analysis in the RIS does not meet the consulted criterion and only partially meets the complete and convincing criteria.</p> <p>The lack of consultation is partly mitigated by the fact the proposals address issues raised by Taituarā, the local government professional body. Risks arising from the limitations on evidence and analysis may also be mitigated by the relatively modest and discrete nature of the proposals themselves.</p>

Section 1: Diagnosing the policy problem

What is the context behind the policy problem and how is the status quo expected to develop?

1. While local government in New Zealand is largely autonomous and accountable to communities, it is a creature of statute. Legislation provides the systems within which councils operate.
2. The LGA02 and several other pieces of local government legislation (e.g. the Local Government (Rating) Act 2002 (Rating Act), the Local Electoral Act 2001, and the Local Government Official Information and Meetings Act 1987 (LGOIMA), among others) are ageing and have not been reviewed or updated regularly.
3. Some parts of this framework may not be operating as efficiently as they could be, given the changes to council activities, technological improvements, and increases in direct costs and the costs of providing services for councils since the early 2000s.
4. The local government sector faces increasing costs, while also being required to meet these ageing obligations. In May 2024 the Minister of Local Government met with sector representative group Taituarā. The Minister asked Taituarā to provide proposals for legislative change that would streamline processes or reduce compliance costs, and would be non-controversial.
5. The legislative changes proposed in this analysis are intended to reduce compliance costs through making small changes to requirements on councils that result in efficiency gains and financial savings.
6. These proposals were intended to be minor changes that could benefit councils in the short term. They originally focused on the Local Government Act 2002 only, but later expanded to include other legislation.

What is the policy problem or opportunity?

7. Over time regulatory frameworks require maintenance to ensure they are up to date and fit for purpose. The local government regulatory framework needs to be kept current to ensure that it is meeting the needs and expectations of communities for effective and efficient use of council resources. As a public service agency, the Department of Internal Affairs has a statutory obligation under the Public Service Act to support regulatory stewardship for the regulatory frameworks for which it is responsible.
8. The Minister, Department, and sector have identified a number of small improvements to local government legislation that aim to improve efficiency, reduce unnecessary requirements on councils, or clarify legislation that causes unnecessary costs to councils, and therefore reduce costs to councils and ratepayers.
9. The proposals chosen to progress at this time form part of a programme to refocus local government on core services that benefit ratepayers.
10. The proposals in this analysis focus on making minor time and cost savings for councils to allow them to reallocate resources to more effective purposes. Without legislative change to address these issues, councils will be required to continue to spend money on meeting these obligations while their effectiveness continues to diminish over time.
11. While by themselves these changes will not have a significant impact on council efficiency and reducing costs, they are intended to help alleviate cost pressures and reduce the compliance burden in the short term, while further changes to the regulatory framework are being developed.

12. This work progresses alongside changes to the purpose of local government, work around councils' use of rates, and reviewing the governance framework requirements set out in the LGA02.
13. The proposals that have been agreed to are:

	Problem	Proposed response
1	Reviews of service delivery arrangements are time consuming, costly, and of limited value.	Removing the requirement to undertake reviews of the cost-effectiveness of service delivery arrangements at specific times.
2	Public notice requirements that require publication in newspapers are disproportionately costly for the value they offer.	Modernise public notice requirements by removing requirements for councils to publish public notices in daily newspapers.
3	Requirements around signing certificates of compliance cause unnecessary costs and inconvenience.	Allow councils' chief executives to delegate authority for signing certificates of legislative compliance.
4	Provisions precluding development contributions being charged to cover full growth costs where there is third party funding are interpreted more widely than intended or appropriate.	Clarifying that third party-contributions to capital projects for which development contributions are charged can be targeted to specific project drivers. This will enable the full growth portion of costs to be recovered from development.

What objectives are sought in relation to the policy problem?

14. The Government's objectives in making these discrete interventions are to improve the efficiency of the local government regulatory system, through reducing unnecessary costs for councils; clarifying interpretation of financial requirements to allow councils to better target infrastructure spending; reducing ineffective or outdated compliance requirements; and providing councils with more flexibility to carry out their day-to-day activities.
15. Changes made through this proposal are intended as "quick wins" to benefit councils in the short term. The overall intention of these changes is to make minor improvements for councils that do not have a significant negative impact on communities.

Section 2: Deciding upon an option to address the policy problem

What criteria will be used to compare options to the status quo?

16. The criteria for these discrete interventions focus on efficiency and financial savings, while ensuring disruption to the public is minimal.
 - a. Reduces costs for councils – does the option save councils time and/or money?
 - b. Improves efficiency – does the option provide councils with greater flexibility or reduce unnecessary compliance requirements?
 - c. Preserves council accountability – does the option have a minimal impact on councils' obligations to communities or the rights of communities?
17. These criteria are given the same weighting in this analysis.
18. These proposals, while intended to be minor, are generally too significant to be addressed through a statutes amendment bill or regulatory systems amendment bill.

What scope will options be considered within?

19. The scope of these proposals has been set by the Minister's choice of discrete interventions to progress from a longlist that was provided by Taituarā, and the advice provided by the Department on the way to address them. Changes on which the sector has not had any input and/or is not aware of are not included.
20. None of the proposed interventions are achievable without legislative change. Initially the proposals were limited to changes to the LGA02 only, but the scope expanded due to the Minister's instruction to include additional changes to the bill. In some cases (such as changes to public notice requirements) making changes to the LGA02 without also making the same change to other legislation that also contained similar provisions would result in limited benefits.

Proposal 1: Removing the requirement to undertake reviews of the cost-effectiveness of service delivery arrangements at specific times.

Status quo and problem

21. Section 17A(1) of the LGA02 provides that a local authority must review the cost-effectiveness of its arrangements for meeting the needs of communities within its district or region for good quality local infrastructure, local public services, and performance of regulatory functions. This description covers almost every aspect of council activities.
22. Section 17A sets out when reviews are undertaken, what options must be considered, and what happens if the review determines that governance and delivery should be separated. Reviews must be undertaken in conjunction with the consideration of any significant change to service levels; within two years before the expiry of any delivery contract; and not later than six years following the previous review. As part of the review, councils must consider options for how the service will be delivered, including but not limited to in-house delivery; delivery by a council-controlled organisation; delivery by another local authority; and delivery by another person or agency such as central government, private sector organisations or community groups.
23. This provision was inserted into the LGA02 in 2014 with the intention of providing local authorities with a legislative direction to review their service delivery arrangements to find efficiency gains, in alignment with the 2012-2019 purpose of local government. The key purpose of the section is to set out an explicit menu of options for service delivery arrangements, and guidance for the matters that must be covered by a binding agreement where service delivery responsibility is undertaken by another party.²
24. Local government has indicated that the level of detail set out in this section make the process procedurally difficult for councils and that it encourages reviewing for its own sake. While there is an exception in 17A(3)(b) that allows councils to avoid a review if they consider the costs of completing the review would outweigh the potential benefits, in practice councils can struggle to establish this is the case for all but the smallest and least complex service delivery arrangements..
25. We understand that many councils engage external consultants to carry out these reviews, which increases the costs. If councils choose to carry out these reviews in-house instead of externally, this is likely to represent a significant burden in terms of staff time, particularly for smaller councils.
26. The Department's evidence about the exact financial costs of these reviews to councils is limited. We consider that councils are unlikely to hold information on the cost of these reviews or be able to identify changes that have been made that are due specifically to the reviews. As we are unable to measure the positive or negative impacts on councils, we are also unable to measure costs or benefits to communities or local businesses as a result of the reviews, such as more efficient services and an associated impact on rates as was originally intended.
27. We have not looked at alternate options to amend this proposal, e.g. setting a dollar threshold for reviews for services under which a review is not required, or make amendments solely to simplify the process but retain the timeline requirements to review.
28. An option that was considered but not progressed was to remove the requirement to review service delivery agreements, rather than making them optional. This was the

² *Better Local Government fact sheet*, Department of Internal Affairs, 2014, [BLG Fact-Sheet July-2014 Review-of-Service-Delivery.doc](#)

option suggested by Taituarā. We did not progress this as we considered it beneficial to encourage councils to periodically review service delivery arrangements.

Consultation

29. Taituarā states that councils are already highly incentivised to ensure that their service delivery arrangements are cost effective, and section 14 of the LGA02 already states councils should actively seek out opportunities to work with other local authorities to increase the effectiveness and efficiency of services.
30. Work commissioned from Simpson Grierson for the Future for Local Government programme noted that the requirement created an onerous task for councils on top of other reporting and asset management planning, and it was not clear that there had been any real tangible benefit for communities since the provision was introduced in 2014.

What options are being considered?

Option One – Status quo

31. If there are no changes councils will be required to continue completing reports. The level of prescription in 17A is unusual compared to the rest of the LGA02 in specifying which options must be considered and how.
32. The exemptions do not seem to be operating effectively in reducing councils' ability to avoid the need to carry out reviews. There is no requirement for councils to make the outcomes of the reviews available to the public.
33. While we don't have the evidence to say that section 17A is an effective way to demonstrate that councils are delivering services in a cost-effective way, we also cannot prove they are ineffective. However, our evidence suggests they do not have obvious benefits. As outlined above, we do not expect councils to hold information or be able to provide evidence to demonstrate outcomes due specifically to this requirement.

Option Two – Make the timing and process for service delivery reviews discretionary

34. This option would shift section 17A(1) to section 14, which lists principles relating to local authorities, changing the wording of the section from "must" to "should". The subsequent 17A(2) to 17A(4), which outline how and when the reviews should be completed, would no longer be necessary and would be repealed.
35. However, 17A(5) to 17A(8) outline that, where the delivery of a function is carried out by a different entity than the council, a binding contract or agreement must be in place, and further outline what must be included in this contract, such as service levels, performance assessment and reporting, risk management and accountability. The original aim of these subsections was to remove uncertainty, particularly for smaller councils, about the matters that should be addressed in any arrangement for service delivery to be undertaken by another party. These subsections continue to have value in providing this direction. Sections 15 to 17A comprise Subpart 3 of Part 2 of the LGA02, which deals with co-ordination of responsibilities of local authorities and includes provisions relating to transfer of responsibilities and governance arrangements, and it would be consistent to retain 17A(5) to 17A(8) in place.
36. Making the reviews optional would provide flexibility for local authorities to either carry out more efficient reviews, or stop doing reviews and shift the savings into the service delivery budget. Under this option councils would have more choice about timing and process for reviews, instead of the requirements being set by legislation.

37. The LGA02 still includes provisions that require local authorities to ensure effective and efficient use of its resources and consider different options for working with other councils to provide shared services.
38. Taituarā provides evidence that councils are already highly incentivised to consider alternative options for service delivery to improve efficiency, including shared capability arrangements, stating that “the average local authority is involved in six of these and some report being involved in as many as 50. It is a major driver behind the move to make more services available online and undertake improvements to other business processes.”
39. There is a potential risk that under this option councils may miss opportunities to increase efficiency in service delivery arrangements if they are not required to complete reviews on the timeframe set out in the LGA02, but we consider this risk to be minor, given council incentives to seek efficiencies.

How do the options compare to the status quo/counterfactual?

	Option One – Status Quo	Option Two – Make the timing and process for service delivery reviews discretionary
Reduces costs for councils	0	Reduction in staff time and/or financial costs compared to status quo as reviews will not be mandatory ++
Improves efficiency	0	Councils will have more choice about how to allocate resources freed up by not needing to complete reviews +
Preserves council accountability to communities	0	Ratepayer funds no longer spent on inefficient reviews and reviews appear to be minimal in terms of benefits to ratepayers +
Overall assessment	0	+

Example key for qualitative judgements:

++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
--	much worse than doing nothing/the status quo/counterfactual

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

40. The Department's preferred option is option two as it reduces the amount of time and money spent on completing reviews of service delivery arrangements for benefits that are difficult to quantify. Consultation indicates the benefits are minimal, if any. Making reviews optional would give councils more flexibility over this process while still encouraging councils to seek more efficient ways of delivering regional services.

What are the marginal costs and benefits of the option?

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Regulated groups	Potential costs could include missed opportunities for efficiency gains, but these are unquantifiable with the evidence we currently have. We consider the risk to be small	Low	Low
Regulators	N/A	N/A	N/A
Others (eg, wider govt, consumers, etc.)	Potential flow on effects from above, also unquantifiable	Low	Low
Total monetised costs			
Non-monetised costs		<i>Low</i>	<i>Low</i>
Additional benefits of the preferred option compared to taking no action			
Regulated groups	Councils will be able to save money on reviews that have few apparent benefits	Medium	Low
Regulators	N/A	N/A	N/A
Others (eg, wider govt, consumers, etc.)	Flow on effects from reallocation of money that would have been spent on reviews	Low	Low
Total monetised benefits			
Non-monetised benefits		<i>Medium</i>	<i>Low</i>

41. Given our evidence is overall low quality, it is difficult to estimate the costs and benefits of this option. We know there are costs for councils as a result of the review requirement, and making the reviews optional would mean the money could be used elsewhere. The potential negative impacts are almost impossible to determine, with the information we currently have available, but we consider it unlikely that councils would disregard concerns about efficient use of their resources because reviews were no longer mandatory.

Proposal 2: Modernise public notice requirements.

Status quo and problem

42. Councils are required to give public notice in a range of different circumstances and under a range of pieces of local government legislation. Section 5 of the LGA02 currently defines public notice as a notice published **both** on the local authority's website, **and** in 1 or more daily newspapers circulating in the relevant area (or 1 or more other newspapers that have an equivalent circulation to the daily newspaper). The option to also publish notices on council websites was added in 2019. Other legislation refers to the definition in the LGA02, or provides its own definition of public notice. Some local government legislation, such as the Local Electoral Act 2001, do not include a definition of public notice.
43. Removing the definition of public notice from the LGA02 would mean the definition from the Legislation Act 2019 would apply. This provides a choice of either publication in the New Zealand Gazette; publication in 1 or more newspapers circulating in the relevant area; or publication on the website of the person publishing the notice.
44. Councils have raised concerns that the cost of newspaper notices can outweigh their effectiveness. Newspaper advertising costs can reach thousands of dollars per public notice at the upper limit, whereas publishing information on a website owned by the council is effectively free.
45. Our information on print newspaper circulation and readership is limited as the major newspaper owners generally do not make paid circulation figures publicly available, and often provide figures that combine print and digital readership. One study from New Zealand on Air identified that 2023 was the "cross-over point when New Zealanders overall start to spend more time using digital media than traditional media", although this also includes television news.³ The same study also noted that for the first time they were recording significant declines in traditional media use among 60+ year olds. Between 2000 and 2020 the number of enterprises engaged in newspaper publishing declined by 32 per cent, according to Statistics New Zealand.
46. While we do not have information about the number of people that see public notices in newspapers, the decline in consumption of traditional news media may indicate that public notices in newspapers are no longer as effective. The requirement to publish notices in newspapers was developed at a time when there were limited ways to communicate effectively with a wide group of people. However, as print newspapers are increasingly not the primary way New Zealanders engage with news media, this is a less effective option than it once was. Daily newspapers also have costs to consumers.
47. At times, public notice requirements have been temporarily amended in response to a major disruptive event, such as COVID-19 restrictions or for Hawkes Bay councils following Cyclone Gabrielle. These provided a temporary definition of public notice in the event that it was not practical to public in newspapers circulating in the region or district.
48. We did not consider options to amend the definitions of public notice to either a choice of publication in newspapers or on a council's website, or a definition that only requires publication on a council's website, given the limited time available to develop these

³ https://d3r9t6niglb7tz.cloudfront.net/media/documents/NZ_On_Air_Study_WATA_2023_-_FINAL.pptx_updated.pdf, *Where are the Audiences*, New Zealand On Air, 2023,

proposals. Relying on the definition in the Legislation Act 2019 means that local government legislation does not need to be amended further for future changes.

What options are being considered?

Option One – Status quo

49. This option retains the requirement to public notices in both newspapers and on council websites. We consider it is likely that, over time, the number of people that access public notices solely through newspapers would decline, as consumption of print media and newspaper advertising continues to decline.
50. This option commits councils to ongoing costs associated with this requirement. It is not clear there is sufficient readership currently to make this an effective option for communicating council information to the public, and we consider this is likely to further decline in coming decades.

Option Two – Remove the requirement to publish notices in newspapers

51. This option would repeal the definition of public notice from a range of local government legislation, including the LGA02 and:
 - Local Government (Rating) Act 2002
 - Local Government Act 1974
 - Local Government (Official Information and Meetings) Act 1987
 - Impounding Act 1955
 - Land Drainage Act 1908
 - River Boards Act 1908
 - Dog Control Act 1996 (refers directly to the definition in the Local Government Act 2002)
 - Freedom Camping Act 2011 (refers directly to the definition in the Local Government Act 2002)
52. Under this option councils would have the options available in the Legislation Act 2019. This offers the option of **either** publishing notices on their council website, in newspapers, or in the New Zealand Gazette (the Gazette). We do not anticipate councils would choose the Gazette option frequently, given the costs associated with publication in the Gazette compared to the negligible costs of publication on a council's website.
53. This option would not prevent local authorities from using newspapers to publish notices, or prevent them from using alternative ways to distribute and publicise council information, such as digital publications or social media. Many councils do this already despite there being no requirements in place.
54. The option of publication only on a council's website may disadvantage those who do not have regular access to the internet. 2018 Census data (2023 Census data on this is not yet available) indicates that internet access varies across the country, with more remote communities and lower income communities reporting less access to the internet. Department of Internal Affairs data published in 2021 estimates that "as many as 1 in 5 New Zealanders face barriers to digital inclusion", and that Māori households were 16% less likely to have internet access than non-Māori households.
55. As well as Māori, the Department also identified the following groups as most at risk of digital exclusion:
 - disabled people
 - Pacific peoples
 - people in social housing

- seniors
 - un- and underemployed
 - remote communities.
56. These people may be disadvantaged by a requirement to publish public notices on a council website only. Many of these groups are already some of the least likely to participate in public council decision-making processes. There is some risk that moving to a council website-only approach may further disadvantage these groups.
57. However, consultation with these groups has not been possible and as a result we do not have their perspectives on potential changes and associated impacts. It is possible that some of these groups are more likely to read public notices in newspapers, while others are equally unlikely to read public notices in newspapers or visit council websites.
58. We assume people with access to the internet who are already looking for information about council activities, such as meetings or consultation documents, would be more likely to visit a council website than the public notices section of an online newspaper. Many councils make efforts to comply with web accessibility standards, although we have not carried out an audit on all council websites for compliance with these standards.

How do the options compare to the status quo/counterfactual?

	Option One – Status quo	Option Two – Remove the requirement to publish notices in newspapers
Reduces costs for councils	0	This option will reduce the amount councils spend on public notices to almost nothing ++
Improves efficiency	0	Placing a public notice on a website is easier administratively +
Preserves council accountability to communities	0	There may be some negative impacts for people who only consume public notices through newspapers as they may find it harder to find information, but this group is likely to be small -
Overall assessment	0	+

Example key for qualitative judgements:

++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
--	much worse than doing nothing/the status quo/counterfactual

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

59. The Department's preferred option is option two. We have some evidence that newspapers are no longer the primary way that people get information about local activities, including council public notices, and councils have indicated that this represents a reasonable level of ongoing costs with few benefits.
60. Retaining the requirement to publish notices in newspapers may expose more people to council information, but as our evidence indicates that circulation is declining, this may offer diminishing benefits. If newspapers are no longer a significant way that residents get information about council activities, there may be minimal value in preserving this requirement.
61. We lack evidence to demonstrate definite harm from removing the newspaper requirement, instead of just potential harm. Without consulting on these proposals we are unable to establish the number of people that could be affected by this. However, it is likely that most people interested in council public notices have access to the internet and can view council websites.
62. We do have evidence that this requirement causes costs to councils, and it is notable that there is no requirement for central government to place public notices in daily newspapers.

What are the marginal costs and benefits of the option?

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Regulated groups	There are no costs to councils of removing this requirement	N/A	N/A
Regulators		N/A	N/A
Others (eg, wider govt, consumers, etc.)	There are potential negative information impacts to the public from no longer requiring public notices to be placed in newspapers	Low	Low
Total monetised costs		Low	Low
Non-monetised costs		Low	Low
Additional benefits of the preferred option compared to taking no action			
Regulated groups	This will save councils a reasonable amount of money on newspaper advertising costs	Medium	Low
Regulators		N/A	N/A
Others (eg, wider govt, consumers, etc.)	Potential flow on effects from councils repurposing money to more effective uses	Low	Low
Total monetised benefits		Medium	Low
Non-monetised benefits		Medium	Low

63. This analysis assumes that the decline in consumption of traditional news media, including newspapers, is directly correlated with viewers of public notices in newspapers. As a result, we assume the number of people that would be impacted by no longer publishing notices in newspapers is low.
64. We do not have specific costs to councils in dollar terms, but across the range of legislation that requires public notices, we consider there to be a reasonable level of savings to be made.
65. We have not looked at externalities such as the potential impact on the newspaper industry from loss of revenue from council advertising, but it is not the role of councils to contribute financially to traditional news media, and it is not an effective use of ratepayer funds if it does not also benefit ratepayers directly. However, the loss of potential revenue from council advertising costs may create additional cost pressures for local papers and their reporting, which can be key in getting local news to residents.

Proposal 3: Allow councils' chief executives to delegate authority for signing certificates of compliance for lending arrangements.

Status quo and problem

66. A local authority's financing transactions under this Act are protected transactions. Under section 118, a council's chief executive (CE) is able to sign a certificate of compliance that acts as complete proof that the authority has complied with the borrowing sections of the LGA02.
67. The Local Government Funding Agency (LGFA) is the main lending provider to local authorities. The LGFA was established to raise debt on behalf of local authorities on terms that are more favourable to them (both cheaper and for longer term periods) than if councils raised the debt directly. There are seventy-seven councils and five CCOs who are members of LGFA. The only council that is not a member is Chatham Islands Council. The LGFA provided 93% of all council borrowing in the year to June 2023.
68. The LGFA's internal policies require the CE to sign a section 118 certificate when it lends money to councils. The CE is the only person that has authority to sign a certificate of compliance. This power cannot be delegated.
69. Taituarā has advised that where the CE is unavailable, including when an acting or interim CE is filling the role, lenders do not accept a certificate signed by an acting or interim CE unless the council obtains a legal opinion that states the solicitor has reviewed the council resolutions and confirms the validity of the temporary CE's appointment and their authority to execute the section 118 certificate and Stock Issuance Certificate for that borrowing. Taituarā states this is time-consuming, costs around \$1,500 each time, and puts the process at some risk of failure. Taituarā made a submission on the Water Services Entities Bill which stated that their legal advisors, who have a significant share of the local authority market, informed them that they issue about one certificate per week.
70. Councils state that the requirement for the CE to be the only person that can sign a certificate can cause delays in raising debt, increases costs as councils must obtain legal opinions, and causes frustration for councils looking to borrow through the LGFA.

Consultation

71. As part of the consultation process for a statutes amendment bill, DIA made initial contact with councils and the LGFA to discuss the idea of allowing this power to be delegable.
72. The LGFA, as primary lender to councils, is in favour of this change. The LGFA considers that, as the chief executive has already been selected by the local authority to act in that capacity, they will have the expertise to appoint appropriate persons or roles to fulfil this delegated role.
73. Councils that responded to initial contact were also generally in favour of allowing this power to be delegable. Several councils considered that their existing financial and risk management processes would be sufficient. These included external treasury advisors and reporting to audit and risk committees. Some councils noted that the CE's signature did not add any value to the process as the terms sheet for the lending arrangement would have already been completed and executed beforehand, which is the point the council is legally committed. In this case not signing the certificate of compliance would result in a default on the agreement.
74. Some councils suggested that delegating powers could introduce unnecessary risk, given the value of the transactions involved. One council noted that a typical lending transaction for them was over \$20 million, and considered it more appropriate that the

CE was the one to approve transactions of this nature. Other councils did not consider a change to delegation powers to be necessary, or did not think that it would have a significant benefit.

What options are being considered?

Option One – Status Quo

75. The CE remains the only one able to sign certificates of compliance. If the CE is temporarily unavailable or there is an acting or interim CE in place, councils have to obtain a legal opinion at a cost of around \$1,500 each time a certificate of compliance is required.
76. How often a legal opinion of this nature is required, and therefore the costs, will vary across councils. A simple calculation based on Taituarā's statement that their legal advisors complete approximately one legal opinion per week across 52 weeks equates to just under \$80,000 per year, although this includes only a "significant share" of councils, not all councils. Allowing this to be delegable would therefore not result in a substantial cost saving for councils, although the costs may not fall evenly across all councils depending on their levels of borrowing and CE arrangements.
77. Similarly, the level of inconvenience caused by CE unavailability will vary across councils. We do not have evidence of specific harms or impacts caused by a delayed process for councils while they wait for the CE to be available to sign the certificate of compliance.

Option Two – Amend section 118 to allow the CE to delegate signing powers for certificates of compliance

78. This would involve creating a delegation power for the CE to name specific people on a delegation certificate that also had authority to sign off certificates of compliance. The delegation power would be subject to conditions, including but not limited to the following:
 - a. Criteria for who the power can be delegated to so that it cannot be delegated to just anyone;
 - b. That the delegation can be done subject to any conditions that the chief executive sees fit;
 - c. That the delegation can be retracted at any time; and
 - d. That the delegation does not mean that the chief executive cannot be the decision maker.
79. There may be a potential risk of fraud if sufficient safeguards are not in place. However, we understand that most councils have financial policies and processes in place to ensure one staff member could not take advantage of a lending process for personal benefit.
80. Councils have different levels of sophistication with regard to their operational processes and delegation arrangements, and their level of borrowing. Some councils have processes where all financial instruments have been approved by the council and in-house solicitors before the CE signs it off. Other councils may have fewer staff and be less able to separate roles and duties involving checks and balances.
81. The LGFA being in favour of this proposal, as the primary lender to councils and is therefore impacted if loans are signed off improperly, indicates the actual risks associated with this potential change are low.

How do the options compare to the status quo/counterfactual?

	Option One –Status quo	Option Two – Amend section 118 to allow the CE to delegate signing powers for certificates of compliance
Reduces costs for councils	0	Councils will save money on obtaining a legal opinion for a certificate of compliance to be valid +
Improves efficiency	0	There are administrative benefits from not needing to locate a specific person to sign a certificate of compliance +
Preserves council accountability to communities	0	There may be some financial risks around how the policies are operationalised, but these are not well qualified -
Overall assessment	0	+

Example key for qualitative judgements:

++	much better than doing nothing/the status quo/counterfactual
+	better than doing nothing/the status quo/counterfactual
0	about the same as doing nothing/the status quo/counterfactual
-	worse than doing nothing/the status quo/counterfactual
--	much worse than doing nothing/the status quo/counterfactual

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

82. Option Two provides minor financial and efficiency benefits for councils, and is supported by councils, sector groups, and the LGFA. While there are potential financial risks associated with implementation, the evidence regarding these risks is poor.
83. We intend to carry out further work before drafting instructions are issued. This work will focus on setting the appropriate limitations on the delegation criteria to manage the potential risk.

What are the marginal costs and benefits of the option?

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Regulated groups	Potential risk in delegating authority inappropriately, somewhat mitigated by council's own risk management processes	Medium	Low
Regulators	N/A		
Others (eg, wider govt, consumers, etc.)	Potential flow on effects to ratepayers in the event of a financial loss	Medium	Low
Total monetised costs			
Non-monetised costs		<i>Medium</i>	<i>Low</i>
Additional benefits of the preferred option compared to taking no action			
Regulated groups	There would be financial savings related to not needing to obtain a legal opinion, and potential administrative and time savings in not having to locate the CE for each certificate	Low	Medium
Regulators	N/A		
Others (eg, wider govt, consumers, etc.)	There may be minor flow on effects to the public from more efficient and timely lending processes	Low	Low
Total monetised benefits		Low	Medium
Non-monetised benefits		<i>Low</i>	<i>Medium</i>

84. The benefits of this option in both time and efficiency to councils are small but identifiable. The costs are more difficult to establish with the information we currently have, and relate to potential risks of fraud if delegation authority is misused. It may be that councils all have appropriate systems in place that would reduce the actual risk of fraud or other financial mismanagement, but currently we do not have thorough evidence to demonstrate this. While the potential costs of the option are rated as medium, there is a high level of uncertainty about their likelihood of eventuating based

on our limited information. Given this level of uncertainty and the support from the sector and LGFA for this change, this is the preferred option.

Proposal 4: Clarifying that third party and Crown financial contributions can be targeted.

Status quo – third-party funding is being deducted from total project costs

Background on development contributions

85. Whenever a council considers an infrastructure project, it has to think about the “drivers” for that project. They must decide what proportion of the project is driven by the need for:
- a. renewal – replacing existing infrastructure that is nearing the end of its useful life;
 - b. improving levels of service – providing infrastructure that improves the level of service for the community; or
 - c. growth – infrastructure with more capacity than the existing community needs (or new infrastructure), to allow for new development.
86. Councils can charge development contributions to recover the cost of providing new infrastructure, or infrastructure with additional capacity to provide for new residential or commercial development. Development contributions are charged when a resource consent, building consent or service connection is approved. Development contributions are a way to pass the “growth cost” of infrastructure assets to the people who benefit – the owners of new homes or business – rather than requiring the wider community to pay for new or additional infrastructure through their rates.
87. Development contributions can only be used to recover costs that the council has incurred (or is going to incur – they can be charged when a project is planned but not started). Councils cannot collect more in development contributions than what they have spent for the growth portion⁴ of the infrastructure project.⁵
88. Section 200 (1) of the Local Government Act 2002 (LGA 02) limits when a council can require a development contribution. Section 200(1)(c) states that a council: ...must not require a development contribution for a reserve, network infrastructure, or community infrastructure if, and to the extent that...a third party has funded or provided, or undertaken to fund or provide, the same reserve, network infrastructure, or community infrastructure.
89. Officials’ understanding is that Section 200(1)(c) was intended to prevent councils from “double dipping” and requiring development contributions where growth costs had been met by a third-party funder. Drafters of the legislation still working in the department state that the words “if, and to the extent that” were intended to enable funding to be targeted to one or more “drivers” of an infrastructure project.⁶

What is going wrong with third party funding

90. Councils and government agencies have explored targeting funding to non-growth drivers to help communities overcome a “renewals backlog”, but determined this approach could have legal risk. This has not been tested in court, but considering the delays and disruption to scheduled works that litigation could cause, we believe it is unlikely that a council would be willing to test this interpretation of legislation.

⁴ “The growth portion” in this context includes the cost of financing the growth costs and holding that debt until it is repaid through development contributions.

⁵ Section 197AB(1)(b) of the LGA02 prohibits over-recovery of costs.

⁶ These drivers are also required features that a council must consider in its infrastructure strategy, LGA02 section 101B refers.

91. The current approach to third-party funding means that the beneficiaries of growth cannot be required to pay the full growth costs of an infrastructure project. It also means that if third party funder wants to reduce the cost to ratepayers by a certain amount, they will need to provide additional funding, to account for the proportion allocated to growth costs, which would otherwise be met by development.

Consultation

92. In May 2024, Auckland Mayor Wayne Brown wrote to the Minister of Housing with a list of suggested legislative fixes. One of these was:
- A top priority fix worth \$650 million – stop deducting Crown grants meant to cover the non-growth portion of infrastructure from the amount that can be recovered in DCs [development contributions].⁷

What options are being considered?

Option One – Status Quo

93. No change is made to Section 200(1)(c). Third party funding continues to be distributed across all drivers where infrastructure projects have both growth and non-growth components regardless of the intention of the third-party funding provider. This will mean councils are unable to require developments to meet the full growth costs of infrastructure projects which receive third party funding.

Option Two – Changes to section 200(1)(c) of the LGA to clarify that a third party can provide funding to a council which is targeted for a particular purpose

94. Under this option, it would be made clear that “if, and to the extent that” should be understood as meaning that development contributions cannot be charged:
- if, and to the extent that a third party has funded or provided or undertaken to fund or provide *funding which can be used to offset the growth costs* of the same reserve, network infrastructure, or community infrastructure.
95. This would align Section 200(1)(c) with 200(1)(a),(b), and (ba) which all describe circumstances in which funding from other sources have met the growth costs of an infrastructure project. This would make it clear that the third-party funding provider can determine whether the funding is intended to offset growth costs (be targeted to growth) or offset non-growth costs (be targeted to renewal or improving levels of service). Where a third party does not target the funding to any particular driver, the funding will continue to be distributed across all project costs.
96. The impact of the third-party determining which costs their funding is used to offset is shown in the table below.

⁷ Due to changes made through Auckland Council's 2024 Long Term Plan, the \$650m figure is no longer accurate.

Table 2: The impact of clarifying that a third party can provide funding offset growth costs or non-growth costs

	No third-party funding	Untargeted third-party funding	Third-party funding provided to offset non-growth costs	Third-party funding provided to offset growth costs
Drivers	X	\$40m	\$40m	\$40m
Renewal	\$20m	\$10m	\$0	\$20m
Improving levels of service	\$20m	\$10m	\$0	\$20m
Growth	\$40m	\$20m	\$40	\$0
Total cost	\$80m	\$80m	\$80m	\$80m

How do the options compare to the status quo/counterfactual?

	Option One – Status Quo	Option Two – Amending section 200(1)(c) of the LGA to clarify that a third party can provide funding to a council which is targeted for a particular purpose
Reduces costs for councils	0	<p>Where third party funding is targeted to non-growth costs, the proportion of infrastructure costs met by ratepayers will decrease by the full amount of the funding.</p> <p>++</p> <p>A council charging the full growth costs to development, will need to finance this portion until costs are recovered. If financing capacity is constrained this may have opportunity costs</p> <p>-</p>
Improves efficiency	0	<p>The development contributions will function more efficiently if development can be charged the full growth cost of infrastructure assets with targeted third-party funding.</p> <p>+</p>
Preserves council accountability to residents	0	<p>Targeted third-party funding would enable councils to allocate costs in alignment with benefit, which will improve transparency and accountability.</p> <p>+</p>
Overall assessment	0	++

What option is likely to best address the problem, meet the policy objectives, and deliver the highest net benefits?

97. The Department's preferred option is Option Two. This option gives third party funders, including the Crown, the ability to target funds to a particular driver to meet a specific objective or need.
98. This change will not require third-party funding to be targeted to non-growth costs, it will only ensure that third-party funding can be targeted to non-growth costs in appropriate circumstances. This will level the playing field for developers, many of whom develop in areas that do not benefit from the sort of third-party funding most likely to be targeted this. As reflected in the table below, agencies which disperse many small grants (like NZTA) would find targeting costly. Agencies which disperse fewer, larger grants with specific purposes, like HAF or IAF, benefit a smaller geographic area, in which a small number of developers currently see a windfall.

99. We do not believe that this change will disincentivise development or increase the price of housing. Economic analysis underpinning the Going for Housing Growth programme, led by the Ministry of Housing and Urban Development, shows that where charges are credibly signalled in advance, they will be reflected in urban land prices by lowering the price a developer is prepared to pay for land.

What are the marginal costs and benefits of the option?

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional costs of the preferred option compared to taking no action			
Regulated groups (Councils)	Where councils seek to recover more of growth costs of infrastructure, they will need to finance these costs until they are recovered through development contributions. For councils approaching their covenanted debt limit, additional financing will have opportunity costs.	Low to moderate. Some councils have limited access to additional finance and if they are required to finance a greater proportion of the costs of an infrastructure asset, this may limit their ability to keep sufficient debt headroom to respond to an emergency.	High, we have been provided evidence of this issue by Kainga Ora in discussions of their work with Auckland Council.
Regulators	N/A	N/A	N/A
Crown agencies distributing funding for council infrastructure assets (third-party funders)	Crown agencies will need to consider whether or how to target their funding to particular drivers of infrastructure projects. This would have minimal costs for Crown agencies distributing a small number of large grants (such as Kainga Ora with HAF funding), but higher costs for agencies distributing a larger amount of smaller grants (such as NZTA with FAR funding).	Low overall, but potentially higher for some agencies, if they were required to consider targeting funding.	High, we have discussed this with agencies through the GfHG programme.
Developers	Where a project with growth and non-growth drivers has third party funding targeted to non-growth costs, developers will no longer benefit. This will increase development contributions.	Low overall, but higher for particular developers where assets serving their developments are eligible for large amounts of third-party funding.	Medium
Total monetised costs	Low	Low	Medium-high
Non-monetised costs			

Affected groups (identify)	Comment <i>nature of cost or benefit (eg, ongoing, one-off), evidence and assumption (eg, compliance rates), risks.</i>	Impact <i>\$m present value where appropriate, for monetised impacts; high, medium or low for non-monetised impacts.</i>	Evidence Certainty <i>High, medium, or low, and explain reasoning in comment column.</i>
Additional benefits of the preferred option compared to taking no action			
Regulated groups (Councils)	Where councils have financing capacity, they would be able to recover more of the growth costs of infrastructure from development, thereby lessening the burden on ratepayers.	Medium to high, depending on the availability of third-party funding.	High, we have been provided evidence of this issue by Kainga Ora in discussions of their work with Auckland Council.
Regulators	N/A	N/A	N/A
Crown agencies distributing funding for council infrastructure assets (third-party funders)	Crown agencies who are able to target funding to non-growth costs could be able to support a greater number of projects or projects of increased scope with greater benefits. [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED] [REDACTED]	Medium to high, dependant on agency capacity to adjust grants in line with non-growth costs and/or council capacity to fund and finance.	High, we have discussed this with agencies through the GfHG programme.
Developers	This would level the playing field for developers whose projects do not rely on infrastructure assets with large third-party grants. Developers who want to accelerate infrastructure projects through funding or financing the growth costs can be sure their contribution would be entirely apportioned to growth.	Low overall, but higher for particular developers where projects are eligible for large amounts of funding.	Medium
Total monetised benefits	Medium	Medium to High	Medium-high
Non-monetised benefits			

Section 3: Delivering an option

How will the new arrangements be implemented?

100. All the proposed amendments will be given effect by local authorities. The Department will support councils to understand and implement any changes that affect them. As the nature of the changes are generally minor and are familiar to the sector, we anticipate the level of support required will be minor.
101. The first system improvement bill will be the vehicle for proposed changes. Alongside changes to the purpose of local government, the bill proposes to:
 1. amend the purpose of local government;
 2. improve council performance measurement and reporting;
 3. limit council revenue from rates; and
 4. standardise local elected member codes of conduct and improve local government transparency and accountability.
102. This bill has been prioritised as Category 6 in the 2024 Legislation Programme. Drafting instructions are planned to be issued by the end of 2024, and the bill is tentatively scheduled to be introduced in June 2025 and enacted by the end of 2025.
103. Councils will be able to take advantage of any changes following the bill's passing. There are no requirements for councils to report on any of the changes proposed to either central government or as part of regular planning processes.
104. The changes to Section 200(1)(c) clarify:
 - a. that third party funding can be targeted to particular drivers of infrastructure projects (which affects funding providers), and
 - b. how targeted third party funding should be considered when development contributions are determined (which affects territorial authorities),
105. These changes will enable third party funding to be targeted, but will not place an obligation to target funding on any third party funding provider. Where a third-party funder chooses to target a particular grant, this will be implemented in conjunction with the relevant territorial authority.

How will the new arrangements be monitored, evaluated, and reviewed?

106. The Department will receive direct feedback from local authorities and through the peak sector representative bodies, Local Government New Zealand and Taituarā – Local Government Professionals Aotearoa, on the effectiveness of the amendments. The Department has regular communication with these groups on a range of topics and will seek feedback on the operation of these changes.
107. Separate monitoring and evaluating of the implementation of the proposals will not be undertaken because of the minor nature of the proposals.
108. [REDACTED]
[REDACTED]
[REDACTED]
[REDACTED]

Appendix A: Original advice provided to Minister of Local Government on potential efficiency gains

#	LGA provisions	What it does and proposed change	Impact of change	Potential efficiency savings (cost)
1	s 96 (3)	<ul style="list-style-type: none"> S96(3) allows councils to make decisions that are inconsistent with the contents of LTPs or annual plans (excluding decisions in s 97). Councils do not often use this provision. You could issue guidance to remind councils of this provision. 	Brings the existing legislative provision to the attention of local authorities and gives them confidence to deviate from plans when necessary, such as in response to natural disasters. Depending on the circumstances, this could save councils time and cost.	\$
2	s 97(1)(a)	<ul style="list-style-type: none"> S97(1)(a) describes the decisions that can only be made if provided for in LTPs, including any decision to significantly alter the intended level of service provided by the local authority. The provision could be amended to allow alterations to intended service levels in certain circumstances, such as in emergency situations. 	It would allow local authorities to take decisions that are responsive to changes in strategic context despite commitments in LTPs.	\$\$
3	s 99A	<ul style="list-style-type: none"> Chief executives of local authorities must prepare a pre-election report containing certain financial and project information. This requirement could be reviewed and removed as it has largely been treated as a compliance exercise and does not appear to have informed local authority elections. Consultation with the sector is encouraged as some councils rely on this. 	Removing the requirement would save councils time and money in having to prepare a report.	\$

4	s 15	<ul style="list-style-type: none"> S15 requires councils in a region to create regional coordination agreements in a prescriptive way. This could be reviewed and removed. Consultation with the sector is encouraged. 	Regions would have flexibility to agree on how they will coordinate and communicate, meaning they could take different, more efficient approaches.	\$
5	s 16	<ul style="list-style-type: none"> S16 requires a prescriptive consultation process for significant new activities 	We are not aware of the provision ever being used. The provision is outdated and is not relevant now. Its continued existence could mean that some councils are using it, despite it being irrelevant.	\$
6	s 17A(1)	<ul style="list-style-type: none"> S17 makes it mandatory for councils to undertake 6-yearly reviews of their service delivery. The reviews are expensive and do not appear to have driven change at councils. Amend this section to make the reviews optional. 	This would provide flexibility for local authorities to either carry out more efficient reviews, or stop doing reviews and shift the savings into the service delivery budget.	\$\$
7	s 40	<ul style="list-style-type: none"> Remove requirement for local authorities to create a local governance statement that must include a wide range of governance, electoral, employment and other information. 	Would save local authorities time and money. The information is available on council websites so communities would still be able to access the information.	\$

8	s 118	<ul style="list-style-type: none"> • Council Chief Executives must sign a certificate of approval, approving a lending arrangement. • Simplify lending processes by allowing Council Chief Executives to delegate approval of lending. 	Allows local authorities to proceed with accessing lending in circumstances where there is an acting chief executive or when the Chief Executive is not available.	\$
9	s200	<ul style="list-style-type: none"> • Clarify third party and Crown financial contributions to capital projects can be targeted to specific elements of projects so that they do not become a de facto subsidy to developers. 	Would allow third party and Crown to make financial contributions to capital projects, without spilling into creating a subsidy.	\$\$
10	s5, s148, s157	<ul style="list-style-type: none"> • Review and modernise the public notice requirements. The provision currently relies on regional newspapers. 	Would align the provisions with modern media technology and make compliance more achievable. For example placing a notice on a website instead of having to purchase space in a local newspaper.	\$