

## Office of Hon Simeon Brown

MP for Pakuranga

Minister for Energy  
Minister of Local Government  
Minister of Transport

Minister for Auckland  
Deputy Leader of the House



22 August 2024

*By email*

Dear Mayor/Chair

### **The Strategic Framework for Regional Deals has been released**

Today at the Local Government New Zealand Conference, I was excited to announce the release of the Strategic Framework for Regional Deals (the Strategic Framework). The Strategic Framework is attached to this letter.

The Strategic Framework sets out how central government, councils, and relevant private sector entities will work together to deliver regional deals. The document provides an overview of the New Zealand regional deals model, as well as our expectations for the deals and the criteria for selecting regions for those deals.

### **A regional deals model fit for New Zealand**

Regional deals will be based on a 30-year vision, with negotiated 10-year strategic plans to deliver shared objectives and outcomes between central and local government. Deals will be long-term commitments, intended to endure. They will promote economic growth and productivity, deliver connected and resilient infrastructure, and improve the supply of affordable, quality housing.

Our intention is that the deals will contribute to a more empowered local government sector that is better able to serve local communities through improved alignment between local needs and national priorities.

Given the current fiscal constraints on central and local government, the regional deal model that has been developed relies on existing funding, financing tools and capacity. My expectation is that future regional deals will be further supported by new financing tools currently under development and by private sector investment.

This means regional deals could include a range of financing tools, regulatory relief, and enabling of coordination between regions and central government.

## **Regional deals will progress in waves**

With the framework for regional deals now in place, Cabinet has agreed to a staged approach for rolling out regional deals around the country.

For the first wave, the Government will be inviting up to five regions to provide 'light-touch' proposals. Ministers will then recommend one of these proposals as the first deal intended to be finalised in 2025. After this first regional deal, a further two deals per year will be finalised over the following three to five years.

When selecting regions for the first wave of regional deals, focus will be given on New Zealand's geographically and economically diverse regions, including both urban and rural economies, and areas with existing high growth, and with growth potential.

## **First wave of deals will be by invitation only**

The Government will start a process for inviting proposals for the first deals in the coming months. Once the Government has finalised decisions around which regions will be considered for a deal in the first wave, the relevant councils will be directly invited to submit proposals.

There will be a strong emphasis on ensuring these initial proposals are 'light touch'. Councils will likely be invited to submit proposals through a standard editable form, allowing councils to put forward their application without incurring any unnecessary expenditure. Guidance will be provided to councils to support them in crafting these proposals.

## **Further information**

A copy of the Strategic Framework is attached to this letter and are available on the Department of Internal Affairs (DIA) website.

More detailed information can also be found in the associated Cabinet papers that will soon be proactively released on the DIA website.

I have asked DIA to engage directly with mayors to provide further information about the Strategic Framework and the next steps for the first wave of deals. Officials will be in touch directly to arrange further meetings and information sessions.

I encourage you to get in touch with DIA if you have further questions at this stage, or to seek assistance with any initial discussions your council may be having. Please contact [councils@dia.govt.nz](mailto:councils@dia.govt.nz).

Regional deals provide an exciting opportunity for regions to put forward proposals for how central government can support local government to meet the needs of their community and drive economic development. This new model is about working together to explore ways to do better and to make a difference to our local communities, so we can all benefit from economic growth.

I look forward to working with you in the process ahead.

Yours sincerely,

A handwritten signature in blue ink, appearing to read "Simeon Brown". The signature is fluid and cursive, with the first name "Simeon" and the last name "Brown" clearly distinguishable.

Hon Simeon Brown  
**Minister of Local Government**