

Submission on the Local Government (System Improvements) Amendment Bill

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Submitter details

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Submission

Introduction

1. Recreation Aotearoa is the professional association and peak industry body responsible for providing leadership, advocacy, and professional development opportunities for those involved in the broader recreation sector. We represent the collective voice of recreation in New Zealand, ensuring that the value of recreation is recognised across government, industry, and communities.
2. Our membership includes recreation policy makers, territorial local authorities, voluntary organisations, regional sports trusts, outdoor recreation providers, and others engaged in delivering facilities and services that make recreation accessible. From large metropolitan councils managing extensive park networks to small rural authorities struggling to maintain a single aquatic facility, we see first-hand the diverse challenges across the system.
3. Our mission is enhancing wellbeing through recreation. We believe recreation is not a discretionary “nice-to-have” but a fundamental contributor to New Zealand’s physical and mental health, social cohesion, youth development, and climate resilience. Local government is the primary provider of recreation infrastructure—pools, parks, walkways, sports fields, community centres, open spaces, cemeteries, and crematoria. The policy settings that govern councils directly shape the opportunities communities have for healthy, connected lives.
4. Within Recreation Aotearoa sits the New Zealand Cemeteries and Crematoria Collective (NZCCC) Ngā Rau Hotu, a specialist group representing professionals who manage cemeteries and crematoria across Aotearoa.
5. While NZCCC operates with a degree of independence, it remains part of our wider professional community, reflecting the reality that cemeteries and crematoria are often located within, and administered by, the parks, recreation, community, or infrastructure departments of local authorities. Their alignment with our sector reflects the importance of managing these

spaces with the same level of professionalism, care, and long-term vision as other forms of public open space.

6. Recreation Aotearoa welcomes the opportunity to submit on the Local Government (System Improvements) Amendment Bill. While we acknowledge the Government's concern with rates affordability and fiscal discipline, we are concerned that aspects of the Bill risk undermining councils' ability to deliver the very outcomes communities need.

The Role of Local Government in the Active Recreation Industry

7. Local government is the single largest investor in recreation, play, and sport infrastructure in New Zealand. Collectively, councils spend over \$1.3 billion annually on recreation facilities and services. These range from local playgrounds and skateparks to aquatic centres, recreation centres, regional parks, cemeteries, crematoria, and coastal reserves.
8. Councils are also the guardians of public open space. Access to parks, trails, cemeteries, and green space is consistently ranked as a key driver of quality of life. International evidence shows that access to green space reduces healthcare costs, increases physical activity, and strengthens community connection. Cemeteries in particular contribute both as essential services and as part of wider networks of open space and heritage landscapes.
9. Recreation funding, however, is under strain. Many councils are nearing debt ceilings, facing climate adaptation costs, and experiencing political pressure to hold down rates. Inflation, energy costs (notably LPG heating for aquatic facilities), and competing "core" infrastructure needs make it increasingly difficult to maintain or expand recreation and cemetery facilities.
10. In this context, the legislative framework is critically important. A Bill that narrows councils' purpose and weakens their mandate for wellbeing risks undermining the very facilities and services that deliver long-term benefits.

Specific Comments

Removal of Wellbeing

11. The Bill proposes removing the four aspects of wellbeing (social, cultural, economic, environmental) from the purpose of local government. Recreation Aotearoa strongly opposes this change. Wellbeing is not an optional extra—it is the foundation of community life.
12. Recreation Aotearoa submits that narrowing the purpose to “cost-effective service delivery” will inevitably shift focus away from parks, libraries, cemeteries, recreation, and arts. These investments are easy targets under fiscal pressure, but their absence erodes the social and cultural fabric of communities.

Recognition of Core Services

13. Recreation Aotearoa supports the explicit recognition that reserves, libraries, museums, and recreational facilities as core services. This affirms that recreation is essential, not discretionary.
14. However, Recreation Aotearoa submits its concern that cemeteries and crematoria are excluded. This exclusion is inconsistent with existing legislation, which obliges territorial authorities to provide cemeteries. It risks sending a message that cemeteries are “optional” when they are legally mandated, culturally significant, and essential for public health and dignity.
15. Recreation Aotearoa submits that excluding cemeteries creates legislative inconsistency, risks public confusion, and diminishes the cultural and spiritual significance of these spaces. It undermines the importance of cemeteries as places of remembrance, connection, healing, and whakapapa.

Reporting and Benchmarking

16. The Bill proposes more activity-based reporting. Recreation Aotearoa supports this, provided reporting is meaningful. We are proponents of

sector-specific benchmarking tools such as Yardstick for Parks and Open Spaces.

Third-Party Contributions

17. The Bill clarifies that third-party contributions can offset development contributions. We recommend this be extended explicitly to active recreation infrastructure and operational expenditure. Pools, recreation centres, and crematoria face high operating costs—energy, staffing, maintenance—that councils struggle to fund. Allowing philanthropic, iwi, and community contributions to offset both capital and operating costs would unlock more sustainable provision.

Cemeteries and Crematoria: Essential Services

18. Cemeteries and crematoria are not optional amenities. They are essential services, required by law and fundamental to community wellbeing. Excluding them from the Bill's core services is an oversight.
19. Recreation Aotearoa submits that cemeteries and crematoria provide dignity in death for families and whānau, honour cultural and spiritual traditions, particularly Māori, Pasifika, and migrant communities and offer wellbeing benefits as places for reflection, remembrance, and connection to whenua.
20. Recreation Aotearoa submits that Cemeteries and crematoria be explicitly recognised as core local government services.
21. In addition, we urge that Government take a strategic, holistic approach to modernising legislation across burial, cremation, and local government.

Overlooked System-Level Issues

22. Recreation Aotearoa observes that this Bill is framed as a response to ratepayer affordability. We submit that while affordability matters, this narrow lens fails to address deeper challenges.
23. In previous years, Recreation Aotearoa took a strong interest in the Review into the Future for Local Government, specifically four enduring issues that

were identified (a) the misalignment between central and local roles; (b) constrained and outdated funding models; (c) weak civic engagement and low voter turnout; and (d) difficulty prioritising wellbeing and climate action under fiscal constraints.

24. The Future for Local Government Review (2023) called for five shifts: strengthened democracy, wellbeing focus, Treaty partnerships, genuine central-local partnership, and equitable funding. Instead of building on this, the Bill narrows purpose, centralises control, and avoids funding reform. Recreation Aotearoa submits that this Bill is a missed opportunity to address these more fundamental and important issues.

Recommendations

25. Retain the Wellbeing Purpose in the Local Government Act 2002.
26. Affirm recreation, cemeteries, and crematoria as essential core services.
27. Adopt recognised benchmarks such as Yardstick for Parks and Open Spaces.
28. Allow third-party contributions to apply to both infrastructure and operational expenditure, explicitly.
29. Align the Bill with findings made by the Future for Local Government Review.
30. Reform local government funding mechanisms, creating climate adaptation funds, and requiring central government contributions to local mandates.
31. Recognise climate adaptation as a core local government role, linked to parks, recreation, and cemetery provision.
32. Require central government to assess local funding impacts of new policies.

33. Modernise the legislative framework for cemeteries and crematoria by reviewing burial, cremation, and local government legislation, holistically.

Conclusion

34. Recreation Aotearoa acknowledges the Government's aim of improving affordability and accountability. However, the Local Government (System Improvements) Amendment Bill must not come at the expense of wellbeing, democracy, or the essential services that sustain communities.
35. Active Recreation, Play and Remembrance are vital to New Zealanders wellbeing. They support health, cohesion, resilience, and dignity. Narrowing the role of local government undermines these outcomes.
36. We urge the Committee to ensure this Bill empowers councils to continue providing the spaces and services that keep communities active, healthy, resilient, and connected.
37. Recreation Aotearoa looks forward to discussing our submission during oral hearings.