

## Future for Local Government – Draft Report Recommendations and Questions

| Recommendations and Questions   | Response   |
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| <b>Chapter 2 (pg. 40-61) - REVITALISING CITIZEN-LED DEMOCRACY</b>   |  |
| <p>1. That local government adopts greater use of deliberative and participatory democracy in local decision-making.</p>  | <ul style="list-style-type: none"> <li>• Councils could do this now subject to resourcing – which to do well could be significant</li> <li>• This is best suited to big complex issues/ decisions and so is unlikely to be for the many less complex and significant decisions councils make on a regular basis.</li> <li>• It could be challenging to incorporate Māori/ mana whenua participation appropriately. Processes are likely to emerge that are unique to Aotearoa/ New Zealand to achieve this.</li> <li>• Need to avoid the usual suspects dominating participation.</li> <li>• Plenty of examples/ lessons learned from New Zealand and around the world using a variety of mechanisms addressing a variety of issues</li> <li>• Would central government agencies partner with councils in deliberative and participatory decision-making processes where central government will participate in and resource resulting initiatives?</li> </ul> |
| <p>2. That local government, supported by central government, reviews the legislative provisions relating to engagement, consultation, and decision-making to ensure they provide a comprehensive, meaningful, and flexible platform for revitalising community participation and engagement.</p> | <ul style="list-style-type: none"> <li>• The legislation is already less prescriptive than it was and councils can largely decide for themselves how they engage with their communities.</li> <li>• Councils need to better use their Significance and Engagement Policy to provide better opportunities for innovative/ effective engagement</li> <li>• Any change to legislation would need to integrate seamlessly with deliberative democracy imperatives referred to above.</li> </ul>  |

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|   | <ul style="list-style-type: none"> <li>• But do residents really want to participate in decision-making (more)? Or are they happy leaving councils to make decisions and “get on with it”?</li> </ul>   |
| <p>3. That central government leads a comprehensive review of requirements for engaging with Māori across local government related legislation, considering opportunities to streamline or align those requirements.</p>  | <ul style="list-style-type: none"> <li>• Not sure how applicable this would be in reality?</li> <li>• Need local solutions developed locally</li> </ul>   |
| <p>4. That councils develop and invest in their internal systems for managing and promoting good quality engagement with Māori.</p>   | <ul style="list-style-type: none"> <li>• Most councils would agree this is important</li> <li>• Councils could do this now subject to resourcing – which to do well could be significant</li> <li>• Requires central government funding to resource both councils and iwi/ hapū to build mutual understanding and effective relationships</li> </ul>  |
| <p>5. That central government provides a statutory obligation for councils to give due consideration to an agreed, local expression of tikanga whakahaere in their standing orders and engagement practices, and for chief executives to be required to promote the incorporation of tikanga in organisational systems.</p> | <ul style="list-style-type: none"> <li>• Most councils will agree this is important</li> <li>• Statutory requirements would provide direction and clarity for councils</li> <li>• How to monitor and evaluate any requirements on chief executives?</li> <li>• Might requirements be better made of councils themselves?</li> </ul>   |
| <p>Q. What might we do more of to increase community understanding about the role of local government, and therefore lead to greater civic participation?</p>   | <ul style="list-style-type: none"> <li>• Councils need to find ways to better engage with hard to reach communities. This will inevitably make community engagement more complex and increase the resources required so it will be important to co-design engagement with the target communities to maximise efficiencies and value for money.</li> <li>• Councils need to continue to improve at telling our stories. There has been significant improvement in recent years but we are still not having communities consistently understand the value proposition of the work councils do.</li> </ul> |

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|   | <ul style="list-style-type: none"> <li>• Central government must stop using councils as a whipping boy and should instead show genuine trust and respect towards councils. Too often councils get the blame from central government for wicked issues. For example, central government has blamed the housing crisis entirely on council planning rules and (lack of) infrastructure provision. This grossly simplifies a complex issue. While there was clearly value for central government in shifting perception of the cause from central to local government on this particularly issue it has significant longer term impacts in that it perpetuates a view in the community of council incompetence and ambivalence – why would the community want to engage?<br/>If central government had instead openly worked with local government to collaboratively find solutions it would have had a vastly different impact on community perceptions and on residents’ willingness to engage with both local and central government on a broad range of issues.<br/>Our residents need to see us as being worthy of their investment in participation in decision-making.</li> </ul> |
| <b>Chapter 3 (pg. 62-98) - TIRITI-BASED PARTNERSHIP BETWEEN MĀORI AND LOCAL GOVERNMENT</b>  |  |
| <p>6. That central government leads an inclusive process to develop a new legislative framework for Tiriti-related provisions in the Local Government Act that drives a genuine partnership in the exercise of kāwanatanga and rangatiratanga in a local context and explicitly recognises te ao Māori values and conceptions of wellbeing.</p> | <ul style="list-style-type: none"> <li>• Agree that a legislative framework is likely to be useful to provide direction and impetus to the ongoing development and maintenance of relationships between local government and Māori.</li> <li>• Māori engagement in local government decision-making has often been focused on matters affecting water and land. With Three Waters reform decision-making regarding water and waterways largely shifts from councils to WSEs. This doesn’t seem to be acknowledged or addressed in the Report. WSEs will need to be key players in future local governance. Councils will lose</li> </ul>   |

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|  | <p>most of their expertise and interest in water-related matters and associated decision-making. How will the co-governance partnership between councils and Māori function in practice given councils will no longer be responsible for water and water bodies.</p> <ul style="list-style-type: none"> <li>• Similarly decisions regarding land use will shift from councils to regional planning and spatial planning committees. These committees will also be key players in future local governance.</li> <li>• In future Council – Māori relationships will need to be based on matters that have until now have been peripheral to existing relationships. What will those be?</li> <li>• Iwi/ hapū may see their relationships with WSEs and regional planning committees as a higher priority than their relationships with councils.</li> </ul> |
| <p>7. That councils develop with hapū/iwi and significant Māori organisations within a local authority area, a partnership framework that complements existing co-governance arrangements by ensuring all groups in a council area are involved in local governance in a meaningful way.</p> | <ul style="list-style-type: none"> <li>• Many councils will already have something like this though perhaps few will be considered successful by all parties.</li> <li>• Agree these initiatives need to be given a high priority</li> <li>• Agree there needs to be a greater level of direction and accountability within local government- Māori relationships.</li> <li>• Again, effective relationship building and maintenance is resource intensive. Would be a significant help if government funding was available for all parties.</li> <li>• Need local solutions developed locally. CCC has worked with Ngai Tahu rūnanga to establish Te Hononga, a mana whenua- Council committee. This enables the Council and Papatipu rūnanga to work together to establish shared understanding of issues important to all.</li> </ul>                  |
| <p>8. That central government introduces a statutory requirement for local government chief executives to develop and maintain the capacity and capability of council staff to grow understanding and</p>  | <ul style="list-style-type: none"> <li>• This could promote a more consistent level of understanding and engagement across all councils but may be challenging to express appropriately through statutory requirement.</li> </ul>   |

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| <p>knowledge of Te Tiriti, the whakapapa of local government, and te ao Māori values.</p>  | <ul style="list-style-type: none"> <li>• There may also be issues around establishing whether a statutory requirement is or isn't being given effect to and what response is required where it is not being appropriately progressed by a chief executive.</li> </ul>  |
| <p>9. That central government explores a stronger statutory requirement on councils to foster Māori capacity to participate in local government.</p>   | <ul style="list-style-type: none"> <li>• Agree that stronger statutory requirements are needed to ensure meaningful participation at a consistent level</li> <li>• Needs to be developed in partnership with Iwi/ mana whenua</li> <li>• Needs to be adequately resourced – which is likely to require central government funding</li> <li>• Needs to be flexible enough for local priorities to be addressed and for local flavour/ nuances to be included</li> </ul>   |
| <p>10. That local government leads the development of coordinated organisational and workforce development plans to enhance the capability of local government to partner and engage with Māori.</p> | <ul style="list-style-type: none"> <li>• This is essential for genuine change to be effected.</li> <li>• This probably needs to align with any statutory requirement for chief executives to develop and maintain the capacity and capability of staff around Te Tiriti, the whakapapa of local government, and te ao Māori values.</li> </ul>   |
| <p>11. That central government provides a transitional fund to subsidise the cost of building both Māori and council capability and capacity for a Tiriti-based partnership in local governance.</p> | <ul style="list-style-type: none"> <li>• Significant additional resourcing will be required for both Māori and councils so this would greatly help to bring about change</li> <li>• Could be a generic national base programme on which local knowledge and requirements can be built</li> <li>• Likely to need to be more than a transitional fund if this work is to be ongoing. We understand that at some point it will hopefully be simply BAU but that could take some time and ongoing investment.</li> </ul> |
| <p><b>Chapter 4 (pg. 102-114) - ALLOCATING ROLES AND FUNCTIONS IN A WAY THAT ENHANCES WELLBEING</b></p>  |  |
| <p>12. That central and local government note that the allocation of the roles and functions is not a binary decision between being delivered centrally or locally.</p>                              | <ul style="list-style-type: none"> <li>• Agree – there will be a range of approaches involving different types of partnership/ collaboration and aligned work programmes that will evolve to meet the needs of specific situations.</li> </ul>   |

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|   | <ul style="list-style-type: none"> <li>• These arrangements will take time to develop as organisations will need to gain a shared understanding of situations and priorities.</li> <li>• The challenge is like to be how to maintain collaborative over time as governments and councils change and key people involved come and go.</li> </ul>  |
| <p>13. That local and central government, in a Tiriti-consistent manner, review the future allocations of roles and functions by applying the proposed approach, which includes three core principles:</p> <ul style="list-style-type: none"> <li>• the concept of subsidiarity</li> <li>• local government’s capacity to influence the conditions for wellbeing is recognised and supported</li> <li>• te ao Māori values underpin decision-making.</li> </ul> | <ul style="list-style-type: none"> <li>• Agree</li> <li>• This needs to be sufficiently fluid so as to support changes in priorities and service delivery mechanisms and expectations.</li> </ul>  |
| <p>Q: What process would need to be created to support and agree on the allocation of roles and functions across central government, local government, and communities?</p>   | <ul style="list-style-type: none"> <li>• Local or regional wellbeing forums/ councils could be formed to enable all partners to work together to identify priorities and responses and allocate roles and functions.</li> <li>• Forums may need to specialise – e.g. social forum, environmental forum, economic forum, cultural forum. Could be a number of ways of doing this.</li> <li>• The framework proposed in the Report would provide the ability for decisions to be made on roles and functions</li> <li>• The forums could decide to establish bespoke approaches to service delivery. E.g. it could be decided that a single service provider is used across a region for the collection and disposal of waste while local service providers/ solutions are used for recycling.</li> <li>• Could have a local wellbeing plan that brings all this together</li> </ul> |
| <p>Q: What conditions will need to be in place to ensure the flexibility of the approach proposed does not create confusion or unnecessary uncertainty?</p>   | <ul style="list-style-type: none"> <li>• A transparent decision-making framework for allocating roles and responsibilities will go a long way towards mitigating this risk.</li> </ul>   |

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| <p>Q: What additional principles, if any, need to be considered?</p>   | <ul style="list-style-type: none"> <li>• Efficiency/ value for money. There may be situations where the cost associated with service delivery that supports the other principles outweighs the benefits. While this shouldn't be the overriding consideration it should be a principle underpinning decision-making.</li> </ul>   |
| <b>Chapter 5 (pg 115-132) LOCAL GOVERNMENT AS CHAMPION AND ACTIVATOR OF WELLBEING</b>  |   |
| <p>14. That local government, in partnership with central government, explores funding and resources that enable and encourage councils to:</p> <ol style="list-style-type: none"> <li>a. lead, facilitate, and support innovation and experimentation in achieving greater social, economic, cultural, and environmental wellbeing outcomes</li> <li>b. build relational, partnering, innovation, and co-design capability and capacity across their whole organisation</li> <li>c. embed social/progressive procurement and supplier diversity as standard practice in local government with nationally supported organisational infrastructure and capability and capacity building</li> <li>d. review their levers and assets from an equity and wellbeing perspective and identify opportunities for strategic and transformational initiatives</li> <li>e. take on the anchor institution role, initially through demonstration initiatives with targeted resources and peer support</li> <li>f. share the learning and emerging practice from innovation and experimentation of their enhanced wellbeing role.</li> </ol> | <ul style="list-style-type: none"> <li>• Draft report has little recognition of the work all councils already do in the wellbeing space. The report tends to present good examples as exceptions rather than the rule which probably undersells the extent of existing local government initiatives.</li> <li>• Councils are already partnering with NGOs and in some cases with central government.</li> <li>• CCC has a procurement policy with community value procurement at its heart. Weighting is given to community value wellbeing outcomes.</li> <li>• CCC requires contractors to pay the Living Wage and to have a CC policy.</li> <li>• Councils mostly act as anchor institutions but scope to significantly increase this.</li> <li>•</li> </ul> |
| <p>Q. What feedback do you have on the roles councils can play to enhance intergenerational wellbeing?</p>   | <ul style="list-style-type: none"> <li>• It depends on what local government's roles and functions end up being.</li> </ul>   |

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|   | <ul style="list-style-type: none"> <li>• Councils have strong knowledge and relationships with their communities. This is vital to efficiently and effectively identify what issues and opportunities are important to particular communities and to identify who is best placed to be part of any response.</li> <li>• If central government decides councils should focus on roads, rubbish, regulation and parks then their local knowledge and relationships won't be optimally utilised.</li> <li>• Councils will lose a lot of their support functions horsepower (comms, engagement, policy, legal etc) as a result of Three Water Reform and Resource Management Reform. In some respects there will need to be some immediate refocusing of work to try to retain skilled staff.</li> </ul> |
| <p>Q. What changes would support councils to utilise their existing assets, enablers, and levers to generate more local wellbeing?</p>          | <ul style="list-style-type: none"> <li>• More positive relationships with central government representatives and agencies based on mutual trust and respect.</li> <li>• New sources of funding to supplement rates revenue to fund new services.</li> <li>• Whole of community collaboration in identifying and responding to issues and priorities.</li> <li>• Building increased capacity and capability in councils to enable them to take more of a community leadership role as place-maker, networker and coordinator and as anchor institutions.</li> <li>• Working at a level and a scale that enables even small communities to receive quality services – which is likely to require council amalgamations and/ or shared service delivery.</li> </ul>                                     |
| <b>Chapter 6 (pg. 134-158) A STRONGER RELATIONSHIP BETWEEN CENTRAL AND LOCAL GOVERNMENT</b>   |  |
| <p>Q. To create a collaborative relationship between central and local government that builds on current strengths and resources, what are:</p> | <p><b>a. the conditions for success and the barriers that are preventing strong relationships?</b></p>   |



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| <ul style="list-style-type: none"> <li>a. the conditions for success and the barriers that are preventing strong relationships?</li> <li>b. the factors in place now that support genuine partnership?</li> <li>c. the elements needed to build and support a new system?</li> <li>d. the best options to get there?</li> <li>e. potential pathways to move in that direction and where to start?</li> <li>f. the opportunities to trial and innovate now?</li> </ul> | <ul style="list-style-type: none"> <li>• Needs to be mutual trust and respect, particularly from central government</li> <li>• Need to identify opportunities to work together based on shared issues and the likelihood a collaborative response will be useful</li> <li>• We don't see any interest in pursuing this type of approach from central government. The Pae Ora (Healthy Futures) Act 2022 requires Health New Zealand to consult local authorities affected by the locality plan but doesn't require our involvement in co-designing services or initiatives or even in working in partnership with Health New Zealand to promote community wellbeing.</li> <li>• The Government recently produced a Social Sector Commissioning 2022–2028 Action Plan, the purpose of which is “Transforming the way social supports and services are commissioned so that they best support people, families and whanau to live the lives they value” . The document details how the Government will work with iwi/ whanau, NGOs and communities to deliver better social services and outcomes. The document references local government just once with “local council” as being an “other party”. In the context of this review this is alarming. The final report needs to call out the persistent ignoring of local government as a key community partner and promote a more collaborative and trusting model of local governance.</li> <li>• These are, in our view, ongoing opportunities lost. This practical failure to recognise, understand, acknowledge, promote, pursue and resource councils as essential partners in the locality-based health reforms urgently needs to change.</li> <li>• Clarity and certainty from the Government that there is a future based on localism and collaboration is needed for councils to invest in relationship building and partnering. There hasn't been any indication of this in the Review process to date. The standard</li> </ul> |

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|                               | <p>response has been “this is local government’s review process”.<br/>Not helpful and not good enough.</p> <p>b. <b><i>The factors in place now that support genuine partnership?</i></b></p> <ul style="list-style-type: none"> <li>• Established relationships and shared work programmes in place with a range of government agencies including Waka Kotahi, Kāinga Ora, Ministry of Housing and Urban Development, Te Whatu Ora</li> <li>• Multidisciplinary collaboration via the Greater Christchurch Urban Growth Partnership</li> <li>• Regional strategic planning and delivery via Canterbury Mayoral Forum and specialised subsidiary fora including strategic planning, resource management, information and communications technology.</li> </ul> <p>c. <b><i>The elements needed to build and support a new system?</i></b></p> <ul style="list-style-type: none"> <li>• The collective/ interdependent model proposed in the Report offers an excellent starting point for thinking about how local and central government and hapū/ iwi can work together.</li> </ul> <p>d. <b><i>The best options to get there?</i></b></p> <ul style="list-style-type: none"> <li>• While central government has a preference for engaging at the regional level (as this is seen as efficient) this risks losing the benefits councils bring in their knowledge of the specific needs of communities.</li> <li>• Local wellbeing plans may be needed to capture the issues and opportunities at a local level which can then be aggregated to regional wellbeing plans with commonalities identified and responded to at a regional or sub-regional level and specifics responded to at a local level often in partnership with local communities.</li> </ul> <p>e. <b><i>Potential pathways to move in that direction and where to start?</i></b></p> <ul style="list-style-type: none"> <li>• See above</li> </ul> <p>f. <b><i>The opportunities to trial and innovate now?</i></b></p> |

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|  | <ul style="list-style-type: none"> <li>• There are already many examples around the country where these approaches are being used as the basis for partnership and to address wellbeing in communities.</li> <li>• It may be a case of extending programmes already in place to expand the scope of services provided or the geographic reach of existing services including through councils working together to do this.</li> <li>• Further opportunities will inevitably require further resourcing to realise them. Central government funding is likely to be key to expanding on what already works well.</li> </ul>   |
| <p>Q. How can central and local government explore options that empower and enable a role for hapū/iwi in local governance in partnership with local and central government? These options should recognise the contribution of hapū/iwi rangatiratanga, kaitiakitanga, and other roles.</p> | <ul style="list-style-type: none"> <li>• Local or regional wellbeing forums/ councils could be formed to enable all partners to work together to identify priorities and responses and allocate roles and functions.</li> <li>• Treaty Relations team thoughts?</li> </ul>   |
| <b>Chapter 7 (pg 161-184) REPLENISHING AND BUILDING ON REPRESENTATIVE DEMOCRACY</b>  |  |
| <p>15. That the Electoral Commission be responsible for overseeing the administration of local body elections.</p>   | <ul style="list-style-type: none"> <li>• We support an increased role for the Electoral Commission, but note that further consideration and research needs to be undertaken on whether all aspects of local elections should be run by the Commission. We have concerns that a single approach to all aspects of a local election would remove local and/or regional aspects of an election – one size does not fit all. There needs to be consideration of the different representation arrangements across local government and an understanding of the broad breadth of local government roles across the country.</li> <li>• We are also concerned that the cost to councils for the Electoral Commission to run an election is unknown. This risk could be mitigated by central government funding local elections.</li> <li>• We also need to better understand the value of the Electoral Commission taking responsibility for local elections, as well as</li> </ul> |

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|  | <p>what functions the Commission would take over and what would be left for the councils to do.</p> <ul style="list-style-type: none"> <li>• Legislation needs to allow for opportunities to modernise voting and remove barriers to voting. Enrolled electors currently receive their voting documents by post; this is not an enduring or reliable way of providing voting documents. Postal delivery services are not daily and are often subject to external factors that have a significant impact on reliability, including but not limited to weather, mail theft and staff availability.</li> </ul>   |
| <p>16. That central government undertakes a review of the legislation to:</p> <ol style="list-style-type: none"> <li>adopt Single Transferrable Vote as the voting method for council elections</li> <li>lower the eligible voting age in local body elections to the age of 16</li> <li>provide for a 4-year local electoral term</li> <li>amend the employment provisions of chief executives to match those in the wider public sector and include mechanisms to assist in managing the employment relationship.</li> </ol> | <ul style="list-style-type: none"> <li>• All seem intuitively reasonable/ positive but the draft report doesn't present evidence that would make the recommended changes compelling</li> <li>• The Council supports consideration of lowering of the voting age to 16, for New Zealand elections. However this must be supported by an increased national focus on civic awareness and education that increases understanding of the roles of both local and national government.</li> <li>• Local and central government electoral terms should be aligned.</li> <li>• Initial thoughts of this council were to support a four year term but limited support for STV and lowering the voting age. If there are compelling reasons to do the latter two then a stronger case needs to be made.</li> </ul> |
| <p>17. That central and local government, in conjunction with the Remuneration Authority, review the criteria for setting elected member remuneration to recognise the increasing complexity of the role and enable a more diverse range of people to consider standing for election.</p>  | <ul style="list-style-type: none"> <li>• This Council has, in the past, submitted on the need to move away from the population-based funding formula for setting Community Board remuneration. The members of our Banks Peninsula community board are currently paid significantly less than members from other boards despite needing the same skills and putting in the same time to the role.</li> <li>• The same applies to the remuneration of councillors at smaller councils up closer to those in larger councils. The issues are often</li> </ul>  |

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|   | <p>very similar as is the time commitment required from elected members.</p>  |
| <p>18. That local government develops a mandatory professional development and support programme for elected members; and local and central government develop a shared executive professional development and secondment programme to achieve greater integration across the two sectors.</p>  | <ul style="list-style-type: none"> <li>• LGNZ provides training for elected members</li> <li>• Council induction programmes are, by necessity, often comprehensive and time consuming.</li> <li>• There should be opportunities for professional development on top of these but some thought would need to be given as to whether they should be mandatory.</li> <li>• Many new elected members have had time on community boards and in other governance roles so have some understanding of the requirements and expectations.</li> </ul>  |
| <p>19. That central and local government:</p> <ol style="list-style-type: none"> <li>a. support and enable councils to undertake regular health checks of their democratic performance</li> <li>b. develop guidance and mechanisms to support councils resolving complaints under their code of conduct and explore a specific option for local government to refer complaints to an independent investigation process, conducted and led by a national organisation</li> <li>c. subject to the findings of current relevant ombudsman's investigations, assess whether the provisions of the Local Government Official Information and Meetings Act 1987, and how it is being applied, support high standards of openness and transparency.</li> </ol> | <ul style="list-style-type: none"> <li>• Agree councils should be supported and encouraged to undertake regular health checks of their democratic performance. We note the CouncilMark programme provides this</li> <li>• Agree the LG Commission could develop guidance and mechanisms to resolve some issues.</li> <li>• The Ombudsman's findings are usually a useful guide and prompt for councils with respect to openness and transparency. It is not clear that amending LGOIMA would necessarily have the same effect.</li> <li>• Councils need to have the ability to exclude the public in accordance with the current provisions of LGOIMA but there are inevitably many grey areas and the Ombudsman's work helps clarify those.</li> </ul> |
| <p>20. That central government retain the Māori wards and constituencies mechanism (subject to amendment in current policy processes), but consider additional options that provide for a Tiriti-based partnership at the council table</p>   | <ul style="list-style-type: none"> <li>• Agree – consistent with Ecan/ Ngāi Tahu approach.</li> <li>• Any comments from Treaty Relations team?</li> </ul>   |
| <p>Q. How can local government enhance its capability to undertake representation reviews and, in particular, should the Local Government</p>   | <ul style="list-style-type: none"> <li>• The LG Commission already provide a significant amount of guidance with respect to representation reviews. As part of our</li> </ul>   |

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| <p>Commission play a more proactive role in leading or advising councils about representation reviews?</p>   | <p>Council’s 2022 representation review the LG Commission provided a number of recommendations for Council to consider at the next representation review.</p> <ul style="list-style-type: none"> <li>• The Commission needs the capability to advise councils on the variety of options possible for Māori/ Mana Whenua seats/ representation</li> <li>• If changes like moving to STV voting or having Māori seats are seen as compelling in terms of promoting democratic participation and accountability then these should be legislated for rather than changed through representation reviews. Need to be careful that Commission advice isn’t seen as a way to encourage councils to make the “right” choices about their representation arrangements.</li> <li>•</li> </ul> |
| <p>Q. To support a differentiated liberal citizenship, what are the essential key steps, parameters, and considerations that would enable both Tiriti and capability-based appointments to be made to supplement elected members?</p>  | <ul style="list-style-type: none"> <li>• Allow all councils to coat-tail on the Canterbury Regional Council (Ngāi Tahu Representation) Act 2022 to introduce appointed mana whenua seats. It is not efficient for each individual council wanting to establish appointed mana whenua seats to seek bespoke legislation.</li> <li>• Councils use expert advice in their deliberations all the time. It is hard to see that capability-based appointments would necessarily improve decision-making.</li> </ul>   |
| <p><b>Chapter 8 (pg187-204) EQUITABLE FUNDING AND FINANCE</b></p>  |   |
| <p>21. That central government expands its regulatory impact statement assessments to include the impacts on local government; and that it undertakes an assessment of regulation currently in force that is likely to have significant future funding impacts for local government and makes funding provision to reflect the national public-good benefits that accrue from those regulations.</p> | <ul style="list-style-type: none"> <li>• Agree – this should always have been happening</li> <li>• The example whereby the Director General of Health can require councils to fluoridate water supplies at the councils’ cost with the key beneficiary being the Ministry of Health (and some individual residents) highlights the issue of unfunded mandates clearly.</li> </ul>   |

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| <p>22. That central and local government agree on arrangements and mechanisms for them to co-invest to meet community wellbeing priorities, and that central government makes funding provisions accordingly.</p>  | <ul style="list-style-type: none"> <li>• Agree that if partnership/ collaborative work is to be increasingly used then mechanisms will need to evolve to better enable this.</li> <li>• Councils and central government currently have different timelines for budget preparation and this makes so-funding difficult. Councils have had issues with budgeting for transport programmes when Waka Kotahi funding isn't confirmed in time for LTP adoption.</li> <li>•</li> </ul>                                   |
| <p>23. That central government develops an intergenerational fund for climate change, with the application of the fund requiring appropriate regional and local decision-making input.</p>   | <ul style="list-style-type: none"> <li>• Agree</li> <li>• Could be similar to EQC funding</li> <li>• Likely to be a run on the funding at some point. How would this be funding be allocated if there wasn't sufficient funding to address all claims that arise in a short period of time – say a major ice melt causing significant and rapid sea level rise?</li> <li>• Note that this type of funding is unlikely to be appropriate for LG.</li> </ul>   |
| <p>24. That central government reviews relevant legislation to:</p> <ol style="list-style-type: none"> <li>a. enable councils to introduce new funding mechanisms</li> <li>b. retain rating as the principal mechanism for funding local government, while redesigning long-term planning and rating provisions to allow a more simplified and streamlined process.</li> </ol> | <ul style="list-style-type: none"> <li>• Agree with this recommendation</li> <li>• Suggest changing relevant legislation to enable councils to set new rates such as road tolls, bed tax, congestion tax</li> <li>• Suggest changing section 8 of the LG (Rating) Act to make councils responsible for deciding which land, if any is non-rateable. Obviously this would also require the removal of Schedule 1 of the Act.</li> <li>• Rates are a relatively simple and streamlined funding mechanism.</li> </ul> |
| <p>25. That central government agencies pay local government rates and charges on all properties.</p>  | <ul style="list-style-type: none"> <li>• Agree. There is no rationale for the Crown and its agencies not to pay rates.</li> <li>• Also all charges e.g. development contributions</li> </ul>   |
| <p>Q: What is the most appropriate basis and process for allocating central government funding to meet community priorities?</p>   | <ul style="list-style-type: none"> <li>• This is a complex issue that needs to be worked through and needs to remain flexible enough to respond to changing circumstances and priorities.</li> </ul>   |

| Recommendations and Questions   | Response   |
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|   | <ul style="list-style-type: none"> <li>Needs to recognise population and specific need based on deprivation, growth, and other specific needs. Will never be perfect so will need periodic review.</li> </ul>  |
| <b>Chapter 9 (pg. 206-220) - SYSTEM DESIGN</b>  |  |
| <p>26. That central and local government explore and agree to a new Tiriti-consistent structural and system design that will give effect to the design principles.</p>                | <ul style="list-style-type: none"> <li>Agree that central and local government should invest in a programme to develop a consistent framework to enable Tiriti-consistent structural and system design with advice from iwi/hapū.</li> <li>To the extent possible the framework needs to empower councils and their communities to make decisions regarding structural and system design rather than having central government or a prescriptive framework override local decision-making.</li> </ul>  |
| <p>27. That local government, supported by central government, invests in a programme that identifies and implements the opportunities for greater shared services collaboration.</p> | <ul style="list-style-type: none"> <li>Agree that there needs to be impetus given to increasing the investment in seeking opportunities for efficiencies and service improvements via shared services collaboration.</li> <li>Development of shared services needs to explore opportunities for nationally consistent approaches that further provide economies of scale beyond that possible by regional approaches only.</li> <li>It could be that a national review framework is developed that requires all councils to participate in assessing shared service opportunities. There has been far too little investment made to date in regions and it seems clear that an element of compulsion is required.</li> <li>Could be undertaken by or commissioned by LGNZ and LG contribution funded as a surcharge on LGNZ membership</li> <li>Central Government should contribute at least 50% of cost</li> </ul> |



| Recommendations and Questions   | Response  |
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| <p>28. That local government establishes a Local Government Digital Partnership to develop a digital transformation roadmap for local government.</p> | <ul style="list-style-type: none"> <li>• Agree that a digital partnership is likely to produce efficiencies.</li> <li>• However, it could also stifle innovation and investment in new technologies if change needs to occur at a national level. Any Digital Partnership would need to include investment in innovation and trialling of new software and hardware options among member councils.</li> </ul>   |
| <p>Q. What other design principles, if any, need to be considered?</p>  | <p><b>Communities of interest.</b> It is challenging forcing some communities to work together as part of a redesigned local government system. Some towns and districts still haven't resolved issues arising from the 1989 local government reorganisation. Where possible any reorganisation needs to be coalitions of the willing though there may need to be some coercion required.</p>   |
| <p>Q. What feedback have you got on the structural examples presented in the report?</p>  | <p>Example 2 – local and regional councils (status quo with tweaks) – seems unlikely to enable the economies of scope and scale likely to be necessary for efficient local government service delivery with three waters, resource management and possibly building regulation shifted out of local authorities.</p> <p>Example 1 – essentially an Auckland Council model – and Example 3 - Local councils and a combined council with shared representation – appear better models to deliver economies of scope and scale.</p> <p><b>What is a region?</b> There also needs to be thought given to what a region is. There seems no logical reason why it can only be regions as we currently have them. Again, councils need the ability to decide what a region might be under a new structure. A nationally consistent assessment and decision-making as referred to above and appropriate community engagement should ensure decisions on structure are appropriate to the communities concerned.</p> |

| Recommendations and Questions | Response   |
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|                               | <p><b>What is a district or locality?</b> There is also no logical reason why a district or locality follows current district council boundaries. Again, the assessment and decision-making framework needs to allow for this.</p> <p><b>Rohe</b> also need to be considered. Iwi/ hapū rohe or takiwā need to be built in to the assessment and decision-making framework. These are traditional and not generally open to reframing so there will need to be space for compromise to resolve possible inconsistencies within the assessment and decision-making framework.</p> <p><b>Form and function.</b> The old saying that form follows function may require an iterative process in this situation. To some extent who does what could be determined by the structure. Where will the capacity and capability to get things done be concentrated?</p> <p><b>Some thoughts on the examples provided</b></p> <p><b>Example 1 – Unitary council for the region with local/ community boards (Auckland Council model)</b></p> <ul style="list-style-type: none"> <li>• Would work for regions where communities are relatively homogeneous and strongly identify as a region – e.g. Hawkes Bay, Greater Wellington, Northland, Southland, Manawatu</li> <li>• Could also work at a sub-regional level where a similar sense of community exists and there is sufficient scale – e.g. Greater Christchurch, Tauranga/ Western BoP, Hamilton/ Northern Waikato</li> <li>• Potentially some outliers where there is less community of interest or residual difficulties or scale insufficient– e.g. South Waikato/ Taupo/ Waitomo, Central Otago, Nelson/ Marlborough/ Tasman, Dunedin, South Canterbury, Mid/ North Canterbury, Rotorua/ Southern BoP, West Coast, Taranaki,</li> <li>• Could provide economies of scope and economies of scale</li> </ul> |

| Recommendations and Questions | Response   |
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|                               | <ul style="list-style-type: none"> <li>• Easier engagement for central government</li> <li>• Could have Tiriti-based appointments at both local and regional level though regional appointments in particular may be challenging for iwi to work through in some areas</li> <li>• If councils are to move into new areas of service delivery and to partner with central government, iwi and community organisations then this model may provide the organisational capacity and capability to do that successfully</li> </ul> <p><b>Example 2 - local and regional councils (status quo with tweaks)</b></p> <ul style="list-style-type: none"> <li>• May be favoured by councils not keen on change</li> <li>• Would require significant shared service delivery to achieve economies of scope and economies of scale – councils have struggled to embrace this approach under current models</li> <li>• Community boards tend not to have much decision-making ability/ power</li> <li>• Would require regional engagement with central government and significant collaboration – again, councils have struggled to embrace this approach under current models</li> <li>• If councils are to move into new areas of service delivery and to partner with central government, iwi and community organisations then it's hard to see this model driving the change required</li> </ul> <p><b>Example 3 - Local councils and a combined council with shared representation</b></p> <ul style="list-style-type: none"> <li>• Could be applied to regions as they currently stand perhaps with some local council amalgamations</li> <li>• Less likely to have some of the community of interest issues associated with Example 1 due to retention of local councils largely as people already understand them</li> </ul> |

| Recommendations and Questions   | Response   |
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|   | <ul style="list-style-type: none"> <li>• Achieves some economies of scale and scope through some regional service delivery</li> <li>• Could be a stepping stone between Example 2 and Example 1 if there was value in ultimately moving to the Example 1 model</li> <li>• Danger the combined council would be too much like the current regional councils and never fully adapt to its new functions</li> <li>• Could have Tiriti-based appointments at both local and regional level though regional appointments in particular may be challenging for iwi to work through in some areas</li> <li>• Can see it working well and being easily adapted to in Greater Manchester, Auckland, Wellington and others like Hawkes Bay. Perhaps less so for some other regions.</li> <li>• Allows for mix and match approaches to service delivery between local, regional and shared local levels.</li> </ul> |
| <b>Chapter 10 (pg. 227-233) SYSTEM STEWARDSHIP AND SUPPORT</b>  |  |
| <p>29. That central and local government considers the best model of stewardship and which entities are best placed to play system stewardship roles in a revised system of local government.</p> |  |
| <p>Q. How can system stewardship be reimagined so that it is led across local government, hapū/iwi, and central government?</p>   | <ul style="list-style-type: none"> <li>• Bring central government responsibility for local government out of DIA and have a standalone entity responsible that has reach right across central government</li> <li>• Resource the LGC so it can provide more advisory and training services to promote good local government</li> <li>• LGNZ and Taituara need to be sufficiently resourced to provide the advice and support local government (and central government) will require through any change process. Much of the change will require levels of consensus among councils on thorny issues associated with the future of local government.</li> </ul>   |

| Recommendations and Questions   | Response  |
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|   | <p>Some brave decisions will need to be made that will require our peak organisations to help councils to navigate. The alternative is to simply wait for central government to dictate what change will look like.</p> <ul style="list-style-type: none"> <li>• LGNZ and Taituara will inevitably be required to negotiate with and work with central government on change. They need to have the resources and the will to do this in ways that are supported by councils who are fully aware of the options, trade-offs and processes involved.</li> <li>• Given the level of dissatisfaction among councils with LGNZ’s advocacy on Three Waters Reform they will need to show councils they are up to playing a pivotal role in the future of local government.</li> </ul> |
| <p>Q. How do we embed Te Tiriti in local government system stewardship?</p>   | <ul style="list-style-type: none"> <li>• Clarify roles and responsibilities via legislative change.</li> <li>• Resource councils and iwi/ hapū to work together to identify appropriate pathways to embedding Te Tiriti at all levels of local government.</li> <li>• Resource Te Maruata so it can provide advice and support to councils and Māori elected members regarding Te Tiriti-based partnership as part of a broad programme to embed te Tiriti.</li> <li>•</li> </ul>   |
| <p>Q. How should the roles and responsibilities of ‘stewardship’ organisations (including the Secretary of Local Government (Department of Internal Affairs), the Local Government Commission, LGNZ, and Taituarā) evolve and change?</p> | <ul style="list-style-type: none"> <li>• All need to be significantly better resourced they currently are to provide the breadth of analysis and advice needed to make a fundamental difference.</li> </ul>   |
| <b>Chapter 11 (pg. 236) THE PATHWAY FORWARD</b>   |   |
| <p>What is missing from the report?</p> <ul style="list-style-type: none"> <li>• Measuring wellbeing outcomes</li> <li>• Cost implications of reforms</li> </ul>  |   |
| <p>Next steps</p>   |   |

| <b>Recommendations and Questions</b> | <b>Response</b> |
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