

## Submission to the Governance and Administration Select Committee

### Local Government (Community Well-being) Amendment Bill

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24 May 2018

1. The Canterbury Mayoral Forum thanks the Governance and Administration Select Committee for the opportunity to submit on the Local Government (Community Well-being) Amendment Bill.
2. Representatives of the Forum wish to appear before the Committee to speak to our submission, preferably by teleconference.

#### Background and context

3. The Canterbury Mayoral Forum comprises the Mayors of the ten territorial local authorities in Canterbury and the Chair of the Canterbury Regional Council (Environment Canterbury), supported by our Chief Executives. The purpose of the Forum is to promote collaboration across the region and increase the effectiveness of local government in meeting the needs of Canterbury's communities.
4. All Canterbury councils actively participate in the Forum: the Kaikōura, Hurunui, Waimakariri, Selwyn, Ashburton, Timaru, Mackenzie, Waimate and Waitaki District Councils, the Christchurch City Council and the Canterbury Regional Council (Environment Canterbury).
5. The Mayoral Forum leads development and implementation of the *Canterbury Regional Economic Development Strategy* (CREDS). A three-year work programme to deliver on commitments made in the Canterbury Local Authorities' Triennial Agreement 2017–19 is implemented by the Canterbury Chief Executives Forum, and the Canterbury Policy, Operations, and Corporate Forums.
6. The following submission has been developed with input from the Policy Forum, and we have shared our draft submission with Te Rūnanga o Ngāi Tahu. Our submission focuses on matters of general agreement between the members of the Canterbury Mayoral Forum. We note that the Christchurch City Council, the Timaru District Council, and Te Rūnanga o Ngāi Tahu also intend to make individual submissions.
7. The Forum notes that both Local Government New Zealand and the Society of Local Government Managers have submitted on the Bill. The Forum affirms those submissions made on behalf of the local government sector.

#### *Mayors standing together for Canterbury.*

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## General comment

8. The Canterbury Mayoral Forum welcomes amendment of the Local Government Act 2002 to:
- reinstate the ‘four well-beings’
  - amend territorial authorities’ powers to collect development contributions.

## The four well-beings

9. When the Mayoral Forum developed the Canterbury Regional Economic Development Strategy (CREDS) in early 2015, we were mindful that the Local Government Act 2002 had been amended in 2012 to remove the four well-beings. We explicitly reflected on whether we had a legislative mandate to lead regional development beyond the cost-effective delivery of ‘good-quality local infrastructure, local public services, and performance of regulatory functions’ (Local Government Act 2002 s.3(d), s.10 as amended in 2012).
10. We agreed, however, that regional development is not about growing GDP for its own sake. Rather, regional development is about ensuring the viability of our communities and ways of life. It’s about economic growth as an enabler of social and cultural wellbeing, within an environmentally sustainable framework. Our CREDS regional vision is, therefore: *A region making the most of its natural advantages to build a strong, innovative economy with resilient, connected communities and a better quality of life for all.*
11. Accordingly, we shaped up the CREDS in three clusters of seven work programmes:
- **infrastructure:** regional transport; digital connectivity; and freshwater management and water infrastructure
  - **human and social wellbeing:** education and training for a skilled workforce; newcomer and migrant settlement (skilled workers, cohesive communities)
  - **working with industry:** value-added production; regional visitor strategy.
12. When we partnered with central government in the Regional Growth Programme (from May 2016), Ministers in the previous Government asked us to strengthen our focus on *social wellbeing* in the CREDS. We have reflected this in an increased emphasis on youth transitions (in partnership with the Ministry of Social Development), advocacy on immigration and international education policy settings that work for regional New Zealand, and participating in Immigration New Zealand’s Welcoming Communities pilot project.
13. Our experience has shown that:
- local government has a strong mandate in our local communities to ‘step up and lead’ regional development that enables all four well-beings
  - local government collaboration and partnerships can be effective in championing the social, economic, environmental and cultural wellbeing of our communities, particularly when we stand together with one voice.
14. We note this Government’s focus on regional development, the considerable investment in the Provincial Growth Fund and the commitment to an inclusive economy. Reinstatement of the four well-beings will clarify local government’s role and mandate to lead regional development that generates higher living standards for all New Zealanders.
15. While some opponents to the Bill may argue that reinstating the four well-beings will result in expansion of local government activity, with potential for increased spending and higher rates, the Forum does not consider this necessarily follows. The Canterbury Mayoral Forum does not

itself have any budget, and exercises its influence primarily through leadership, facilitation and advocacy. One of the key principles of the CREDS has been to facilitate private sector solutions. For example, the Forum partnered with Spark NZ in 2015 to bring forward Spark's investment of \$14m in an accelerated roll out of 4G coverage across the entire region in 12 months instead of doing this piecemeal over 3–4 years. The rollout was completed in December 2016 at no cost to ratepayers or taxpayers.

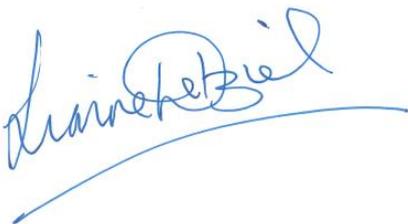
16. Moreover, there are statutory checks and balances already in place (in the Local Government Act 2002) on expansion of local government activities including, for example, periodic reviews of the cost-effectiveness of local authorities' methods of delivery (s.17a), consultation requirements for Long-Term and Annual Plans (ss.93–97) and balanced budget requirements (s.100).

## Development contributions

17. The Forum supports the proposed amendments to:
- widen the definition of community infrastructure that can be considered in assessing development contributions
  - restore the ability to assess reserves contributions from non-residential developments
  - allow local authorities that receive 'advance financial assistance' from NZTA on a piece of infrastructure to assess development contributions on it.
18. We support the first two amendments because they undo policy changes that the local government sector felt were an unjustified restriction. We support the third amendment because it resolves a misalignment of provisions in the Land Transport Act 1998 and the Local Government Act 2002.
19. These amendments are particularly welcomed by territorial authorities that are experiencing growth in Canterbury and that are levying development contributions.
20. The Forum would also support the addition of provisions for territorial authorities to treat past growth-related capital on assets that previously did not meet the definition of community infrastructure, but will now do so under the new definition, in the contributions assessed on present and future development.

## Recommendations

21. The Forum supports:
- the reinstatement of the four well-beings as proposed in the Local Government (Community Well-being) Amendment Bill
  - amendments to territorial authorities' powers to collect development contributions.



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Chair, Canterbury Mayoral Forum