

Canterbury Chief Executives Forum

MEETING PACK

for

Canterbury Chief Executives Forum

Monday, 1 May 2023

9:00 am (NZST)

Held at:

Selwyn District Council

2 Norman Kirk Drive, Rolleston

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AGENDA

CANTERBURY CHIEF EXECUTIVES FORUM

Name:	Canterbury Chief Executives Forum
Date:	Monday, 1 May 2023
Time:	9:00 am to 12:00 pm (NZST)
Location:	Selwyn District Council, 2 Norman Kirk Drive, Rolleston
Committee Members:	Hamish Riach (Committee Chair), Alex Parmley, Angela Oosthuizen, Bede Carran, David Ward, Dawn Baxendale, Hamish Dobbie, Jeff Millward, Stefanie Rixecker, Will Doughty
Attendees:	Amanda Wall, Maree McNeilly, Rosa Wakefield
Apologies:	Stuart Duncan
Guests/Notes:	Mark Maloney, Assistant Auditor General Local Government; Stephanie Macdonald-Rose, Sector Manager (Item 4.4); Michael Brewster, CE Entity D; Teresa Wooding, Entity D Council Interface Manager (Item 4.5)

1. Open Meeting

1.1 Welcome, karakia and apologies

9:00 am (2 min)

Hamish Riach

Opening karakia: Whakataka te hau

Whakataka te hau ki te uru

Whakataka te hau ki te tonga

Kia mākinakina ki uta

Kia mātaratara ki tai

E hī ake ana te atakura

He tio, he huka, he hau hū

Tīhei mauri ora!

Cease the winds from the west

Cease the winds from the south

Let the breeze blow over the land

Let the breeze blow over the ocean

Let the red-tipped dawn come with a sharpened air.

A touch of frost, a promise of a glorious day.

It is the breath of life!

1.2 Confirmation of Agenda	9:02 am (2 min)
Hamish Riach	
1.3 Confirm minutes	9:04 am (2 min)
Hamish Riach	
Supporting Documents:	
1.3.a Minutes : Canterbury Chief Executives Forum - 30 Jan 2023	7
1.4 Action list	9:06 am (4 min)
Hamish Riach	
Supporting Documents:	
1.4.a Action List	15
2. CE discussion time	
2.1 Discussion	9:10 am (60 min)
Supporting Documents:	
2.1.a CEF Future for Local Government discussion.docx	16
2.1.b CEF FfLG discussion Attachment 1 Regional Futures.pdf	18
3. Morning tea	
3.1 Morning tea	10:10 am (15 min)
4. For discussion and decision	
4.1 Mayoral Forum's Plan for Canterbury Action Plan	10:25 am (20 min)
Hamish Riach	
Supporting Documents:	
4.1.a CEF Mayoral Forum's Plan for Canterbury Action Plan May 2023 (1).docx	71
4.1.b CEF Mayoral Forum's Plan for Canterbury Action Plan strategic workplan May 2023.pdf	75
4.1.c CEF Mayoral Forum's Plan for Canterbury Action Plan workstream tracker May 2023.pdf	76
4.2 Canterbury Water Management Strategy update	10:45 am (5 min)
Stefanie Rixecker	
Supporting Documents:	
4.2.a CEF Canterbury Water Management Strategy update May 2023.docx	78

4.3 Regional forums update 10:50 am (10 min)

Bede Carran; Hamish Dobbie; Will Doughty, Dawn Baxendale, Stuart Duncan

Supporting Documents:

4.3.a CEF Regional Forums update May 2023.docx 91

4.4 Office of Audit New Zealand 11:00 am (20 min)

Bede Carran

Mark Moloney (Assistant Auditor General Local Government), Stephanie Macdonald-Rose (Sector Manager)

Supporting Documents:

4.4.a CEF Office of Auditor General May 2023.docx 100

4.5 Three Waters update 11:20 am (20 min)

Hamish Riach

Michael Brewster (Entity D CE) and Teresa Wooding

Supporting Documents:

4.5.a CEF Three Waters update May 2023.docx 101

5. For information

5.1 Draft Mayoral Forum agenda 11:40 am (5 min)

Hamish Riach

Supporting Documents:

5.1.a 2 Jun 2023 Draft Agenda Canterbury Mayoral Forum.pdf 102

5.2 Regional Public Service Commissioner update

Supporting Documents:

5.2.a CEF Regional Public Service Commissioner update May 2023.docx 105

5.2.b CEF RPSC update attachment 1.docx 106

6. General business

6.1 General business 11:45 am (3 min)

7. Close Meeting

7.1 Meeting debrief 11:48 am (5 min)

7.2 Closing karakia

Kia tau te rangimarie ki runga I nga iwi o te ao

Haumi e

Hui e

Taiki e

Let peace reign on all the people of the world

Fixed

Bound as one

7.3 Close the meeting

Next meeting: Canterbury Chief Executives Forum - 31 Jul 2023, 9:00 am

Other upcoming meetings:

- Mayoral Forum – Friday 2 June 2023 8.30am-1.00pm at Commodore Hotel

MINUTES (in Review)

CANTERBURY CHIEF EXECUTIVES FORUM

Name:	Canterbury Chief Executives Forum
Date:	Monday, 30 January 2023
Time:	9:00 am to 12:45 pm (NZDT)
Location:	Selwyn District Council, 2 Norman Kirk Drive, Rolleston
Committee Members:	Hamish Riach (Committee Chair), Alex Parmley, Bede Carran, David Ward, Hamish Dobbie, Stefanie Rixecker, Stuart Duncan, Will Doughty
Attendees:	Amanda Wall, Maree McNeilly, Rosa Wakefield
Apologies:	Angela Oosthuizen, Dawn Baxendale, Jeff Millward
Guests/Notes:	Lynn McClelland, Assistant Chief Executive, Christchurch City Council (for Dawn Baxendale) Ben Clark, Regional Public Service Commissioner, item 4.1; Hamish Barrell and Mark Geddes, Planning Managers Group, item 4.4; Jesse Burgess and Clare Pattison, Environment Canterbury, item 4.6

1. Open Meeting

1.1 Welcome, introductions and apologies

The chair welcomed everyone to the meeting and noted apologies and guests as above. Members joined in karakia to start the meeting.

1.2 Confirmation of Agenda

The agenda was confirmed with one item of general business:

- Teresa Wooding from the three waters National Transition Unit is attending to provide a brief update on the transition process.

1.3 Confirm minutes

Canterbury Chief Executives Forum 31 Oct 2022, the minutes were confirmed as presented.

1.4 Action list

There were two outstanding actions:

- Letter to Audit NZ – this letter was drafted but not sent as it was overtaken by events.. This action can be closed. Members discussed audit issues, including:
 - the Office of the Auditor General (OAG) has advised Timaru District Council they will be up-to-date by the time of annual reports for 2023. They noted that the audit office must observe their set standards while conducting audits
 - the OAG is open to meeting with the Forum
 - Christchurch City Council meets quarterly with the Auditor General; there may be potential to invite a representative from this meeting to their next session

- Audit can provide value and has helped highlight emerging issues, but it would be helpful to understand what councils consider valuable to be able to feed this back to Audit NZ.
- Scenario Planning Session - this wasn't able to occur last year for various reasons. Members agreed it would still be valuable to explore the likely outcomes of the reforms currently underway. This provides an opportunity for the Mayoral Forum to help shape the future of local government.
 - Key issues are:
 - RM reform, including:
 - what spatial planning could look like regionally, and with Ngāi Tahu
 - the tranches proposed for new plan development
 - three waters, including
 - how spatial planning would apply to three waters
 - changes that will be required to the Local Government Act in response to other legislation.
 - Dawn and Stefanie to continue work on this with Maree.



Action

Bede to set up Zoom discussion to work through potential areas where audit can add value.

22/03: The Office of the Auditor General will attend the next CEs Forum. Amanda has provided a summary of Corporate Forum discussion to Bede.

Due Date: 1 May 2023
Owner: Bede Carran



Action

Lynn to discuss with Dawn whether Forum members could attend the next session with the Auditor General.

22/02: Agreed that as the Office of the Auditor General is attending the CEs Forum there is no need for this action to progress.

Due Date: 1 May 2023
Owner: Maree McNeilly

2. CE discussion time

2.1 Discussion

Members discussed issues facing their councils, including matters relating to three waters, in particular outcomes following the meeting between Entity D councils and Ngāi Tahu.

Members discussed whether there are ways to work together on resourcing. Options discussed included:

- ensuring short-term central government roles are formalised as secondments to enable councils to better leverage the experience gained from these
- the potential for job-sharing or shared services
- the potential for staff to work across different councils to gain experience
- ensuring the local government sector is an attractive employment and career option

- the People and Capability Working Group is intended to explore this space, but has not yet been able to get off the ground due to lack of capacity.



Action

Lynn to think about how the Forum might best work to join forces on resourcing.

18/04: Lynn is working on this, recently requested forum structure from secretariat to progress this.

Due Date: 1 May 2023
Owner: Maree McNeilly

3. Morning tea

3.1 Morning tea

4. For discussion and decision

4.1 Regional Public Service Commissioner update

Ben Clark joined the meeting and spoke to his update. Ben noted that he is keen to understand the opportunities to make the best of the public service commissioner position and how his team can be a better conduit between local and national government. He also noted that he would like to have a specific work programme tailored to localities, with relevant representation from involved localities.

Members discussed housing and agreed this is an opportunity for collaboration for Canterbury; for example, Hurunui District Council can see an opportunity to provide pastoral care to those in rural Kainga Ora housing. Some members agreed to be part of a group to work with Ben on this.

There is also potential for collaboration on work around family violence and sexual violence; Waitaki District Council has been doing some work around these matters. The possibility of developing shared objectives between the Mayoral Forum and central government agencies in Canterbury was suggested.

Ben will look at where the value add is for the collective group, and for each council separately.

The social focus of the Regional Public Service Commissioner was queried, noting that some key regional issues relate to infrastructure. Ben noted that as the role sits within MSD there has been a default to social issues, but there is a mandate across other sectors.



Set up meeting to discuss housing issues and areas for a regional partnership on housing

Secretariat to work with the RPSC secretariat to set up a meeting with Dawn, Hamish Dobbie, Hamish Riach, Bede and Alex to discuss housing issues and potential areas for regional partnership on housing.

22/03: Meeting has been set up for 29/03.

Due Date: 1 May 2023
Owner: Maree McNeilly



Decision

The Forum agreed to note the written update from Ben Clark, Regional Public Service Commissioner.

Decision Date: 30 Jan 2023
Mover: Hamish Dobbie

Seconder: David Ward
Outcome: Approved

4.2 Mayoral Forum's Plan for Canterbury

Members discussed the circulated documents, and noted:

- that housing was to cover housing in general, not just social and affordable; and that the Greater Christchurch Partnership have initiated work for social and affordable housing
- that working together to shape the future for Canterbury may be a priority in itself
- transport should be included under shared prosperity instead of climate change
- regional waste can be removed
- the short-term priorities leading into the election are likely to be transport, immigration, and co-funding of flood management
- the relevance of river protection and resilience of transport network given current flooding events
- how the Forum can leverage its influence, and that the Forum's position would be strengthened by working on key issues with Ngāi Tahu and other South Island Mayoral Forums to present a combined view to Ministers
- how Mayoral Forum engagement with Ministers and Wellington more widely could be approached.
- the potential for the Mayoral Forum to designate champions on specific issues, and for those champions to pick up these issues with relevant ministers, and build relationships with other influential people relevant to the issues.

Maree noted that the action plan will likely not be developed before February.



Action

Members are to review and provide feedback to the secretariat on the draft Plan for Canterbury by COB Wednesday 1 February, identifying the top three priorities. Maree to send a reminder to members around this.

Due Date: 1 Feb 2023
Owner: Maree McNeilly

4.3 Future for Local Government - draft regional submission

Maree spoke to the paper, noting that the draft submission comprises input from some members of the Policy Forum but that there are still significant gaps. The secretariat will continue drafting this then seek feedback from members.

4.4 RM Reform submissions

The chair welcomed Hamish Barrell and Mark Geddes to the meeting.

Mark spoke to the paper, noting that at the time of writing the paper there were five outstanding issues. The Canterbury Planning Managers Group met on Friday, and have now largely resolved these issues. Where dissenting views continued these have been noted in the submission.

MfE has advised that an update letter will be sent to councils this week, advising a change from the model regions proposal to a first and second tranche, with MfE to decide who be in the first phase in March. They are also working on clarification on existing processes.

Ngāi Tahu are putting a submission together, requesting boundaries to be on a takiwā basis, and want committee to be a co-management model. There is potentially an opportunity for the region to agree on where rūnanga sit, allowing pragmatic resolution without legislation.

The submission will be updated on 31 January, then will go to the Policy Forum for review, then into the Mayoral Forum review process. Submissions are due on 17 February.

The Planning Managers Group noted it would have liked to provide more comprehensive comments on some areas of the legislation but was not able to due to the short timeframe to submit.

Hamish Dobbie noted thanks to the Planning Managers Group, who have demonstrated the value of working together across the region.



Decision

The Forum agreed to note the content of the draft regional submissions on the Natural and Built Environment Bill and the Spatial Planning Bill.

Decision Date: 30 Jan 2023
Mover: Hamish Dobbie
Seconder: Bede Carran
Outcome: Approved

4.5 Canterbury Water Management Strategy update

The paper was taken as read.



Decision

The Forum agreed to receive the update on region-wide progress of the CWMS partners' work towards implementing the CWMS for October to December 2022.

Decision Date: 30 Jan 2023
Mover: Stefanie Rixecker
Seconder: Stuart Duncan
Outcome: Approved

4.6 Regional Transport Committee update

The chair welcomed Jesse Burgess and Clare Pattison to the meeting. Clare spoke to the update, noting that the intention of sharing with this group is to ensure CEs are across work in the Regional Transport Committee (RTC) space. She noted the exploration of different funding options for maintenance and resilience, and the need for a fundamental shift in the way people travel. Payback models of some funding options need to be explored further. Revenue models also need to be explored in relation to shifts to EV use and public transport.

The RTC has workshops with Waka Kotahi in March and April, and will report back following these.

Members noted:

- that for many councils raising capital is not the issue; paying back and supporting ongoing maintenance poses a challenge
- NLTF funding is already topped up by councils
- the opportunity to consider strategically in light of flooding here, Nelson and Auckland, and where Waka Kotahi will have conversations around not reinstating roads. Encourage RTC to think about adaptation and mitigation.
- the need to understand the critical nodes within a 30Y spatial plan as RM reform progresses.



Decision

The Forum agreed to:

1. note the Innovative Transport Funding and Finance Options report provides a range of new funding options and recommends further investigation
2. provide feedback on the recommendations from the Innovative transport Funding and Finance Options report to the Regional transport Committee
3. note the preferred changes to the strategic framework include a 41 percent reduction in transport GHGs by 2035 to align with central government's Emissions Reduction Plan.

Decision Date: 30 Jan 2023
Mover: David Ward
Seconder: Alex Parmley
Outcome: Approved

4.7 Regional forums update

The paper was taken as read.



Decision

The Forum agreed to:

1. receive the quarterly reports on December 2022 regional forum meetings
2. receive the quarterly update on the regional forums budget.

Decision Date: 30 Jan 2023
Mover: Stuart Duncan
Seconder: Bede Carran
Outcome: Approved



Decision

The Forum agreed to support the MBIE request for funding for a regional economic development initiative.

Moved by Lynn McClelland (on behalf of Dawn Baxendale), seconded by Hamish Riach

Decision Date: 30 Jan 2023
Outcome: Approved

5. For information

5.1 Draft Mayoral Forum agenda

Members discussed the proposed agenda for the February Mayoral Forum, noting:

- that the item around Plan Change 7 and the AWA decision being presented by Dan Gordon will need to be accompanied by a paper to support discussion
- that it may be valuable for the Mayoral Forum to hear from MfE again, particularly around the tranche approach
- that it may be helpful to have some perspective on the government's direction of travel given the change in priorities.

6. General business

6.1 General business

The chair welcomed Teresa Wooding to the meeting to discuss the three waters transition.

Teresa noted that:

- the Entity D chief executive will be appointed within the next month or so
- the NTU is working to ensure the work programme is not impacted by the delay in appointment
- that it would be great if members can attend the Dunedin session, online if not in person
- mixed use and capacity are other areas of priority for the NTU currently.

The Chair advised that this Forum is keen to establish a relationship with the CE once they are in place, and would welcome them to attend these Forums in person. Teresa will ask the CE to visit each council once appointed.

Members highlighted the issue of the inclusion of CCOs in the three waters transition, and the monumental significance of this issue. Concerns around this include:

- the lack of warning and poor timing around the announcement of this, despite it having been flagged as a potential issue by councils for some time
- the impact of staff time and energy being directed to this issue detracting from other transition activities
- that in some cases stripping out the three waters aspect of CCOs, who have won contracts on a commercial basis, may make them commercially unviable.

Teresa apologised on behalf of the NTU, noting that the intention was not to offend. She noted that it is useful for the NTU to have feedback around examples of impacts.

Members discussed other areas including:

- wastewater disposal fields, and whether these will be included in the asset base to transfer to the NTU. If the primary use is wastewater disposal then yes, but Teresa expects factors such as secondary uses that generate revenue would factor into negotiations
- the emerging issue about residual resource councils might be expected to have around three waters to hold relationship with entity D. There is also a need for councils to understand what the operating model will be, and how the entity will engage with them, as these will have significant impact.



Action

Teresa to follow up around wastewater disposal fields that also generate revenue for councils, and how these will be treated.

22/02: Teresa has advised that this is a difficult issue and is not yet resolved.

The NTU is preparing principles to share with councils.

22 Feb - email from Teresa forwarded to Chief Executives

Due Date: 1 May 2023

Owner: Maree McNeilly

7. Close Meeting

7.1 Meeting debrief

This item was not discussed.

7.2 Close the meeting

Next meeting: Canterbury Chief Executives Forum - 1 May 2023, 9:00 am

Other upcoming meetings:

- Mayoral Forum – Friday 24th February 2023 8.30am-2.30pm at Commodore Hotel

Signature: _____

Date: _____

Action List

Canterbury Chief Executives Forum

As of: 19 Apr 2023

Action **In Progress**

Bede to set up Zoom discussion to work through potential areas where audit can add value.

22/03: The Office of the Auditor General will attend the next CEs Forum. Amanda has provided a summary of Corporate Forum discussion to Bede.

Due Date: 1 May 2023

Owner: Bede Carran

Meeting: 30 Jan 2023 Canterbury Chief Executives Forum, 1.4 Action list

Action **In Progress**

Lynn to think about how the Forum might best work to join forces on resourcing.

18/04: Lynn is working on this, recently requested forum structure from secretariat to progress this.

Due Date: 1 May 2023

Owner: Maree McNeilly

Meeting: 30 Jan 2023 Canterbury Chief Executives Forum, 2.1 Discussion

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Stefanie Rixecker, Dawn Baxendale

Form, function and role of local government in New Zealand

Purpose

1. The purpose of this paper is to provide information and discussion questions to enable the Chief Executives Forum to have a conversation about the form, function and role of local government in Aotearoa.

Background

2. The Future for Local Government (FfLG) report encouraged us to think about opportunities to create a new system of local governance and democracy that will effectively respond to a changing New Zealand and create conditions for communities to thrive.
3. The Canterbury Mayoral Forum submission noted:
 - support for the concept of localism and subsidiarity in that the function of governance and decision making should be devolved to the level of government closest to its affected communities.
 - the criticality of a genuine central and local government partnership focussed on mutual respect and trust.
 - support for a Tiriti based partnership for local government
 - any redesign of local government must consider the roles and functions of the different levels of local government.
4. A summary of points raised in some of the Canterbury councils' submissions with respect to system design include:
 - a new integrated model of government that is more than just local government, local governance or local democracy is needed
 - a single preferred local government structure, preference for a unitary council model with flexibility to adapt to local needs and preferences – one council noted that Canterbury is too complex and diverse to be adequately reflected using a unitary model, another noted that focusing on one model may not lead to outcomes sought
 - clarity needed on allocation of local government roles and functions – some councils noted that these should be determined on the principle of subsidiarity

- cannot be done in isolation, needs to take a holistic look at how local, central government and mana whenua work together
- whatever changes are proposed critical to engage with communities

Focus of discussion

5. We have not spoken about this at the Canterbury Mayoral Forum nor formed a shared opinion on the issue of future system design.
6. These conversations have the potential to attract media coverage, particularly closer to the release of the Review Panel's report. We have an opportunity now to discuss and agree on an approach to this significant issue in advance of the release of the FfLG Review Panel's report back to the Minister at the end of June 2023.
7. It appears that current system design options are based on existing systems and models of local governance in Aotearoa, rather than seeking to make the most of the transformative opportunities contemplated by the FfLG process and potentially driven by budgets and rating bases, rather than considering outcomes for ratepayers and the environment.
8. Having this discussion now will ensure we present a coherent and joined-up approach, on those matters that we agree on, to future conversations with central government about these matters.
9. Local Government Futures: A Discussion Paper, commissioned by the LGNZ Regional Sector Group in 2021 (attachment 1) outlines different functions of local government and suggests whether they are better served locally or centrally. This could form a basis for conversation between CEs.

Discussion prompts

10. What areas or principles do we agree on around what should be delivered at a local level?
11. What areas or principles do we *not* agree on around what should be delivered at a local level?
12. How can we use the CMF as a platform to progress these ideas?
13. Would it be useful to have this discussion with Mayors and Chairs at the CMF?

Attachments

- Local Government Futures: A Discussion Paper

Local Government Futures:

A Discussion Paper

Hon. Dame Fran Wilde
Peter Winder

20 August 2021

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Introduction

1. This discussion paper explores a potential future for local / regional government in New Zealand in the light of widespread Government reform programme, impacting both directly on and around the local government sector. The report was commissioned by the Regional Sector Group as part of their preparation for participating in the associated complex array of public policy work. It represents the views of the authors. It does not represent an agreed view by the regional sector actors.

Background

2. The Government is undertaking a broad range of reviews and reforms. In aggregate, this substantial programme of work has the potential to have an unprecedented impact on the local government sector, both intended and, potentially, unintended. In this complex public policy mix there is a need for those who are affected and for those attempting to affect outcomes to be well prepared in both their thinking and what they see as the most valuable outcomes. It is for this reason that the regional sector has commissioned this initial think piece on the future of local government.
3. This report starts by looking at the status quo structures and responsibilities of local government. It then provides an overview of the relevant components of the Government's reform and work programme. In order to build our recommendations relating to the regional future, it then analyses the full range of functions undertaken by, or on behalf of, local government. Functions are considered through the following criteria:
 - the extent to which effective delivery requires local/regional knowledge or management;
 - an analysis of roles and responsibilities against the principles of subsidiarity;
 - the level of local/regional autonomy or discretion involved in each responsibility alongside the potential for scale to be achieved and associated benefits captured.
4. Based on this analysis the report makes recommendations on the most appropriate mix of roles and responsibilities to be undertaken at each level of government - effectively demarcation recommendations. Finally, it considers the implications of both the Government's reform programme and our functional recommendations on the existing local government structures and governance arrangements.
5. In undertaking the analysis on which this report is based, and in the development of its recommendations, we have applied the primary lense of what is best for those who local government serves - its constituents and communities - as opposed to what is best for existing local and regional government organisations. This is an important distinction. To take any other approach would have been to fundamentally miss the point of local democracy.
6. Parts of the report refer to the Treaty of Waitangi and, in particular, the partnership and co-governance arrangements that are becoming common in local government. These are a mix of voluntary arrangements and arrangements negotiated and mandated by the Crown in Treaty settlements. We recognise that requirements under the Treaty will be a major shaper of local government activity in future, but the report does not include detailed analysis based

on the principles of the Treaty. It is worth noting that local government is not the Crown, despite a commonly-held community view to the contrary. However regional councils do exercise profound responsibilities with respect to natural resources which are regarded as taonga.

Local government – status quo

7. This section provides a benchmark for analysis by setting out the status quo in terms of the tiers, structures and responsibilities of local government.

Purpose

8. The purpose of local government, as set out in the Local Government Act 2002 (LGA02) is:

10 Purpose of local government

- (1) The purpose of local government is—
 - (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
 - (b) to meet the current and future needs of communities for good-quality local infrastructure, local public services, and performance of regulatory functions in a way that is most cost-effective for households and businesses.

9. In order to provide for this purpose, the Act sets out the following role:

11 Role of local authority

- (1) The role of a local authority is to—
 - (a) give effect, in relation to its district or region, to the purpose of local government stated in section 10; and
 - (b) perform the duties, and exercise the rights, conferred on it by or under this Act and any other enactment.

10. Within this statutory framework section 12 (2) of the Act provides councils with a wide scope to do anything within the context of its legislative purpose:

12 Status and powers

- (2) For the purposes of performing its role, a local authority has—
 - (a) full capacity to carry on or undertake any activity or business, do any act, or enter into any transaction; and
 - (b) for the purposes of paragraph (a), full rights, powers, and privileges.

Governance tiers

11. Local government in New Zealand, a creature of statute, is made up of two distinct tiers of governance (councils): territorial local authorities (TAs) - district and city councils - and regional councils. In addition, some territorial authorities (six) deliver the responsibilities of both territorial and regional councils. This category of council is referred to as Unitary Authorities.

12. Local government exists because of, and operates under, statute. The LGA02, however, is largely silent in terms of the demarcation of responsibilities between the two tiers of local governance, with specific statutory responsibilities being set out in other acts. The plethora of legislation that defines the role of local government includes: the Biosecurity Act 1993, Building Act 2004, the Land Transport Management Act 2003, the Resource Management Act 1991, the Land Transport Act 1998, the Land Drainage Act 1908, the Local Government Act 1974, the Maritime Transport Act 1994, the Waste Minimisation Act 2008, the Reserves Act 1977, the Litter Act 1979, the Health Act 1956, and the Hazardous Substances and New Organisms Act 1996.
13. In broad terms, **regional council** legal responsibilities include:
- managing the effects of using freshwater, land, air and coastal waters through the development of regional policy statements and plans, the issuing of consents and ensuring compliance with consent conditions
 - managing rivers, mitigating soil erosion and flood control measures
 - establishing and operating regional parks
 - regional emergency management and civil defence preparedness
 - regional land transport planning and contracting passenger services
 - harbour navigation and safety and marine pollution
 - biosecurity and pest management.
14. TA legal responsibilities broadly include:
- provision of local infrastructure - including the three waters and roads – and facilities
 - local regulatory activity for environmental safety and health, building control, public health inspections and other environmental health matters
 - controlling the effects of land use (including indigenous biodiversity), and the noise and the effects of activities undertaken on the surface of lakes and rivers
 - planning, place-making, and community facilities
 - district emergency management.
15. The LGA02 (section 12) provides some flexibility for regional councils to exercise responsibilities that would normally be undertaken by territorial authorities. However, that flexibility is constrained by the provisions of section 16 which sets out the process which must be followed if regional councils are to undertake a significant new activity in cases where that activity is already undertaken by one or more TAs in the region. In such cases the proposal must first be subject to a full special consultative procedure. If, after that, agreement cannot be reached with one or more of the affected TAs in the region, formal mediation is required to be undertaken. Where agreement still cannot be reached, any of the councils involved may ask for the Minister of Local Government to make a binding decision. In the next two sections we provide a more practical and specific explanation of the existing demarcations between regional and territorial councils. There are of course grey areas, overlaps and the occasional flaring of turf wars, but for the purposes of our analysis we have based it on the starting point distribution of functions listed below.

16. Participation in and administration of co-governance arrangements with hapu/iwi Maori at regional level and local level is increasingly required of councils and will involve many of the activities listed in the next section.

Specific regional roles and responsibilities

17. At a practical level, regional councils have responsibility in the following areas:

- Advocacy
- Biosecurity/pest control
- Biodiversity enhancement
- Contaminated sites management and rehabilitation
- Economic development
- Emergency management
- Environmental protection - air
- Environmental protection – land
- Environmental protection - water
- Hazardous substances
- Land drainage
- Maritime safety and navigation
- Natural hazard management
- Parks
- Planning policy and land use control
- Public transport planning and funding
- Regional transport strategy, planning and programmes
- Resource consents
- River management and flood control
- Stadiums, sports facilities
- Stormwater (consents)
- Soil Conservation
- Strategic planning and urban development
- Tourism destination and promotions

Specific territorial local roles and responsibilities

18. District and city councils currently undertake some or all of the following functions:

- Advocacy
- Animal Control
- Art Galleries and Museums
- Biodiversity enhancement
- Building consents and control
- Cemeteries and crematoriums
- Coastal and Marine Areas
- Community development
- Contaminated sites management and rehabilitation
- Creative arts funding
- Economic development
- Emergency management
- Environmental and public health
- Facilities, venues, halls, aquatic facilities
- Food safety
- Gambling Regulation
- Hazardous substances
- Land drainage
- Libraries
- National hazard management
- Parking management and enforcement
- Parks, reserves, conveniences
- Planning policy, land use control and subdivision
- Planning and provision of public transport infrastructure
- Public housing and housing for the elderly
- Regional transport strategy, planning and programmes
- Resource consents
- Road management, construction, maintenance and safety
- Sale and supply of alcohol
- Solid waste collection and disposal
- Stormwater collection and disposal
- Stadiums, sports facilities
- Strategic planning and urban development
- Tourism destination and promotions
- Walking and Cycling networks
- Wastewater
- Water supply

Centralised responsibilities

19. In a number of functional areas which currently involve responsibility at a local or regional level, there are aspects which are managed or provided centrally or involve some central government responsibility, including:

- Art Galleries and Museums
- Biosecurity/pest control
- Biodiversity enhancement / Conservation
- Building consents and control
- Cemeteries and cremations
- Coastal and Marine Areas
- Contaminated sites management and rehabilitation
- Creative arts funding
- Economic development
- Emergency management
- Environment and public health
- Food safety
- Gambling regulation
- Stadiums, sports facilities
- Hazardous substances
- Libraries
- Maritime safety and navigation
- Parks, reserves
- Planning policy, land use control and subdivision
- Public Housing and Housing for the Elderly
- Public transport planning and funding
- Resource consents
- Road management, construction, maintenance and safety
- Sale and supply of alcohol
- Transport strategy, planning and programmes
- Tourism destination and promotions
- Walking and Cycling Networks
- Wastewater
- Water supply

Corporate and back office functions

20. All council organisations also undertake a range of facilitatory, back office, support functions. For the purposes of this report these functions, set out below, are not included in the functional analysis.

- Annual planning and budget setting
- Asset management
- Business support
- Call centre and customer information
- Communications and corporate affairs
- Information technology
- Finance and business systems
- Geographic information systems
- Governance
- Procurement of works and services
- Procurement of business inputs and support
- Rates information and collection
- Record keeping and archives

Logic for the allocation of functions

21. The responsibilities of local government, the allocation of functions and responsibilities, and prescription of the processes required to exercise them have evolved and grown over time in a largely piecemeal fashion. Because of on-going ad hoc reforms there is no cohesive logic to the allocation of roles. More often than not, the policy process driving each legislative evolution has not had local government as its primary focus. Consequently, the impact on council efficiency or the overall sense and logic of local government roles has seldom received any consideration.

22. The two occasions where local government was the direct target of reform did not provide greater role clarity or cohesion. The wholesale amalgamation of local authorities of 1989 dealt with structure, not role or function. The reforms of the early 2000s dealt with the core local

government legislation (the Local Government Act, the Local Government (Electoral) Act, and the Local Government (Rating) Act) not any of the plethora of other statutes which define both what local government does and how it must do it. Even the 2002 reform of the Local Government Act left in place many provisions of the Local Government Act 1974 and most of those that were left in 2002 remain operative. Arguably, the Resource Management Act 1992 has had a larger impact on the character and role of local government than the reforms arising from the LGA02.

23. Unsurprisingly, the division of roles and responsibilities between national, regional, and local levels of government is confused, with some decisions being made at the wrong levels, resulting in inefficient resource allocation, inadequate treatment of externalities and sub-optimal outcomes. Similarly, there are overlaps and duplications, disjointed decision making, perverse outcomes from conflicting objectives, unintended consequence and policy frequently being made without the benefit of full context.
24. Another key feature of the many statutes that govern local government is that they define and require local authorities to use very prescriptive processes. It appears that one of the unwritten but defining approaches by successive governments (of all political persuasions) is that they fundamentally don't trust local representatives to make sound decisions and, therefore, they hem them in with process requirements and with significant rights of appeal to the courts – on both substantive and procedural grounds. The consequence of this is that councils have (understandably) adopted “protective” processes and administrative requirements that are slow, cumbersome, risk averse, costly and rarely understood by the public, in order to comply with statute and to avoid challenge or review.
25. The broad suite of reforms being undertaken by the current Government will collectively impact on the local government sector to such a fundamental extent that they represent the ideal opportunity to undertake a first principles and comprehensive review of the role and responsibilities of local government and its processes. Unfortunately, the sequencing and scope of the reforms will make such an approach very difficult and may mean that we will again see a local government machinery designed incidentally not purposefully or directly. The local government sector would be well advised to work hard and with determination to avoid such an outcome.

Government Reforms

26. The Government is currently undertaking a wide range of reform work that will impact on local government directly, indirectly, collectively and (potentially) in unintended ways. This section outlines these reforms.

Future for Local Government

27. The Government has announced and commenced its process to review and reform the country's local government sector. In undertaking this work the overall purpose is to:

“identify how our system of local democracy needs to evolve over the next 30 years, to improve the wellbeing of New Zealand communities and the environment, and actively embody the treaty partnership.”

28. The key outcomes the review and any subsequent reforms are designed to deliver include:
- a resilient and sustainable local government system, fit for purpose and involving the flexibility and incentives necessary to adapt to the future needs of local communities
 - increased public trust/confidence in local authorities enabling strong leadership
 - effective partnerships between mana whenua, and central and local government
 - a system of local government which actively embodies the Treaty partnership through the role and representation of iwi/Māori in it.
29. The Government announced an independent review of local government in April 2021, to be undertaken by a four-person review panel. The panel has commenced initial engagement with the sector and is required to issue an interim report detailing probable directions in September of this year. This will be followed by a draft report for final consultation in September 2022, before a final report is delivered to the Minister in April 2023. It is at this point that the Government will work through its response and consider the need for, and shape of, any reforms.
30. The review's scope includes but is not limited to local government's:
- roles, functions, and partnerships
 - representation and governance
 - funding and financing.
31. Councils have been told they should assume their existing roles and functions will continue for the life of the current LTPs (2021-31). While this is an important, prudent and necessary working assumption in order to ensure continuity, it would be unwise for local authorities to exclusively base their thinking on future state on a firm expectation that this will be the case. It almost certainly will not be. It is important to differentiate between transitional assumptions and commitments, not least because the review of local government announced in April, which logically should have been the springboard for other changes, came when central government had already commenced work on other reforms that will fundamentally alter local government.

Treaty of Waitangi Settlements

32. Although the Treaty settlement process pre-date all the reforms outlined below, it is clear that they have a significant impact on local government. In particular, co-governance arrangements negotiated by the Crown as part of the settlements are overwhelmingly impacting on local government, with TAs or regional councils frequently being the vehicles for delivering this new form of governance. These arrangement will increasingly and rightly limit the scope for change without careful consideration of settlement commitments.

Three waters

33. In June 2021 the Government announced its three waters (drinking water, wastewater and stormwater) reform programme, building on the Three Waters Review and establishment of Taumata Arowai (which will take over from the Ministry of Health as drinking water regulator once the Water Services Bill is passed later this year).
34. The Government has concluded the current system of three water delivery, through 67 different councils, was “ineffective, inefficient, and not fit for purpose”. The reforms are

intended to replace the current predominantly council provision with delivery through four publicly owned, multi-regional water entities. It is intended that the reforms will be rolled out over a three-year period.

Resource management

35. The Government has also concluded that the Resource Management Act 1991 (RMA) has not delivered on its desired environmental or development outcomes and has not consistently given effect to Te Tiriti o Waitangi principles or partnerships. As a result, and after some years of debate and consideration, the Government has announced that it will repeal the RMA and enact a suite of three pieces of new legislation based on the recommendations of the Resource Management Review Panel.

Natural and Built Environments Act (NBA)

36. The NBA is the main replacement for the RMA and is intended to protect the environment while better enabling development. The Government has released an “exposure draft” of the Bill. This draft Bill sets out the purpose of the NBA as (clause 5):
- (a) upholding Te Oranga o te Taiao, including by protecting and enhancing the natural environment
 - (b) providing for people and communities to use the environment in a way that supports the well-being of present generations without compromising the well-being of future generations.
37. The exposure draft then sets out the requirement for a National Planning Framework, which will include the setting of national environmental limits in a wide range of areas related to ecological integrity and human health.
38. The draft bill also provides the mechanisms through which existing plans and policy statements (of which there are more than 100), will be consolidated into 14 regional plans covering the country.
39. The exposure draft of the Bill was presented to Parliament in June and referred to the Environment Select Committee for an initial inquiry. The committee is expected to report back to the House by the end of September, with the actual Bill being introduced early in 2022. The Bill will then be the subject of the standard legislative and select committee process. It is the Government’s intention that the NBA will be passed into law by the end of calendar year 2022.

Strategic Planning Act (SPA)

40. The SPA will require the development of long-term regional spatial strategies to coordinate and integrate decision making under other relevant legislation. Such strategies will identify areas in each region which:
- are suitable for development;
 - need to be protected or improved;
 - require new economic and social infrastructure;
 - are vulnerable to climate change effects or natural hazards.

41. The Government intends that the SPA will be passed into law during 2023 and within the term of the current Parliament.

Climate Change Adaption Act (CCAA)

42. The CCAA will support the country's climate change response by addressing complex legal and technical issues associated with both managed retreat and the funding and financing of adaptation. The Government also intends this Act to be passed in 2023 during the term of the 53rd Parliament.

Government and national policy statements

43. There are a number of National Policy Statements and Government Policy Statements currently under development or in the process of being implemented. Predominantly, these statements reflect increased central direction and influence, which is consistent with a common theme of much of the wider reform agenda set out in this paper (see paragraph 64).

Government Policy Statement on Housing and Urban Development (GPS HUD)

44. The GPS HUD is in the process of being consulted on and is intended to go to Cabinet later this year (October). Once in effect it will be reviewed three-yearly. The Statement includes the Government's:
- multi-decade direction and priorities for housing and urban development;
 - binding expectations of Kāinga Ora in this area, including in relation to climate change;
 - expectations in relation to how other agencies will support the direction and priorities;
 - expectations in relation to the protection of iwi/Māori interests.

National Policy Statement on Urban Development (NPS UD)

45. This Statement came into effect in August 2020 and contains objectives and policies councils are required to give effect to in their resource management decision making. At a council level, work is now focused on updating regional policy statements, regional plans and district plans to include the requirements set out in the NPS UD. Among the changes are a requirement for the development and implementation of a Future Development Strategy, the creation of housing bottom lines and development outcomes for defined zones.

National Policy Statement for Highly Productive Land (NPS HPL)

46. The NPS HPL is focused on promoting the sustainable management of highly productive land to prevent its continued loss. An exposure draft was subjected to limited sector consultation earlier this year and final advice to the Minister is expected during Q3 2021, with the statement to be come into effect from late - 2021. Among other things, the statement requires regions to undertake a consultative process to define and identify productive land.

National Policy Statement for Indigenous Biodiversity (NPS IB)

47. This statement sets out the approach required for maintaining and protecting indigenous biodiversity into the future, recognising the role of tāngata whenua, landowners and communities as its kaitiaki and stewards. It has been consulted on and is currently in its final stages of development. Implementing the statement will put increased pressure on already stretched limited technical expertise.

National Policy Statement for Freshwater Management (NPS FM) and National Environmental Standards for Freshwater

48. The NPS FM came into effect from September 2020 and necessitated the updating and amendment of Regional Policy Statements and regional and district plans. It requires the development of a long-term vision and objectives for freshwater and greater consultation particularly with iwi/Māori. It also introduced a framework based on freshwater management units and related target attributes and limits.

National Policy Statement on Natural Hazards

49. The Government has signalled an intention to undertake work on developing this statement.
50. **In conclusion**, a large amount of work is currently focused on the development of these statements and consequential requirements, with a significant level of council resource being applied. With this occurring in parallel to the broader resource management reforms, it is imperative that this effort retains relevance and modulates meaningfully into the new planning environment. If this is not the case, not only will a great deal of effort be wasted, but there is likely to be a high level of confusion, which would impact negatively on the overall objectives of the reform agenda.

Climate Change Commission report

51. In June the Climate Change Commission delivered to the Government its final advice report – *'Ināia tonu nei: a low emissions future for Aotearoa'* – which was tabled in Parliament. The report contains emission budgets and an emissions reduction plan and effectively sets out the Commission's blueprint on how the 2050 target of net zero emissions of long-lived greenhouse gases can be achieved.
52. The Commission's advice contains significant, ambitious and far-reaching change by way of 17 critical actions. Full implementation of the advice would fundamentally alter what is considered "business as usual" in all aspects of society and would massively challenge both the public and private sector through a literal revolution of legislative, structural and behavioural change.
53. The Government has until the end of the year to either accept the Commission's advice or explain why it has not.

Infrastructure funding and finance (IFF)

54. In July 2020, Parliament passed the Infrastructure Funding and Financing Act 2020. The Act provides a framework for a new model to enable private capital to support the provision of new infrastructure for housing and urban development. The approach involves the establishment of an Infrastructure Levy Model and the use of Special Purpose Vehicle (SPV) entities intended to allow finance to be raised in a way that is ringfenced from council balance sheets in order to overcome debt ceiling and borrowing constraints.
55. The IFF model has yet to be applied, but work is focused on using a number of developments in the Auckland area of Drury as a pilot for how this can be achieved. In the meantime, Councils are undertaking a significant work to repackage lower priority, less strategic development and related proposals to fit within the on-going emergence of growth-related Government funding programmes and initiatives that are focused on initiatives that are unfunded.

Urban development

56. With housing having emerged as one of the Government's most difficult and seemingly entrenched sets of challenges and issues, the urban development agenda has become a key strategic area of focus by the Government. Central to this agenda has been the establishment of Kāinga Ora as an Urban Development Authority (UDA).
57. As a UDA, Kāinga Ora has significant legislative powers to initiate and undertake comprehensive urban development and housing projects within "Specified Development Project Areas" (SDP). Within these areas the Crown entity has been provided with wide and far reaching authorities, including:
- over-riding, adding to or suspending provisions in regional or district plans or policy statements;
 - acting as a territorial consenting and requiring authority;
 - creating, reconfiguring or reclassifying reserves;
 - building, altering or moving enabling infrastructure;
 - setting and collecting targeted rates and requiring development contributions.
58. In addition, Kāinga Ora has powers to compulsorily acquire land for specified works. These powers are general in nature and not restricted to works associated with an SDP.
59. It is early days in terms of how and to what extent the UDA powers will be exercised and there are many related and difficult - indeed potentially fraught - issues which need to be worked through. It is inevitable, though, that the consequences of this work will impact on both the challenges facing local government and the responsibilities and processes the sector currently has and uses.

Health Reforms

60. The government has announced its plan to reform the health and disability sectors, in response to the recommendations of the Health and Disability Sector Review. The reforms will collapse the 20 existing DHBs into a new single Crown entity, Health New Zealand, establish a Māori Health Authority which will have both service commissioning and policy functions and a new Public Health Authority.
61. Unquestionably the reforms will impact on the extent and level of engagement of councils with their health authorities. Given the wellbeing focus of councils, the importance of health to this and their statutory health related responsibilities, the reforms will necessitate change and an adaptation of approach by local government.
62. It is the Government's intention that the reforms will be rolled out over the next three-years, although the details of how this will be achieved are yet to be announced.

Vocational training

63. The Government's vocational training and education reforms came into effect from 1 April 2020, when the 16 previous institutes of technology and polytechnics became subsidiaries of Te Pūkenga – New Zealand Institute of Skills and Technology. The Crown entity is now focused on delivering its establishment and transformation programme and transition pathway. This phase is to be completed by 2022 and will result in the 16 previous entities

being fully integrated into the organisation, along with the transition of most of the in-work learning component of most of the Industry Training Organisations into the institution.

64. Again, this is both illustrative of the Government's centralising tendencies and will impact on the nature of, and level at which, council relationships with the primary provider of tertiary education in their communities are conducted and managed.

Reform Drivers

65. To successfully navigate complex policy processes and to give advocacy efforts the greatest chance of success, it is necessary to develop a clear and accurate understanding of the underlying drivers of reform. This includes trying to understand the drivers, mindsets and motivations of policy makers, what imperatives they face and how they view success.

66. In this section we draw together themes from the reform and policy programmes described above in an attempt to provide a meaningful framework for it. An important part of such an exercise is not simply hearing what is being said but understanding why it is being said. In our view, the Government's widespread and far-reaching suite of reforms is driven by a number of factors:

- **Performance issues:** There are clearly strongly held concerns within central government over the performance of the local government sector in delivering statutory requirements and expectations. In our view these concerns are a mix of both perceived and actual poor performance. It is ironic that many of the causes poor performance are the constraints and unwieldy complexity which successive governments have imposed on local government but, unfortunately, this partial causality is of no particular benefit or import. Worse, these concerns mirror what has become an entrenched mindset within many communities. People point at aged and failing infrastructure, infrastructure deficits, stifled development, failure in statutory responsibilities and meeting safety requirements, strained balance sheets, issues with debt levels, unsustainable rates rises and councils that are not seen as reliable and effective partners. Fair or unfair, a strong case around the necessity for substantial systemic reform has been widely accepted.
- **Treaty partnerships and co-governance:** There is a definite determination within this Government to more deeply and meaningfully embody and activate treaty partnerships, and this is impacting strongly across a range of policy and functional areas. Inevitably, and in our view appropriately, this has and will continue to extend into the exploration and development of models of co-governance. The local government sector should be the obvious partner for iwi and hapū but has a mixed track record of partnership and co-governance. Having said that, there are many communities which will need a great deal of assistance to meaningfully get their heads around developments in this area and an effective, well-functioning local government sector will have a crucial role to play in this challenge.

Importantly, the push toward Treaty-based partnerships will be met by the need to engage with mana whenua at hapū level. This is a potent countervailing pressure to the drive toward increased central direction and scale. However, the geography of hapū or iwi interests bears little relationship to current local authority boundaries.

- **Scale benefits:** A strong case has been made to capture the potential of scale benefits, efficiencies and cost savings. This has come about in part because of performance

issues and in part due to the layers of complexity that time and successive policy reforms have worked into the system. These factors have been exacerbated by the fact that some smaller councils observably have neither capability nor capacity to deliver sophisticated and complex functions and are heavily reliant on contractors and consultants of varying degrees of competence. The creation and benefits of scale have become a driving force in policy thinking, replacing the much greater focus on subsidiarity and local democracy of the early 2000s.

There is an argument that a greater use of the unitary authority model would be an effective way in which to achieve scale benefits. Certainly the model addresses some of the issues of overlap, duplication and a lack of certainty between TAs and regional councils. However, the processes required under the current legal framework are a fundamental barrier to establishing more unitary authorities.

- **Equity of outcomes** - there is a concern that the vast diversity which exists across the local government sector results in or reinforces inequity or unfairness of outcomes and/or access to services across the country. To achieve (or even contribute to) equity of outcomes, the model of local government would need to be more flexible and responsive to community needs, and less constrained by being separate from the redistributive role of central government.
- **Central direction:** A clear and repeated theme in the Government's approach is centralisation of decision making and control. Again, this mindset is in part a consequence of perceived failures. As a result, we are seeing both a move from local to regional and, alongside that, what we refer to as a retreat from regionalism. Responsibilities are being aggregated and moved up the governance spectrum. Such trends are often driven by a loss of confidence in existing structures, but also require a high level of confidence in the capacity and ability of the centralised structures to deliver. Ironically, this ability is not necessarily proven in some cases and may ignore the necessity for community relationships and knowledge to deliver optimal outcomes.
- **Financial pressures:** It has become clearer that there has been long-term under-investment in critical infrastructure. That shortfall will need to be addressed in order to safeguard the well-being of the country, the performance of its economy and to achieve the environmental and social outcomes that the Government is seeking. The Government has and will continue to be under increasing pressure to address that shortfall. It is entirely to be expected that if the Government is to spend more on local infrastructure and services it will expect higher levels of certainty that the money will be well spent and achieve its objectives. This reinforces the drivers arising from concerns over local government performance and the shift toward more central direction.

Approach to Functional Analysis

67. This section sets out the approach used in undertaking the functional analysis on which the remainder of this paper is based. In effect, this describes the lenses that have been applied to look at civic responsibilities and provide a framework and consistency to our thinking in terms of current and future delivery.

Wellbeing

68. Central to our thinking is the concept of community well-being, a concept explicitly core to the exercise of local governance since the passage of the 2002 LGA - although it is worth noting that local government is a creature of statute and that a change some time in the future cannot be ruled out. There has been much written about wellbeing and what it means. At a high level the Government has defined wellbeing as:

“enabling people to have the capabilities they need to live lives of purpose, balance and meaning for them”

Budget Policy Statement, 2019

69. In thinking about well-being, our focus is entirely on what is best for the people served by local government - the communities - rather than what's necessarily best for any particular council organisation. Often this will coincide, but not necessarily. Indeed, it is not always easy for any community, regardless of size, to decide what is best for itself. Nevertheless, civic and local democracy at its best and most effective is about service and the approach we have taken is aligned with that ethos. This does not mean, however, that we have ignored considerations of organisational efficiency and effectiveness. Instead, we view these as an important ingredient in delivering community well-being, rather than an end in themselves. Similarly, we view high performing council organisations as a means to an end, rather than an objective in itself. Such an approach is consistent with the purpose of local government and the role of local authorities as set out in sections 10 and 11 of the LGA2002.
70. The broad focus on well-being was introduced for the first time in the LGA2002. Since then, the obligation was removed for a time and then subsequently replaced. We observe that the fundamental character and nature of local government, what it does and how it operates, did not noticeably change at any of these times. The original introduction of well-beings in 2002 was intended to provide a platform for advocacy on behalf of communities to line up the actions of multiple agencies and organisations that impact on the well-being of communities. That platform existed before the 2002 Act and it continued to be exercised during the period when the provisions were repealed.

Local/regional effectiveness

71. This involves an assessment of the extent to which local/regional knowledge and relationships and, therefore, management are necessary to successfully deliver a function. This is typically driven by factors such as:
- the difficulty, nuance, and importance of understanding community expectations and needs;
 - the extent to which issues involve generic versus community specific factors and issues;
 - the level of technical complexity involved;
 - the capacity at a local level to manage this.
72. In broad terms, how close, or far, from a community does a function need to be delivered to achieve optimal outcomes and levels of service?

Subsidiarity

73. The principle of subsidiarity is a foundational driver of local democracy. It has played an important role in our analysis. Effectively, subsidiarity is an organising principle under which matters are handled by the lowest or least centralised, competent authority. The concept charts the path between individualism and collectivism and is an organisational theory which emerged from the Catholic Church. The aim of subsidiarity is to provide an appropriate degree of independence for a lower authority in relation to a higher body (local authorities in relation the central government and between different levels of local government), through the sharing of power between different levels.
74. In our analysis we factored in considerations of subsidiarity by looking at three key reasons why centralisation (which includes regionalisation, as a step along the spectrum) could be necessary and justified, specifically:
- **exclusive competence** – does the effective delivery of a function rely on competence or expertise which cannot be delivered at a local level (in the tables used in the ‘functional analysis’ section a “tick” indicates an element of exclusive competence exists);
 - **achieving national objectives** – where a more centralised approach is necessary to advance agreed national objectives (with a “tick” meaning it is);
 - **added value** – for reasons of scale, effects, or the nature of a function, a centralised approach will deliver improved outcomes (will add value) – again, a “tick” means added value is available.
75. The tables set out in the functional analysis section effectively answer the question: “are there barriers or constraints to subsidiarity?”. It is important to note that in our analysis subsidiarity principles have not been used exclusively to provide a definitive conclusion in relation to functional delivery. The principles have instead been considered and weighed alongside the other factors discussed in this section. One factor which we are not in a position to consider is the impact of co-governance requirements arising from Treaty settlements. We note potential challenges that will require resolution in cases where the outcome of applying the subsidiarity principle does not fit comfortably with iwi/hapū arrangements or where consideration of issues may have to be more local and granular than is optimal in other terms. This is an area of work that needs attention and may impact on future local government boundaries.

Scalability

76. Simply, this consideration looks at whether in practical terms a function is able to be scaled, or whether the difficulties or compromises associated with achieving scale will outweigh any benefits.

Local discretion

77. Here we consider the extent to which the current approach actually delivers real and meaningful local discretion or autonomy. If this is not the case, there is a good chance that local delivery is simply adding complexity, duplication and cost to delivery, without providing any particular value (or indeed may be delivering a lower standard service). We do not consider perceived local influence to have any value as an outcome in its own right. In fact, it could be argued that it is contrary to what local democracy is designed to achieve.

Balancing imperatives

78. Local government decision making is rich with examples of outcomes cobbled together out of political or circumstantial expediency or necessity. This is obviously not unique to local government and is a feature of the interface between public policy and politics everywhere. For two main reasons, however, there is a potential for it to be more pronounced in local government. First, the close proximity of decision makers, their advisors and the affected communities throughout the process. And second, the multi-layered and laborious nature of the statutory decision-making process and the requirement for it to be played out, to a high and unique level, in the most public of forums.
79. This type of decision making will frequently - some would argue almost inevitably - tip the balance away from identifying the optimal, most effective outcome and towards finding a 'least disliked' landing place for an issue or problem. Unfortunately, this brings into play a high risk of unintended consequences or outcomes where immediate problems are solved through the creation of a series of future problems. While this happens regularly around council tables across the country, it also frequently occurs when the three-point plug of local government meets the two-point plug of central. This is not a criticism of any those involved in local decision making. In our view it is systemic. Having said that, local democracy happens at the closest proximity to the community and that is to be celebrated. It provides a voice and an opportunity for many to influence things that directly impact on their daily lives. That does, though, come at a cost, including the pragmatic and not necessarily optimal decision making described above.
80. The extent and breadth of the current reforms which impact on the local government sector create a once in a generation opportunity to develop a high quality, high functioning, modern and future focused model of local government. Taking full advantage of this opportunity will require a coordinated, joined-up approach across the full range of relevant reform processes. Equally important, all those involved will need a selfless focus on the quality and workability of outcomes, rather than what can be dragged across the line or, in the case of central government, imposed by statute.




Analysis by Function

81. In this section we undertake a function-by-function analysis of most of the roles and responsibilities undertaken within the local government sector. The analysis excludes the following functions:
- planning policy, land use control and subdivision
 - wastewater
 - water
 - stormwater.
82. The reason for these exclusions is that there is currently live policy reform through official and/or legislative processes underway in these functional areas. The sector urgently needs to be engaged in detailed and specific policy analysis on the proposals and options in those reforms. That is a crucial and immediate priority for the sector, but one which is beyond the scope of this report because it is too far advanced.

83. Stormwater is part of the three waters reform process and has been excluded from our analysis. However, we note that many activities are impacted by or are integral to controlling stormwater – on land and on coastal areas. We suggest that careful consideration of what is stormwater and what is drainage, river and flood control, may be a difficult but extremely important distinction to make, unless the proposed new water entities are also to take over river management and flood control functions from regional councils.
84. We have not specifically separated the activity of compliance, monitoring and enforcement (CME). The reason for this is that CME is a feature and component of many of the functions of both regional and territorial councils, and in the functional analysis we have considered it when looking at the function to which the specific CME relates, rather than as a standalone activity. We do acknowledge that there is an argument that, in the interests of accountability, those who set rules also need to be accountable for their enforcement, and this has informed our thinking.
85. We have included the practical function of processing and granting resource consents in the analysis. This is the practical, implementation end of planning which will inevitably, to some extent, remain a feature of the new planning legislation.
86. The one other exception to the general approach is in the area of transport, where we have combined the various functional aspects of the network (regional strategy and planning, public transport, and roading) into one ‘transport network’ system.




Advocacy

87. Advocacy, at its simplest, is public and private championing and campaigning, designed to advance a cause or interest, in order to secure a positive outcome or decision, or avoid negative developments. In the case of councils, advocacy will often be directed at central government, Parliament, and the apparatus of the Crown (agencies and departments). Advocacy can also be focused on neighbouring local or regional authorities and across the TA/regional divide within regions. While advocacy is not a statutory responsibility of local government, it is an inevitable and important consequence of the role and purpose of local government as well as the s. 12 discretion.
88. Local issues require local advocates. Those directly affected by an issue are always going to have the highest legitimacy to their arguments. While a coordinated local voice is almost always necessary, it will often not be sufficient. The most effective local advocacy efforts will have a mandated local voice at their heart.
89. Unquestionably local/regional advocacy is an issue most effectively driven from a local/regional level. For as long as there is local democracy it will engage in advocacy, whether it is explicit and intentional or not. Similarly, in the absence of locally representative organisations, such as councils, the imperatives of effective advocacy would require effective substitutes to emerge (and such substitutes would face the far from straightforward challenge of establishing and franking their representative credentials).
90. Having said that, local council organisations are not necessarily structured so as to be highly effective local advocates. Indeed, if you were designing an entity to simply fulfil an advocacy role it would look very different from all of our councils – smaller, more nimble, less-bridled. This is a question which requires more thought, appropriately as part of the next step “future form” work.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Dependent on issue	High




Animal Control

91. TAs have statutory responsibilities for animal management, which they deliver through policies and by-laws as well as registration, enforcement activity and penalties. While the activity has a predominant focus on dogs (under the Dog Control Act 1996) many councils include wider focus on animal welfare, public safety and the avoidance of nuisance under the Animal Welfare Act 1999. For example, this wider focus can extend to wandering stock and cats.
92. In our view there is very limited value provided by the local discretion currently exercised in the area of animal control. It creates a lack of clarity, uncertainty and, therefore, potentially lower compliance. In relation to dogs, for instance, it is a functional area involving risks that can be life changing and even fatal. It is difficult to understand why there should be different rules and requirements for different geographical areas and what this achieves from either a practical or policy perspective. The possible exception to this is in relation to the issue of dog bans and exercise areas. Similarly, in terms of registrations, individual systems increase complexity, confusion, and cost. There would be value in there being a national dog register based on a single system. The tracking of dogs between districts and notification of new arrivals (a common argument for district-specific systems) could be achieved through a national register.
93. Similarly in terms of enforcement, the advantages of local provision could easily be captured through a national system of provision (or contracts), as the staff on the ground would be local, and it is an approach that would also deliver greater consistency, a more user-friendly customer interface and scale economies. It would also result in more consistent consideration of risk in the enforcement of Animal Control requirements.
94. It may also be timely to consider the adequacy of animal welfare capacity and responsibilities across the public sector. There would appear to be considerable potential for either overlaps or, more likely, considerable gaps between the roles played by the SPCA, MPI and local authorities in relation to animal welfare.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Low




Arts and Sports Funding

95. Councils play a role in the distribution of arts, sport, and other community funding. There are two primary components to this. TAs are the distributors for the centrally funded Creative Communities Scheme and Rural Travel Fund. Within the nationally determined framework and criteria, the councils have a reasonably high level of discretion in decision making. In many councils, participation in the funding decisions is a coveted role due to its perceived benefit for what councillors believe are the most worthy beneficiaries. The theory behind these centrally funded, locally delivered schemes is that there is value in such funding being delivered as closely to communities as is practicable, and with the deployment of a high level of community knowledge and understanding. We agree with this sentiment and approach.
96. Many councils also budget for and develop their own funding programmes for arts and culture, sports and/or community initiatives more broadly. Again, by its nature, this is an exercise in funding for the grass roots and any unnecessary distance between decision makers and recipients will blunt the effectiveness of such funding programmes. For clarity, some level of distance and clearly stated objectives will always be necessary to ensure fairness, accountability and transparency.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Med/High







Biodiversity enhancement

97. Biodiversity enhancement refers to geographic-specific, ongoing efforts and programmes to restore and maintain eco-system health, control existing pest species and facilitate the reintroduction or protection of biodiversity. Effectively it involves the identification and proactive care for eco-systems deemed of high value and worthy of protection. This function is carried out locally, regionally, and nationally. While the Department of Conservation (DOC) undertakes the national level of biodiversity work, it only does this on conservation land. DOC plays no real role in relation to private land and it appears that DOC has neither the funding nor the extensive capacity required to totally manage even the conservation estate in this respect.
98. At regional and local levels, the significant level of local discretion delivers highly variable investment and often poor prioritisation of work to protect or enhance biodiversity or ecosystems. The activity is completely discretionary and even with new National Policy Statements and obligations under the Resource Management Act, there is likely to continue to be a disconnect between environmental policy and the funding and financing decisions of local authorities relating to biodiversity enhancement. Indeed, stronger national standards could create resource and compliance challenges for smaller, less resourced councils.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	High within national framework

Biosecurity/pest control

- 99. This function is based on biosecurity and is often an events-based responsibility to avoid or manage the incursion of targeted pest species into, or spreading through, the eco-system. These efforts tend to be focused on pest species that will have a material impact on the economy or on biodiversity. Effectively, faced with a sudden excursion there will be a national effort to eradicate, led by the Ministry of Primary Industries (MPI). Where the pest species take hold, it is then seen as the responsibility of regional councils to develop management plans. Local knowledge is highly beneficial to both the eradication and management challenges and needs to be effectively and seamlessly factored into any response, regardless of which level is leading it.
- 100. We believe the current delivery model is appropriate and effective. An eradication response to a newly arrived or discovered pest by its nature will be high stakes, technical and complex, and require rapid deployment of skilled, trained, and experienced staff. In our view, the national response model is the appropriate approach to delivering such a response, including because it would be impractical, at best, for regional councils to have the level of expertise, response ready, in house or otherwise their disposal.
- 101. The issues arise when the focus moves from elimination to some form of management or living with the pest. Our observations are that there have been a number of expensive attempts to manage unmanageable pests, or to respond to unreasonable community expectations of what can be done to manage pests for which eradication is not possible. There are a number of high profile and successful community-based urban pest eradication initiatives (some assisted by councils). However, regional councils have a mixed track record when it comes to maintaining the level of specialist expertise necessary to develop and continuously deliver credible pest management plans, or to deliver complex pest management programmes. Further complexity and unclear accountability is added by the fact that responsibilities and enforcement in relation to Crown land are different again.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
 (incursion)	 (incursion)	 (incursion)	Yes	Low (incursion)
 (management)	 (management)	 (management)		High (management)

Building consents and control

102. Under the Building Act 2004 TAs are accredited as building control authorities. As such, they are responsible for the processing and granting of building consents, monitoring and certifying compliance, and issuing of notices and certificates of compliance. Regional Councils have the same obligations as TAs, in relation to dams. There is a national level involvement in this area through the building regulations developed by MBIE.
103. It is difficult to see any particular or reasonable justification for the current decentralised delivery of this function. It is an entirely mechanistic exercise, with little obvious or necessary local discretion. To a certain extent, the most obvious rationalisation for a devolved system would seem to be insulating the Crown from issues of liability (which, as the weathertight experience shows, can be considerable). This is a highly questionable motive in our view. A great deal of value could be delivered through a centralised approach, including scale efficiencies, consistent standards, clarity and flexibility in resource deployment. This would be of benefit to very small TAs, a number of whom are already contracting delivery of this area to other councils. There is no reason why the consenting of dams should remain a regional responsibility – in fact, given the high level of technical expertise required it would make sense for it to be a delivered centrally.




Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
✘	✔	✔	Yes	Low

Coastal Marine Area

104. Regional Councils have particular responsibilities in relation to the coastal marine area under the Resource Management Act 1991. In this respect, their role in the coast is akin to that of a TA in relation to land. Their jurisdiction in this area extends from mean high-water springs to the outer limits of the territorial sea. The exercise of their authority in this area is done “*in conjunction with the Minister of Conservation*”. This means that, despite whatever process a regional council may have been required to work through, ultimate decision-making rests with the Minister of Conservation. Decision making roles in relation to the coast are also established and influenced by the Marine and Coastal Area (Takutai Moana) Act 2011.
105. The historic demarcation of roles in relation to the Coastal Marine Area has been somewhat fraught. Mean high water springs means very little in relation to coastal processes (accretion, erosion, inundation or extreme event impacts). Any coastal structure is likely to cross between the land and the coast (above and below mean high water springs) and therefore fall under the jurisdiction of both a territorial authorities and regional council.
106. The impact of stormwater on the coast is equally challenging. The volume, quality, and location of stormwater discharges along the coast have a major impact on the health and quality of the receiving waters and the ecosystems of the coast. The discharge of stormwater to the coast needs to be integrated with the catchment-based management of stormwater and of rivers. This means decision-making and responsibility for the management of the coast




is most sensibly a regional or catchment aligned responsibility but, as noted earlier, could impact on the delivery of the new water entities.

- 107. Regional Councils have considerable responsibilities in relation to the coastal marine area, but there is no corresponding ability to fund those responsibilities by imposing rates on the coast or those who use the coast or territorial sea. This is a substantial unfunded mandate.
- 108. There is no exclusive central competence in relation to the management of the coast. Most current expertise sits in regional councils and to a lesser degree in CRIs. Whilst there are clear national objectives, there is little added value to be achieved by further centralisation. Indeed, there is quite a risk that real disconnects in policy and impact would arise from such a change.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Medium

Cemeteries and crematoriums

- 109. The Burial and Cremations Act 1964 requires TAs to provide, maintain and manage cemeteries, including the approval of monuments. Through by-laws, councils also regulate the provision and delivery of cremations. There are related public health considerations which are managed at a national level.
- 110. This is an area of extreme sensitivity and where emotions naturally run high. Cemeteries are important and cherished facilities, at the heart of communities and an entrenched part of their fabric. In our view, the more local knowledge, sensitivity and management that can be worked into the system, the better. This is a function that communities really should be able to feel as if they are delivering for themselves, in their way. Arguably, there could be some savings from a more centralised approach, but these are unlikely to be either significant or material and would not justify the obvious downside of such an approach or unnecessary angst that it would create. Similarly, the health aspects are effectively managed under the existing model, meaning there is no health risk or benefit on which to base any change.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Medium

Community development

111. If you were to ask 100 practitioners what community development is, you are likely to get 150 answers. In general, though, it is about supporting communities to identify their priorities and to take collective action to deliver them. It is about empowerment and facilitation, supporting communities to deliver for themselves, at a level that would not be possible without that support – and in so doing deliver stronger better-connected communities. Common to the answers would likely be principles of participation, transparency, removing barriers and enhanced capacity. To be effective, it needs to be delivered as close to the community as possible and requires an extremely high level of local knowledge. As a non-statutory function, it can be delivered either by TAs or regional councils.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advance national objectives	Centralised added value		
✘	✘	✘	No	High

Contaminated Sites management and rehabilitation




112. Ultimately landowners are responsible for the management and rehabilitation of contaminated sites. In practice public agencies are frequently left to deal with historic contamination – especially where the current owner is unable to do so.

113. Both TAs and Regional Councils have responsibilities under the Resource Management Act 1991 in relation to contaminated sites. Arguably, TAs also have public and environmental health obligations – depending on the nature of the contamination. At a national level, the Ministry for the Environment has funding for the investigation of contaminated sites and has contributed to the clean-up of several very significant sites, but there is unmet demand.

114. It is our impression that across the country there has been slow progress in identifying contaminated sites and slower progress in completing effective management systems for the sites and relatively few successful rehabilitations. Amongst the many troubling contaminated sites are many historic landfills, including a number located in coastal margins (which are subject to erosion) or within the flood plains of rivers. Many of these would have enormous remediation costs.

115. This seems to be the sort of issue where overlapping responsibilities mean that each agency which is potentially responsible can avoid doing anything in the expectation that other will. The consequence is probably that as a country we are failing to deal adequately with historic contaminated sites and do not yet have in place the right measure to prevent future contamination.

116. This is an area where highly specialised expertise is needed and there would be considerable benefit in adopting a more centralised and nationally consistent approach.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advance national objectives	Centralised added value		
			Yes	High

Economic development

117. As with community development it is possible to find many definitions of economic development. Broadly, economic development involves initiatives to stimulate economic activity through the provision of support and catalyst programmes or projects. It is a facilitative exercise involving realising opportunities which need particular intervention or assistance, even if that is just to identify that the opportunity exists.
118. In New Zealand economic development activity is engaged in at all three levels of Government - local, regional, and central. Government's interest is driven through primarily through MBIE, but other agencies are also involved. For example, NZTE has an impact through its work with particular clients and so do some other government agencies. Government engagement with iwi Māori through Te Puni Kōkiri and other means is also a vital component of economic development activity. Locally, post-settlement iwi organisations are emerging as major players in local and regional economic development activity. Their focus on realising the opportunities from Treaty settlement commercial redress has shifted the potential for local initiatives and heightened the need for alignment between them and local and central government agencies.
119. While the most effective relative mix of activity at each level could be argued, this multi-layered approach is, in our view, appropriate. Central government has the resources to enable a scale of intervention which would not be practicable at other levels. The regional tier allows the development of initiatives which transcend district or city boundaries. It also represents the level at which partnering with central government is both realistic and replicable. It is only at the local level, however, that community-based and grassroots initiatives can effectively be delivered because of the extent of local knowledge and relationships required.
120. Although there is inevitably a focus on producing economic development strategies, some of the most effective and impactful economic development initiatives can result from pure opportunism and the ability to generate a sense of optimism in the future of communities. In this regard it is important not to under-estimate the role and importance of the Mayor. One of the key leadership roles of the Mayor is to be the chief advocate and cheerleader for their city or district. Many actors providing development opportunities or significant sector investments seek a level of comfort through the local political endorsement of their activity. Mayors can provide a sense of legitimacy and social licence that encourages people to invest and take risks. This is an important feature of the current system of local government. There is an issue at regional level, where the Chair of a regional council is not elected directly by voters. Some regional Chairs have sufficient personal mana to be seen as the regional equivalent of the Mayor, but others do not or choose not to do so.

Subsidiarity constraints				
Exclusive central competence	Advances national objectives	Centralised added value	Scalable	Local discretion
✘	Depends on the objective	✘	Depends on the initiative	High

Emergency management

121. While a number of pieces of legislation play a role in emergency management, the primary legislation is the Civil Defence and Emergency Management Act 2002. New Zealand’s system for responding to, and recovering from, large scale emergency and disasters is based on an integrated two-tier model which encompasses all three levels of government. The National Emergency Management Agency (NEMA) is responsible for ensuring that systems are in place around the country which are resourced, effective and integrated in terms of readiness, response, and recovery. Depending on the scale and complexity of an event NEMA will on occasion preform the role of response coordinator.

122. At the core of the notion of civil defence is the recognition that in the event of a major emergency it is quite likely that normal day-to-day emergency services will be unable to deliver the sort of immediate response that is required. Individuals and communities will need to be able to fend for themselves until people, resources and capabilities can be brought in from further afield. A key feature of emergency management is ensuring that people and communities are prepared and able to do what they can in the immediate response to an emergency. Local knowledge and relationships are a key part of both readiness and the initial response.




123. Another key feature of the immediate response to an emergency is leadership that is sufficiently connected to the people and the event to have impact in helping to guide and direct people and communities through challenging times. This local leadership needs to be instantly available and able to swing into action. Mayors and in some cases regional chairs have a key role to play in doing this.

124. It is our view that, while clunky and at times challenging, the current framework usually provides a reasonable balance between centralised and decentralised responsibility. It can scale to respond as necessary to emergencies that are local, regional, or national. However, there are often real tensions between local and regional leadership which can provide challenges in setting up an effective regional response to an emergency such as a major earthquake which impacts widely across boundaries.

Subsidiarity constraints				
Exclusive central competence	Advances national objectives	Centralised added value	Scalable	Local discretion
✘	✘	✘	No	Low, Medium, or High (depending on the event)

Environmental and public health

125. Local authority responsibilities for environmental and public health come from the Local Government Act 1974, the Health Act 1956, the LGA02, the Hazardous Substances and New Organisms Act 1996 (in particular relating to enforcement), the Building Act 2002, and (in a more generic way) the Resource Management Act. Responsibilities include those relating to public health in relation to drains, water and wastewater, and the broad responsibility under Section 23 of the Health Act 1956 to *“improve, promote, and protect public health within its district”* and specific powers and obligations to appoint environmental health officers, to make by-laws for the protection of public health, and powers that are so specific as to empower a local authority to *“disinfect any premises for the purpose of preventing the spread or limiting or eradicating the infection of any infectious disease.”* (Section 81).
126. This is an area which in our view is ambiguous and unclear and which needs considerable attention. The scope of local authority responsibilities is considerable, but there are very large overlaps between those and the role of the Medical Officer of Health, WorkSafe, District Health Boards, the Environmental Protection Authority and other enforcement agencies. The provisions of the Health Act 1956 are old and inconsistent with more modern and more empowering legislative frameworks. The public health responsibilities of local authorities relating to drinking water and wastewater are part of the current waters reform and the new role of Taumata Arowai. The overlaps between local authorities and District Health Boards could be dealt with through the health sector reforms.
127. The way in which the local authority obligations are expressed has resulted in differing approaches between councils. However, public health is largely incidental to the activity of most local authorities. This is a largely discretionary activity, where local discretion generally means a choice (conscious or unconscious) to do very little.
128. In this area we consider that there is a need for significant legislative reform of the regulatory framework and the actors that are necessary to protect and promote public health, based on first principles. In our view there is considerable potential to deliver national objectives far better and to achieve centralised value add. The activity is scalable and the level of local competence is low. Indeed, it is commonplace for this activity to be contracted out – ironically that is often a contract with a District Health Board.




Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advance national objectives	Centralised added value		
			Yes	Low

Environmental protection – air

129. Regional councils have responsibilities under the Resource Management Act with respect to discharges to air (policy and rule-making, consenting and enforcement). TAs have some responsibilities with respect to public health and nuisance associated with smoke or other discharges to air. There is a National Environmental Standard for Air Quality that establishes

clear limits for the air quality within a defined air shed and limits local discretion in relation to discharges once the limits in any airshed have been reached.




- 130. Managing air quality has to date been focused on human health. Because climate change impacts were for long periods, they have been excluded from consideration in relation to policy making and consenting under the RMA. Thus, the current air quality limits are all set to protect public health.
- 131. While there are some clear successes in this area, some regional councils have struggled to deal effectively with both air quality issues and effective policy responses. Dealing effectively with local air quality issues has required wholesale shifts in the use of energy for home heating and in the use of fuels in the transport sector. In both respects national level policy is far more likely to have the required impact than regional policy or initiatives to support home heating or ventilation. This trend will continue in future with stronger national level policies to transition to a lower carbon economy, change building standards and require healthy homes.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Low

Environmental protection – land and planning policy, land use control and subdivision

- 132. Both TAs and Regional Councils have key roles in relation to the management and control of the use of land – including the subdivision of land. The Resource Management Act 1991 sets out distinct but overlapping roles which have been a source of tension since the Act became law. The key difference is that regional councils exercise control of the use of land in relation to the maintenance and enhancement of water and water ecosystems, as well as for soil conservation and the avoidance of natural hazards. TAs control the use of land in order to achieve integrated management of the effects of the use and development of land.
- 133. Both regional councils and TAs have responsibilities to make policies, plans and rules to achieve the purpose of the legislation. They also have powers to grant consents for activities and to monitor activities to ensure compliance with consent conditions or general rules. An essential part of the rule making and land use controls by TAs is managing the relationship between neighbours (noise, nuisance, sunlight, access, risk associated with industrial processes, and quiet enjoyment). Regional Council rules are more about managing discharges to land, or the effects of activities on receiving environments (rather than on people).
- 134. For most of the life of the Resource Management Act there has been a high level of local discretion in the way in which both TAs and Regional Councils controlled land use and subdivision. Other than the impact of case law, councils have been relatively free to develop policies and rules through the public processes provided for by the Act. As part of this, they have worked with people in local communities and living/working on the land.




- 135. Formal policy making was the preserve of elected representatives in the first generation of plans under the Resource Management Act. However, the necessity for suitably qualified and accredited hearings commissioners and the considerable time requirements are now effectively side-lining many local politicians from hearings. This limits the contribution of locally elected representatives in key policy making for their districts and regions.
- 136. The progressive reduction in effective local discretion has accelerated with the introduction of quite directive National Policy Statements and National Planning Standards. They have resulted in a considerable standardisation of rules and requirements across the country. They have re-established the primacy of national objectives – which had been largely absent from the Resource Management Framework since 1991.
- 137. As National Policy Statements and National Planning Standards have demonstrated, there is significant potential for far more direct advancement of national objectives than was the case with strongly devolved local and regional decision making. National instruments are not without their challenges. They can be blunt and result in unintended local consequences. The advent of stronger national instruments means that there is some potential for value through some centralisation. However, generally, the need to integrate the management of land and water means that regional scale decisions that tie back to catchments will remain critical. Importantly, decision-making also needs to reflect the economic and social systems that are required for well-functioning urban areas.
- 138. This is an example of a functional area where a unitary authority type model has the potential to deliver real improvements in both management and outcomes. The Government's current direction of reform is headed towards greater regionalisation of decision-making in relation to natural and built environments. As is discussed later in this report, one of the key issues in the regionalisation of decisions is what constitutes a “region”.

Subsidiarity constraints			Scalable	Local discretion
Exclusive. central competence	Advances national objectives	Centralised added value		
			Yes	Medium trending lower

Environmental protection and resource allocation – water




- 139. Regional Councils have the prime responsibility for safeguarding the quality of water bodies and aquatic ecosystems, as well as for the allocation of water for use and any discharges into water bodies. This is the current evolution of the historic catchment management function of the Water Boards and Catchment Authorities that are precursors of current regional councils.
- 140. Most Regional Councils have moved a long way from their Catchment Authority roots. They now have far broader responsibilities and the same power of general competence as TAs. Nevertheless, their track record in effectively managing New Zealand’s water resources is mixed. The “first in first served” consenting framework of the Resource Management Act is a poor resource allocation tool. It is not equipped to deal with areas where demand exceeds available water, neither will it easily result in the allocation of water toward the best use – alongside achieving expected environmental health.

141. All of the issues relating to national direction which are discussed above are just as relevant to water as to the control of land use. Similarly, there are potential benefits from a unitary authority in this respect because of the ability to better integrate the management of the use of land (the current responsibility of TAs) and the management of water (the current regional council responsibility). Water management decisions need to be made at a catchment scale and need to support integrated management of whole catchments - both in terms of the use of water and the use of land within the catchment. This reinforces the move towards regionalisation of decision making signalled in the exposure draft of the Natural and Built Environments Bill. However, it also begs the question of what is a “region”. Whilst decisions relating to water must be catchment-based, they cannot ignore the economic value of water and the substantial and growing demands for potable water to support urban populations and economies.

Subsidiarity constraints			Scalable	Local discretion
Excl. central competence	Advance National objectives	Centralised Added value		
			Yes	Medium trending lower

Facilities, venues, halls, aquatic facilities




142. By this grouping of functions we effectively refer to community facilities and exclude major event-based facilities. Again, they are community adhesives, important parts of what gives communities their flavour, and tend to be fiercely guarded. It’s often said the best way to fill a community hall is to threaten to close it. There is not, and will never be, one size fits all, with significant local differences in expectations and needs existing even within the smallest districts. While the scaling of delivery is, of course, possible, in our view the issues, loss of local “ownership”, and community backlash this would result in make any benefits illusory. This function is another example of services which should be delivered as close as practicable to communities. Under current local government structures that is TAs, if not their elected local or community boards.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	High

Food safety

143. Council responsibilities in this function come from the Food Act 2014 and involve TAs in the regulating (through bylaws), providing information, registration, grading, verification, and monitoring of food businesses and undertaking enforcement activity in relation to food safety.

- 144. We do not see any particular logic or justification as to why this function has been devolved down to councils, other than local authorities providing a distributed work force that can deliver local enforcement activity. In essence under the Food Act 2014, TAs have become unpaid agents of the Crown in the delivery of food safety. Their role includes supporting the role of the chief executive of the relevant Ministry.
- 145. Meaningful local discretion in the regulation of food safety is very low and the majority of tasks involved are highly mechanistic. The devolution to local authorities will tend to get in the way of potential for efficiencies in systems and processes through national standardisation. The distinct advantage that local authorities have is in relation to local, on the ground understanding of businesses and who is doing what. Those insights are important in ensuring that unregistered food premises are not able to operate.
- 146. In our view there would be significant benefit, in terms of consistency, quality and cost, of scaling these responsibilities to a national level. Councils would, of course, continue to be able to exert an influence over the place shaping nature of these businesses through public place bylaws and their planning function.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Low

Gambling Regulation

- 147. Councils have responsibilities under the Gambling Act 2003 and the Racing Act 2003 to play a part in regulating gambling and must have policies relating to Class 4 gambling (pokie machines) and TAB venues. Through these policies, councils have the ability to regulate the emergence of new venues (which many councils do through a sinking lid policy) but have no ability to influence existing venues. The Department of Internal Affairs deals with all other aspects of the regulation of gaming, including compliance with the regulations relating to the distribution of the proceeds from gambling.
- 148. In many ways, the requirement for a local policy was included in the 2003 Act as a way to defuse what was a fiercely debated issue at the time due to rapidly increasing machine numbers and the growing dependency of sports, cultural and other groups on the funding generated. Effectively the local policy provision was sold as a way for councils to trade off the level of gambling in their area against the capacity to generate community funding. Given the way in which such funding is actually distributed, this supposed trade off was never anything more than theoretical, albeit convenient. However, it did play a role in facilitating the passage of the gambling reforms at the time, against strong and highly funded industry opposition, and those reforms gave local authorities some control over gaming machine numbers. In our view, unless local authorities were to have a genuine ability to impact on the reduction of existing licenses, it is probably time to replace the council-by-council approach to controlling venue growth with a nationwide approach.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advance national objectives	Centralised added value		
✘	✔	✔	Yes	Low

Hazardous substances

149. This function arises from responsibilities under the Hazardous Substances and New Organisms Act 1996 (HSNA) and the RMA but is also governed by the remaining dangerous goods framework established under the Land Transport Act 1998 and the Land Transport Management Act 2003, and by the Health and Safety at Work Act, and by the Fire and Emergency New Zealand Act 2017. Responsibilities are shared among a range of government agencies (EPA, MBIE, NZTA, NZ Police, Civil Aviation Authority, Maritime Safety Authority, Ministry of Health, WorkSafe, Fire and Emergency New Zealand) as well as both territorial and regional councils.

150. In broad terms, TAs are responsible for monitoring and enforcing HSNO in public places and private dwellings, while regional council responsibilities relate to any premises where their intervention is necessary for enforcing the provisions of the RMA. The HSNO framework does not sit comfortably alongside the dangerous goods framework, which deals with the transport of goods. The dangerous goods framework under transport legislation reflects a language and an approach to hazardous substances that is far older than the HSNO framework and the definitions under the two frameworks do not match. Both frameworks have overlapping responsibilities which make the responsibilities of local authorities ambiguous – especially when it comes to the use of hazardous substances in industrial processes, which also require the movement and storage of hazardous goods on site, and how obligations fall under the Resource Management Act 1992, the Building Act 2002, the Land Transport Act 1998 and the HSNO Act. Under HSNO there is a high level of discretion as to whether local authorities appoint enforcement officers.

151. In our view the confused and overlapping obligations and responsibilities mean that there can be little confidence that the system as a whole adequately manages risk and provides for the safe use and transport of hazardous substances. Local authorities have struggled to maintain relevant expertise in this area, there is a clear national need to provide safe workplaces and the safe use and transport of hazardous substances, and local discretion is low.

152. While local knowledge is important in this highly technical and potentially high stakes business, this needs to be balanced against considerations of quality, clarity and consistency of delivery. This area would benefit from a comprehensive review of the maze of regulatory requirements to ensure that a fit for purpose regime can be implemented, potentially nationally based.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
✓	✓	✓	Yes	Low

Land drainage

153. Land drainage is carried out under the Land Drainage Act 1908 and involves responsibilities for both TAs and regional councils. TAs have responsibilities for managing drainage areas and the associated schemes, they also approve any construction over drains. Regional Councils have resource consent responsibilities, manage the integrated catchment management implications of drainage, as well as undertaking land drainage programmes (often by way of a targeted rate). Some TAs have transferred their drainage area responsibilities to their regional council.




154. It is important to consider land drainage in the context of stormwater management and flood control, but also to note the differences. As is perhaps clear from the age of the legislation (1908), land drainage activities stem from a period when wetlands were being actively drained in order to deliver agricultural land. Over a hundred years later it is sometimes hard to see the scale and impact of this history, but it was substantial. Many drainage schemes are still in operation and are critical for land to remain above ground water levels. These schemes are somewhat different to river control and flood management schemes which were far more targeted at keeping meandering rivers in one channel, or at preventing rivers in flood from inundating surrounding land, although in some instances they do overlap (literally). As climate change impacts on the levels of coastal ground water, and also on the frequency of short-period high-intensity rainfall events, drainage schemes will become more and more challenging to operate, and more and more difficult to separate from stormwater management and flood control – i.e. the whole hydrological system.

155. This is an untidy area in terms of responsibility, with legacy arrangements creating confusion and a lack of clarity and accountability for the public. Given the inescapable linkage of drainage with catchment management land use and stormwater management, we consider that this is sensibly a function that should be managed at a regional/catchment level. Such an approach would provide benefits in terms of improved scale and integration, as well as clear lines of accountability. The local importance of drainage areas would still be able to be recognised and managed through the operation of drainage sub-committees and/or advisory committees as is the case now.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
✗	✗	✗	Yes	High

Libraries

156. Libraries and associated services are delivered by TAs. As a result, there is considerable variability in levels of service across the country. While this in part will reflect decisions on relevant priority, it is also the result of limited scale and funding bases. Alongside that, libraries are important parts of many communities, much more than simply a collection of books. Significant community attachment and ownership tends to exist. Unquestionably an aggregation of library service provision would result in a higher level of service (for example through an expanded and enhanced collection). The inaugural Mayor of Auckland Council often stated that the amalgamated library service was the success story of the unitary authority, a claim backed up by survey work at the time. Having said that, the nature of what libraries are to their communities means there is much gained from their being provided and managed as close, and responsively, to those communities as possible. In our view, attempts to achieve these scale benefits, under current local government structures, would be unrealistically fraught, divisive and, in all likelihood, counterproductive. The voluntary use of shared services between like-minded neighbouring councils is probably the best approach to producing some scale.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	High

Maritime safety and navigation and oil pollution response

157. This is an area where there is a mix of national (Maritime New Zealand) and regional responsibility. Maritime New Zealand (MNZ) develops maritime and marine protection rules and provides technical advice. Regional councils promote navigational safety through the appointment of harbourmasters, honorary enforcement officers and the making of bylaws. Harbourmasters are responsible for ensuring that Councils meet their statutory responsibilities to maintain safe and navigable waterways, including through the provision of navigation aids and structures. They also have a role in leading the response to marine oil pollution events. In practice, there is a considerable overlap between respective responsibilities. These overlaps are particularly odd when it is considered that Maritime NZ has supported the development of harbour safety plans and pays for and coordinated nationally the oil pollution response capability.

158. In our view, this is an area which would benefit from greater centralisation (within MNZ). It is a highly specialised area, operating in a vacuum within most councils, involving the management of what is actually a national maritime network. The only impediment to a move to national delivery is the ability to have sufficiently trained local personnel to deliver an initial response to a marine oil spill – although in practice, the oil spill capability of regional councils is mixed and highly dependent on the location of staff whose day job has nothing to do with maritime response.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
✓	✓	✓	Yes	Low

Natural hazard management

159. The management of significant risks from natural hazards is a matter of national importance under the Resource Management Act 1992. This function involves the management of issues such as tsunamis and flood risk, land instability, potential earthquakes and volcanic eruptions, and liquefaction. Dealing with natural hazards is currently the responsibility of both TAs and regional councils. Both have responsibilities with respect to avoiding or mitigating the impact of natural hazards. Both have responsibilities to control the use of land to avoid or mitigate risk. Regional councils have specific obligations with respect to the management of water.

160. In our experience, regional councils and TAs often have quite different risk appetites in relation to exposure to risks from natural hazards. This makes delivering coherent policies and rules challenging. Climate change is likely to result in quite significant changes to the profile of natural hazard risks to which many communities are exposed. It will deliver a combination of sea level rise, rising ground water levels, more intense rainfall events and major storm surges that together mean that many coastal communities will face more extreme risks in the future than they have to date. The Government’s climate change legislation will have to address these issues and how to adapt to them – including a mechanism for managed retreat and the protection - or moving - of critical infrastructure that is at risk.

161. In our view there are major benefits to be captured by greater alignment of responsibilities at a regional level (to align in particular with catchment management and river and flood control) and through greater national direction (in relation to climate change response). This is another area where a unitary authority approach would likely result in an improved approach and outcomes.




Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
✗	✓	✓	Yes	High

Parking management and enforcement

162. Parking management and enforcement is undertaken by TAs through the development and policing of bylaws, along with through planning provisions and ownerships of facilities. The




enforcement activity also plays a role in enforcing national systems (e.g., vehicle registration and expired Warrants of Fitness). In our view the management and policy components of this function cannot and should not be separated from the other land transport and roading functions discussed in this paper. Consequently, based on the overhaul of the overall transport system discussed elsewhere in this report, there are potential scale and/or regionalisation benefits. However, the concept of subsidiarity clearly applies here and a regional approach would need to be tempered against the need for local policies that support the character and nature of local communities. Again, there would be an opportunity for a unitary approach with local community organisations involved in the local decisions.

163. The ownership of commercial parking facilities by councils is an interesting question. While ownership has the potential to create a revenue stream, maximising returns on such assets is very likely to be contrary to broader, transport, climate change and land use objectives by incentivising the wrong behaviour (e.g., adding to peak time congestion by offering “early bird” rates).

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	High

Parks, reserves, conveniences




164. “Parks” are currently delivered at both a TA level (local and community parks, greenspaces, and amenities), regionally (regional parks) and nationally (national parks). Under the existing local government structures, there is an obvious logic to this, which need not be tampered with, along with a strong subsidiarity justification.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			No	High

Public housing and housing for the elderly

165. The role of TAs in this is very much a consequence of legacy from the time when the development of such facilities was devolved to councils by central government. Very few councils are actively investing in growing their involvement in this area or their housing stock. Rather, the focus is managing ageing properties which are often poorly matched to current demand. Councils hold no particular exclusive expertise in the provision of specialised or social housing services and many of them have developed partnerships with the third sector to more effectively achieve this.

166. In our view, the more important role for councils with respect to housing is as advocates and facilitators for the development of housing that meets the needs of their communities. Given the significant shortages of affordable housing across much of the country, councils can play a very important role in facilitating the delivery of different forms of housing by, for example, building effective partnerships with Kāinga Ora and/or the purchase of land and the aggregation of titles to support brown-fields redevelopment. It could also include development agreements designed to secure part of the value uplift from rezoning land. This is a considerably broader and more challenging role than acting as the owner of modest scale pensioner or social housing.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	High

Resource consents

167. Resource consents are processed and granted under the Resource Management Act 1991, and the relevant planning documents, by both TAs and Regional Councils. We assume that this function will continue to be necessary, albeit on a potentially different scale and with lower discretion, after the passage of the Government’s suite of resource management legislation.




168. Under the RMA the local discretion that exists in relation to resource allocation and use is in the policy arena rather than in the processing and granting of consents. The direction of recent National Policy Statement and National Planning Standards has been to reduce local discretion and provide far stronger national direction on policy matters. Resource consent decisions are made by technical staff who weigh up the relevant issues and rules. Local elected representatives are not involved in resource consents unless a hearing is required for a notified consent. The elected people concerned are suitably qualified hearings commissioners. When politicians act as hearing commissioners, they must make decisions based on evidence – not on the basis of their political judgement

169. Most processing of most resource consents can be done by people based anywhere in the country who have the right specialist technical skills and a sound understanding of the relevant Resource Management Act Policy Statements, Plans and Rules. Indeed, this routinely happens when local authority staff do not have the capacity to process resource consent on time. Local knowledge and site-specific knowledge is important but is not the whole story.

170. Given the technical nature of consent processing and the increasing national policy direction, there would be value and scale benefits in considering regionalisation of this activity. It would improve planning linkages and relationships within regions, deliver simpler and improved customer service and deliver administrative and cost savings. Many councils experience difficulty attracting and retaining qualified planning staff, with the resulting under-resourcing a primary contributor to consenting delays. A more regional approach could assist in

addressing this issue, both by improving efficiency and facilitating the potential for higher, more competitive remuneration.

171. Additional weight is given to this concept by the proposal contained in the exposure draft of the Natural and Built Environments Act to consolidate existing plans and policy statements into 14 regional plans.




Subsidiarity constraints			Scalable	Local discretion
Exclusive. central competence	Advances national objectives	Centralised added value		
			Yes	Med - Low

River management and flood control

172. Reginal councils are responsible for river management and flood protection, a central component of their integrated catchment management responsibilities. The function involves on-going channel management (including through the maintenance of vegetation, prevention and clearing of obstructions, gravel management and erosion control) and the design and implementation of flood protection solutions. Solutions typically involve such measures as flood banks, drains and pump stations. These are costly and represent a considerable community investment in safety.

173. River management and flood control also needs to be integrated with land use controls across the catchment. Changes in land use affect the way in which water moves through a catchment. For instance, the removal of forest increases the speed at which rainwater will flow into rivers, increasing their peak flow and lessening the time from the start of a rain event and when peak flow event occurs. Urban development and increases in the area of impervious surfaces within a catchment can have a more dramatic effect in both increasing the volume of stormwater that will enter rivers and in the speed with which peak flows will arise.

174. To be effective, this work, by its nature, needs to be undertaken in a joined up, whole of river catchment basis and, therefore, a regional approach is both appropriate and necessary. In addition, the linkages with emergency management responsibilities are important. In an urban context this activity is inextricably linked with the management of stormwater and the way in which urban design impacts on stormwater. Integrated catchment management plans, that address both land use and the management of water, are the key tool for ensuring effective management of stormwater, drainage, and flood risks.

Subsidiarity constraints			Scalable	Local discretion
Exclusive. central competence	Advances national objectives	Centralised added value		
			Yes	High

Sale and supply of alcohol

175. Under the Sale and Supply of Alcohol Act 2012, TAs have two main functions. First, the processing of applications and renewals for liquor licenses and manager certificates (through District Licensing Committees) and related enforcement activity. The exercise of local discretion is achieved through Local Alcohol Policies (LAP), which can tailor the general legislative provisions for an area through:




- limiting licenses in a particular area or near specified facilities (e.g. schools or churches);
- placing limits on the density of licenses;
- imposing licensing conditions (e.g. one-way doors);
- restricting or extending legislated opening hours.

176. In the absence of a LAP the general provisions of the Act apply.

177. The second main function is the power to use bylaws to introduce geographic or location specific liquor bans. This is a local public safety and amenity issue.

178. In both of these functions, we believe the current approach provides an important and valuable capacity for communities to exercise control and discretion. But all of the decisions by the District Licensing Committee are appealable and the system is clunky and challenging for the public. Even with the relatively informal framework of a District Licensing Hearing, it can be very challenging for a member of the public with an interest in a particular proposal to face cross-examination in relation to their submission.

179. It is also important to note that comparatively few elected representatives serve as members of District Licensing Committees and those who do are paid not as elected representatives but under the legislation covering the committees. The Committees are required to act as semi-judicial bodies. As such, training in the relevant law, precedent, and process is essential for members and there is quite limited scope for political decision-making in relation to licence applications. To the extent there is local discretion, it is in the development of local alcohol policies.




Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Medium - Low

Solid waste collection and disposal

180. The management of waste disposal in New Zealand, a major and growing undertaking, is largely the role of TAs through the operation of landfills, refuse collection and recycling programmes. Commonly these functions are contracted out to private operators. Councils also develop and implement waste minimisation strategies.

181. In terms of collection functions, there is a relatively low level of local discretion or variation in relation to the structure of services operated around the country (although there are obviously different levels of service between rural and urban areas). In our view, there are potential scale benefits across the current multitude of waste contracts. There will also be scale benefits associated with far greater co-ordination and consistency in recycling. A greater volume of consistently high-quality recycled materials would be more likely to support recycling of materials within New Zealand.




182. In terms of disposal (landfills, currently) it is becoming increasingly difficult and problematic for many councils to meet demand within their area. In places this has resulted in cross-boundary, or further afield, solutions. While waste minimisation is essential, and will help, new landfill capacity will continue to be needed. Securing consents for a suitably designed landfill is an increasingly fraught challenge for many districts. We think that this is not necessarily an issue that TAs should be left to grapple with on their own, and that there would be value for this challenge to be confronted on either a regional or nation-wide basis.

Subsidiarity constraints				
Exclusive. central competence	Advances national objectives	Centralised added value	Scalable	Local discretion
			Yes	Low

Stadiums, major event facilities

183. Stadiums and major events facilities are of both regional and national significance, and there are a range of approaches used around the country in terms of their funding, delivery and governance. While there would undoubtedly be benefits from a more centralised approach focused on the country's overall major venue network, we believe this ignores and detracts from the regional significance and identity associated with these facilities.

184. There is definitely a role for councils in this function. The challenges have always been about the appropriate scale of such facilities and who pays for them. Generally, our inclination is that this requires a regional approach, but we accept that under the current local government structures and boundaries, this will inevitably create difficult issues, with multiple councils having to agree on relative rates contributions. Another issue is how central government most appropriately provides contributions to reflect the national significance of these facilities. Successive governments have tended to make one-off contributions for facilities for one-off major events, yet the ability to attract major events is often dependent on the facilities existing at the time that bids are made.

Subsidiarity constraints				
Exclusive central competence	Advances national objectives	Centralised added value	Scalable	Local discretion
			Yes	High

Strategic Planning and Urban Development

185. Most major New Zealand cities are facing complex growth-related challenges which include:

- rapid population growth and an aging population;
- a long-term failure to build sufficient houses, a crisis in both housing availability and housing affordability, and a major mismatch between demand and supply for a range of housing tenures and housing types;
- aging infrastructure and the need to invest in substantial additional capacity at the same time as doing major upgrades and renewals;
- limited financial headroom and constrained balance sheets;
- the need to rapidly shift away from dependence on single occupancy private motorcars toward greater use of public transport, walking and cycling as part of the transition to a lower carbon economy;
- difficult and costly pathways to the introduction of new rapid transit systems;
- very high construction costs and shortages on both building materials and skilled labour;
- the need to make choices between different forms and locations of development, recognising natural hazards, highly productive land, existing infrastructure, environmental impacts, the management of drainage, etc.

186. Strategic planning necessarily includes the alignment of many central and local government responsibilities to ensure that urban areas develop in ways that make sense, function well and provide quality living environments. City shaping requires the active alignment of major public investments in transport systems (including public transport), water and wastewater infrastructure and treatment facilities, public open spaces, community facilities, schools and health care facilities, and civic amenities. City shaping also requires substantial private sector investment in houses, buildings and businesses.

187. Both TAs and regional councils have responsibilities to contribute to strategic planning and urban development. Both levels of local government must engage as advocates for their communities and, importantly, there is an essential place for community voice on a local level. Successful strategic planning requires the skillful exercise of leadership and the ability to maintain the social licence to operate in the face of very challenging circumstances. Successful planning also needs to be able to develop and deliver a long-term approach and aligned delivery from multiple agencies that can survive both central and local government electoral cycles. However, in the face of significant challenges there is considerable scope for disagreement and few incentives for collaborative behaviour. High levels of goodwill are needed to make progress.

188. The Government's reform programme and the proposed Strategic Planning Act specifically target the delivery of more effective strategic planning and coherent responses to the challenges of growth and city-shaping. Unfortunately, this reform will run well ahead of the consideration of local government reform. This means there is a real risk that the Strategic Planning Act contributes to further ad hoc reform of local government rather than a sound and durable way forward.

189. One way to ensure better strategic planning outcomes would be to better align the boundaries of local government decision making to match the boundaries of urban and economic

systems. This was one of the key drivers for the establishment of Auckland Council. Having eight local authorities responsible for the strategic planning of New Zealand’s largest urban system was not a successful approach.

190. Another way to improve strategic planning would be to better integrate spatial planning and the financial planning of both local authorities and Crown agencies. Creating the ability for Crown agencies (Waka Kotahi, Kāinga Ora, what are now District Health Boards, the Ministry of Education, and others) to engage with local authorities in binding long-term funding commitments designed to support agreed strategic plans would be a game-changer. In our view the Strategic Planning Act will fail unless it also addresses both financial decision-making and the alignment of financial responsibility with financial capability.

Subsidiarity constraints			Scalable	Local discretion
Excl. central competence	Advance National objectives	Centralised Added value		
✘	✔	✔	Yes	High

Tourism destination and promotions

191. Public sector involvement in tourism promotion is based on a key market failure whereby all tourism related business and a range of other businesses will benefit from visitor expenditure, but no individual business would be able to capture the benefits from marketing to attract visitors to an area.

192. Tourism promotion currently occurs at local, regional, and national level. This broadly reflects the need to engage with potential visitors in ways that will attract them and engage them in decisions about where they will travel and what they will do. At a national level the focus is on promoting the country as a whole, by heavily drawing on the local and regional product. This is both necessary and appropriate, and the key role for local councils here is advocacy for their districts or regions in the promotional activity. In terms of regional and sub-regional promotions, the structuring of this in large part depends on the importance of tourism to specific areas. “Tourism towns” tend to deliver their public funded promotions through their TA, while elsewhere a more regional approach is taken.

193. Based on the current structures of local government, this flexible approach makes sense. If there was to a greater regionalisation of those structures, the impact of that on the promotion of tourism would need to be carefully worked through.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
✘	✘	✘	No	High

Transport Network

194. The various aspects of planning, management and delivery of the overall transport network are shared among different layers of government in a complex system of overlapping plans, processes and responsibilities.

Regional transport strategy, planning, and programmes

195. Under the Land Transport Management Act 2002, regional transport planning is the joint responsibility of all of the councils in the region through the development of Regional Land Transport Plans (RLTP), which are ten-year plans, required to be prepared every six years and reviewed after three. The exception is the Auckland, where the RLTP is the responsibility of Auckland Transport.




196. RLTPs set out the objectives, policies and priorities for transport in the region, along with the cost and source of funding for all projects. Funding predominantly comes through Councils' LTPs and the National Land Transport Fund (NLTF). No project can be funded from the NLTF unless it is in the RLTP. RLTPs are required to be consistent and give effect to the Government Policy Statement on Land Transport (GPS) and must be taken into account in the development of the National Land Transport Plan (NLTP), through which the NLTF is allocated.

197. In reality, the centralised nature of this co-funding model means there is a low level of local and regional discretion in relation to the RLTP. Its development process is complex, often tortuous and extremely resource hungry. It is questionable whether the value added to advancing transport objectives is justified given the upheaval, disruption and (often) confusion it involves.

198. The hierarchy of planning and funding documents is multi-layered and unwieldy. It is difficult to secure alignment between the different layers of decision makers (national, regional, and local) and it is difficult to translate strategic intent into funded and implementable projects – particularly if (as is the case for public transport projects) simultaneous funding is required from each level of government. This difficulty in securing strategic alignment has resulted in additional layers being added – for example ATAP and LGWM. On the surface these have promised alignment which can be translated into investment. In reality, they, too, have struggled to deliver an agreed, funded programme of works and services that can be implemented and which each partner can be relied upon to deliver.

199. Relentless increases in the complexity of Waka Kotahi business case requirements also seems to have slowed progress and made the transport planning and investment process a very costly, but still very uncertain process.

200. This complex and fraught planning labyrinth has resulted in a clogging of the system which is an impediment to implementation. It is difficult to get critical and already budgeted money spent where and when it is needed. The system is also becoming increasingly impenetrable to the public it is supposed to engage with - instead becoming a playground for technocrats and consultants.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Low




Public transport planning and funding

201. The provision of public transport services is governed by the Land Transport Management Act 2003. It is the responsibility of regional government based on Regional Public Transport Plans (RPTP), and funded through regional LTPs, the NLTF and, increasingly, bespoke funding arrangements. The provision of public transport services is one of the key responsibilities of regional councils. However, a number of the critical facilities necessary for the provision of the services (e.g. bus stops, shelters and terminals, and priority vehicle lanes) are the responsibility of TAs. The institutional and funding arrangements for the provision of passenger rail services are even more complex and vary between cities.

202. RPTPs specify how a region will give effect to the passenger transport components of the RLTP, and are ten-year plans prepared every three years. RLTPs are required to be consistent with the GPS and are taken into consideration in the development of the NLTP and consequential allocation of the NLTF.




203. In terms of delivery, the contracting to give effect to the RPTP must occur through the Public Transport Operating Model (PTOM), which prescribes the operational planning, procurement and management of passenger services (other than for exempt services). The model is founded on commercially based partnerships between the regional agency and operators, delivering bundles of services. There are certainly significant issues and questions around the effective operation of the mode, which is designed to provide more certainty and control over the design and delivery of services than the previous commercial registrations model. The nature of contracts means that regional councils (as the public sector partner in the contract) take all of the revenue risk from the services. Given the private sector capital at risk, the necessary duration of contracts also has the effect of making services slow to adapt to changing circumstances and demand.

204. Because public transport services will often be delivered across territorial boundaries, a regional approach is necessary. However, the current approach within existing structures contributes to the lack of integration and efficiency in the overall transport system, as discussed above.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Low - Medium

Road management, construction, maintenance, and safety

- 205. The local road, and associated services, component of the transport system are delivered by TAs with financial assistance from Waka Kotahi through the NLTF. TAs are road controlling authorities and exercise powers in the operation and control of roads derived from the Local Government Act 1974, the Land Transport Act 1998, the Land Transport Management Act 2003.
- 206. Local roads are a key part of the transport system. They provide local connectivity and are the point at which journeys start and finish. They facilitate the movement of people and freight, they provide the right-of-way for buses and most public transport services, they provide the core of walking and cycling networks. The management of local roads involves a host of competing interests in the road and the way in which it operates. Safety, parking, balancing the needs of through traffic and local traffic, contributing to urban design and urban form outcomes are all part of the consideration in managing a local road. Local road management must also be effectively integrated into decisions relating to land use. The traffic generation effects of land uses must be considered in terms of their impact on roads, road safety, public transport, walking and cycling, and on the functions that roads play in a community.
- 207. As well as being part of the transport system, local roads are a key public space that helps to define communities. Road corridors provide open space and frequently green spaces as well. They are also utility corridors, providing the right-of-way for reticulated electricity, gas, telecommunications, potable water and wastewater. They are also a fundamental part of stormwater management and urban stormwater networks.
- 208. Direct community input and local ownership is an important component of this function. However, consistent with the issues raised above, we question whether the current approach is optimal or even makes sense in facilitating real local input.
- 209. It is worth noting the establishment of regional transport alliances in some regions. These have had varied success and, as with many partnerships, will grow in effectiveness with experience and practice if they are built on strong, meaningful foundations. They also, however, have the effect of adding yet another layer of complexity and matrix of relationships to the system. We are not convinced that where there is a problem with too many layers and too much complexity, the addition of new layers can be anything other than palliative, at best.

Subsidiarity constraints			Scalable	Local discretion
Exclusive central competence	Advances national objectives	Centralised added value		
			Yes	Medium

An integrated approach

- 210. In the move to a lower carbon economy in response to climate change, increasing use of public transport and reduced dependence on private motor cars will be critical. The current, overly complex multi-agency arrangements for the design, delivery and funding of public transport will not make such changes easy. In our view, simplifying responsibilities and

aligning the management and control of the roading network with the design and delivery of public transport will be critical to ensure that the development of the transport system supports climate change goals and broader urban form land use and transport integration.

211. There is no question that local knowledge, input and engagement is crucial to good transport planning and outcomes. Local input is also essential for the effective integration of land use and transport planning decisions. We believe that the current approach is an inefficient and ineffective way of achieving it. Indeed, under the current model all major transport decisions would appear to be made by Waka Kotahi. In a heavily centralised system which is dependent on the funding that comes from the NLTF, local authorities are very much the junior partner and there is virtually no community voice.

Regional functions – conclusions

212. A clear theme that emerges from the Government's broad reform process is a loss of localism and, at the same time, a retreat from regionalism basically through a series of upward aggregations. As a result, regional government seems to be in the process of both shedding and acquiring influence and responsibilities. In this section we look at the consequences for the roles and responsibilities of regional authorities both as a result of the Government's reform agenda and as a result of the conclusions we reached in the functional analysis. To do this the tables below work through:

- the probable impact of Government reforms in terms of the centralisation of currently regional functions (the retreat of regionalism);
- our recommendations on functions which would benefit from centralisation;
- the likely impact of reforms in terms of newly regionalised roles;
- our thoughts on where further regional aggregation would deliver value.

213. The other major issue to consider is the extent to which sensible reconsideration of the roles and functions of TAs would leave viable administrations. The impact on TAs of water reform in particular (but also other changes) will be significant. Once those responsibilities move, the mandate of the remaining organisations will be considerably reduced, alongside their impact and influence in this critical area. The discussion above questions why a range of regulatory functions are undertaken by TAs. Their roles in building consents, environmental and public health, food safety, and hazardous substances would arguably be better performed on a national basis. These are all areas where there is minimal to no local discretion in decision-making or policy setting and the TAs are in essence acting as unpaid Crown Agents for regulatory purposes. One option for TAs might be to consider a more formal approach to becoming local agents for central government in a variety of areas of delivery. However, with little or no ability to influence policy, the obvious requirement for more expertise in a number of areas, and exponentially increasing use of digital delivery, we would question the utility of this approach other than as "make work" for TAs.

Consequences of the retreat (reform delivered centralisation)

150. Rather than the wholesale removing of functions, it looks likely that the centralisation which apparently will result from reforms, will mean less discretion for regional authorities due to greater central prescription. The exception to this is likely to be the impact of the UDA powers.

Function	Discussion
Biodiversity	The regional role in this area is reduced by the provisions of NPS IB.
Freshwater management	The level of regional discretion has been reduced by the national prescription involved in the NPS FM and the establishment of National Environmental Standards for Freshwater.
Resource management plans and policies	While this function will continue at a regional level, the discretion and extent of influence will be significantly reduced by a combination of the Government’s resource management and urban development reforms.
Setting environmental limits	Again, the regional role will be watered down as a result of the NBA provisions relating to the setting of national environmental limits.
UDA related planning functions	The powers assigned to the UDA, Kāinga Ora, include a number of functions previously undertaken by regional authorities and by TAs.

Potential centralisation of regional functions

214. As a result of our analysis, we have not identified a significant range of regional responsibilities that could be transferred from regional to central government. In fact, the only current regional functions which we think have potential for greater centralisation are:

- maritime safety and navigation responsibilities in order to create a nationwide maritime network
- contaminated site management and rehabilitation.

Reform delivered regionalisation

215. The following table looks at functions and responsibilities that are likely to be regionalised (from current TA delivery) under the Government’s broad reform agenda.

Function	Discussion
Development of resource management plans and policies	Under the NBA exposure draft, the current plethora of district and regional plans and policy statements will be consolidated into 14 regional plans.
Spatial planning and strategies	The SPA will require the development of long-term regional spatial strategies to coordinate and integrate development and decision making.
Protection of productive land	Under the NPS HPL, regions will be required to define and identify highly productive land in order to better protect it from development.

Potential for regional aggregation or realignment

216. As a result of our functional analysis, there are a number of areas where we have identified potential for the regionalisation of current TA responsibilities or roles that currently have

mixed accountabilities. We note that whatever the level of formal responsibility, there will be a continuing need to ensure the necessary community engagement.

Function	Discussion
Land drainage	Align with integrated catchment management responsibilities to improve effectiveness, increase clarity and accountability.
Parking management and enforcement	Aligning the management and policy making functions with the regional focus of transport planning would be of value. Aggregating the enforcement functions would result in contractual and cost savings.
Resource consents	We believe a regional approach is worth considering in terms of processing and granting consents. Adding additional weight to this recommendation is the NBA provisions to move to 14 regional resource management plans.
Roading	Again there is value in aligning the non-centralised transport functions at a regional level, acknowledging that there will need to be local community input.
Solid waste collection and disposal	We recommend consideration be given to moving to a lower number of much larger collection contracts. As a first step this could be done on a regional basis. In terms of disposal, the increasingly difficult and problematic job of meeting demand suggests aggregation to drive new solutions would be beneficial.

Structural Observations

217. With such a sweeping tidal wave of change underway impacting on the local government sector, it is worth making some initial observations on the potential impact this could have on the structure of local government, as this will impact on the capacity of the sector to deliver its on-going functions and responsibilities. A detailed assessment of this is beyond the scope of this report and we have limited ourselves to high level observation.
218. Also due to the scope of this work, we included TA responsibilities in the functional analysis, and flagged options for increased centralised aggregation, because this made sense in the context of this discussion. In considering the broad implications of the reform programme, it is necessary to at least look at the probable effect of the Government agenda on the role of TAs, an impact which is looking like being substantial.
219. Under the Government's reforms, TAs look set to lose significant and material chunks of their existing responsibilities. Alongside the complete excision of the three waters, they are set to lose much of their role in terms of resource and policy planning. In addition, a good proportion of their current central role in urban development is in the process of being transferred, including aspects of the revenue raising tools available in this area. The exclusive right of local authorities to strike rates is already no more. We also note that based on the existing transport planning hierarchy and funding model, TAs already have a very low level of meaningful discretion in that area as well.

220. Even without considering any of the options flagged in our functional analysis relating to TAs, district and city councils will emerge from the current wave of government reform in a very different state, almost unrecognisable, from how they entered it.
221. An important question this raises for us is that, along with impact the reforms will have on regional authorities, will local government come through all of this with enough residual responsibility and function to continue to justify the current Regional Council/TA model of local democracy? Our instinct, without having dug as deeply into the associated issues as would be required to be definitive, is that the answer to this is “no”. Related to this, we believe there are a range of other structural concerns which we will briefly touch on.
222. Will what is left of some local authorities as a result of the current suite of reforms be large enough to make organisational sense, to attract the skills required, justify the overheads, systems, structures and level of governance? Similarly, will the fixed costs of many authorities reach such a proportion of their overall cost structure that, as delivery agents, they become uneconomic? Related to this, will their revenue requirements become too small to justify the significant cost in operating a rating system, from both a policy and operational perspective?
223. With such a reduced direct impact on their communities’ lives, some authorities will be challenged to continue to establish a meaningful mandate as community leaders and representatives. There is a risk of an element of irrelevancy. To the extent that occurred, what would happen to the already woefully low participation and turnout in local elections, and how would that impact on perceived community leadership?
224. Finally, will the current local authority structures be able to engage and work effectively, to the level required, to advance their communities’ interests across the four wellbeings, given the nature of the organisations that have grown around them as a result of the Government-driven economic and social regionalisation and centralisation? What were once very close and almost symbiotic relationships will, out of necessity, move to requiring maintenance and management at a distance – a challenge requiring a very different approach and higher levels of sophistication.
225. Elsewhere in this report we have indicated that a unitary authority approach may provide some answers. The benefit of this model is that it allows current TA focus on local community wellbeing to be maintained, but also integrates issues that require a network or systems approach so they can be managed at the appropriate scale. If this were to be considered as a nationwide model, the law would need to enable continuation of local organisations of some sort - councils or boards - to be the voices of and advocates for local communities. This would be a critical element in any change, but we note that, regrettably, , much of the past debate on this has ended up defending job titles and the nomenclature of such organisations, rather than focussing on the benefits of an integrated model.
226. This scenario also raises two other questions which are often skirted round in discussion on changes in local government – leadership at different levels and the boundaries of councils. We do not have the brief to go into these in detail but believe that they are inextricably involved in strong future delivery by local government in the current maelstrom of change.
227. Current regional council boundaries were formulated when the councils first came into existence, as inheritors of largely rural-based activities (rabbit boards, catchment boards, drainage boards, etc.). Because of their rural land and water-based focus at that time, the boundaries were sensibly drawn around major catchments. Now that regional councils have power of general competence, along with TAs, and in fact deliver wide functions (not necessarily related to natural resources), it would be sensible to consider the efficacy of the

current boundaries. In particular, it might be useful to look at economic and social catchments, as well as iwi/hapu boundaries, to see how they could be better aligned without damaging the ability to successfully manage natural resources. No political boundaries are perfect (witness arguments over strange electoral boundaries for Parliament, sometimes cutting right through communities) but with common sense it might be possible to reframe some of the regional landscape in a more practical way. Obviously this would also apply in a unitary model.

228. The questions which must be asked include weighing the usefulness of river catchments versus urban, economic, or transport catchments as the basis for defining regions. All three of these areas of delivery are now delivered to one degree or another by regional councils. Yet the river catchment has primacy in terms of physical boundaries, often disrupting the ability of the council to focus on the other issues without going into difficult and often divisive cooperation scenarios.
229. The discussion in this report highlights a move toward regional scale decisions for some matters as well as increasing national level decision-making. It would be wrong to think that existing regional councils would necessarily be the core of future local government, even if critical functions currently performed by TAs were to be rationalised. But it is essential that the way in which regions are defined best suits the nature of decisions and functions that would be performed by a new form of regional governance. It is timely to assess what regional scale is optimal.
230. There is also the issue of working with iwi Maori. The Treaty settlement process has shown the value of local government as a primary partner in this respect, where it has been done well. But there is still a long way to go in most places and since such partnership requires knowledge of and relationships with local iwi and hapu, a degree of boundary alignment might also be helpful.
231. In our view it is essential that form follows function and that local government is designed to deliver coherent and fit for purpose administrations, with local political structures that make sense and are able to perform sound roles in the service of their communities at all levels.

Leadership

232. A further issue is that of leadership. Regional council chairs have no public “mandate”, having been elected by their fellow councillors, who can also fire them at will. There is a strong argument that if any form of regional governance is to play a greater role there will need to be clearly identified regional leaders, elected to the role by the public and able to fully deliver the roles that other leaders in the political sphere can do. In reflecting on this issue, it is important that we learn the lessons of history and the way in which local mayors (who had substantial personal electoral mandates) crippled both the Auckland Regional Authority and United Councils prior to the 1989 local government reforms. It is essential that the balance of electoral responsibility and accountability is aligned with the responsibilities of office.
233. Leadership in local government involves governance and, in particular, accountability to communities for organisational performance. We note that for this accountability to be real the public needs to understand what local government is responsible for, what it does and why. In light of that, the current local government model, in all its complexity and piecemeal structural logic, acts against clear and effective accountability. In general terms we are of the view that the closer to communities accountability is exercised the more direct and effective

it is. In considering arguments for aggregation and scale benefits, therefore, the impact this will have on accountability must be taken into account.

Funding and Financing

234. Funding and financing must be at the core of any consideration of the future of local government. Historically, local authorities have had exclusive use of the right to set and collect rates based on the value (and other characteristics) of properties. Recent legislation has meant that other agencies (such as Kāinga Ora) are now able to also set charges that are equivalent to rates.

235. One of the most significant challenges facing most high growth TAs is their inability to fund growth related infrastructure and remain within politically acceptable bounds for rates increases and the prudential limits of borrowing in relation to rates revenue. Many high growth TAs are heavily indebted and have limited alternative revenue streams.

236. In marked contrast, most regional councils carry little debt and many have benefited from the significant port assets that they inherited through the 1989 reforms. At the crudest level, the balance sheets of most regional councils are such that if they were combined with TAs they would support significant additional borrowing, whilst still staying within prudent limits. It may also be that regional assets could be made to work harder in the interests of their communities.

237. Any reform of local government will consider the financial resources of the current local authorities and scope for different outcomes through the realignment of responsibilities and resources.

238. Despite the potential to use regional resources in different ways, the scale of the challenge facing high growth local authorities is such that traditional funding mechanisms are unlikely to be adequate. Funding necessary local infrastructure is likely to need the Crown to think differently about its role and its willingness to either share revenue, or to enter into long-term funding arrangements as a partner, rather than as a funder of last resort.

Some Design Principles

239. In considering the future of local government it is important not to end up with another ad hoc set of reforms that fail to deliver coherent and meaningful governance and responsibilities. In the interests of contributing to the broader debate over the future of local government, we offer the following thoughts on some design principles that could be applied.

- Ensuring local government gives effect to the Treaty must be a core design feature, not an after-thought or a compliance check at the end of a design process.
- The nature and scale of decision making needs to reflect the best level at which to make decisions and ensure that the right people / interests are at the table.
- Policy needs to be driven by what is best for those who local government serves – its constituents and communities.

- Overlapping responsibilities and duplication that result in confusion, or the ability to opt out, or institutional antagonism, should be avoided.
- Complex structures that rely on high levels of good will and consensus decision making in order to operate should be avoided.
- The role of elected representatives needs to be clear in order for them to be held to account by the electorate.
- The electoral mandate of local leaders is important and needs to be aligned to the responsibilities of the office held and the decisions that they will make
- Financial capacity needs to be aligned with financial responsibility – organisations cannot be set up to fail.
- The structure of organisations and responsibilities need to be able to recognise and effectively manage or influence systems – whether they be natural systems, economic / urban systems or systems related to geographic relationships.
- Organisations in either central or local government should not be given responsibility for functions for which they do not have financial capacity to fully deliver or the ability to develop the necessary competence and capability.
- Structures and processes need to be flexible enough to deal with the challenges and uncertainty of climate change – with a focus on building resilience and adaptability.

Conclusion

240. As is clear from this report, there are many aspects of current local government activity that are the product of successive, ad hoc reforms of many widely different pieces of legislation. The LGA2002 defines only a small aspect of what local authorities are, what they do, or the way in which they must operate. We have questioned whether many of the regulatory roles currently performed by local authorities should indeed be local functions. We consider that it is timely to reconsider whether it is appropriate for local authorities to act as unpaid agents of the Crown for regulatory purposes. Many of the regulatory roles that TAs currently perform could be sensibly and credibly be delivered nationally. Addressing them will require a willingness of government to embark on a reform that is as much about the nature of central government as it is about local government. Successive governments have avoided such a comprehensive approach.

241. It is not our role to address these issues in any detail, or to develop potential responses or solutions in this report. This, however, is work the regional sector will need to undertake if it is to position itself most effectively for the advocacy, policy and legislative challenges to come. This thinking will need to occur proactively if regional authorities are to appropriately represent the interests of their communities and constituents.

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Hamish Riach

Mayoral Forum's Plan for Canterbury 2023-2025 Action Plan

Purpose

1. The purpose of this paper is to:
 - provide a draft three-year strategic work plan to support the achievement of the actions in the Mayoral Forum's Plan for Canterbury and enable regular monitoring and progress through the workstream tracker for reporting to the Mayoral Forum
 - provide a draft approach for the development of a regional housing strategy and to collect evidence to support the Forum's immigration and skills action.

Recommendations

That the Canterbury Chief Executives Forum:

- 1. approve the draft three-year strategic work plan for 2023-2025**
- 2. approve the workstream tracker that supports actions from the Mayoral Forum's Plan for Canterbury and the regional forums supporting the Mayoral Forum**
- 3. note that continuing projects from the 2019-2022 triennium have been carried across into the workstream tracker for 2023-2025**
- 4. agree to close the 2019-2022 three-year work programme**
- 5. approve the draft approach to develop a regional housing strategy**
- 6. approve the proposed approach to collect evidence to support the immigration and skills action.**

Background

2. The Canterbury Mayoral Forum's Plan for Canterbury 2023-2025 was launched on 19 April 2023.
3. The CMF approved the draft Mayoral Forum's Plan for Canterbury (the Plan) at its February 2023 meeting, delegating final approval of the Plan to the Chair and Deputy Chair and development of the detailed action plan (strategic work plan) to the Chief Executives Forum.

Strategic work plan

4. The Plan highlights nine specific actions against the three priority issues of sustainable environmental management, shared prosperity, and climate change mitigation and adaptation. The priority actions are listed in the attached strategic work plan (attachment 1).
5. The strategic work plan will be updated with high-level commentary and reported quarterly to the Mayoral Forum.
6. The workstream tracker (attachment 2) will detail workstreams under each of the actions from the strategic work plan, as well as actions from the regional forums. The workstream tracker will be updated and reported quarterly to the Chief Executives Forum.
7. The strategic work plan and workstream tracker will be living documents with the ability for additional items to be added as issues for regional collaboration arise.

2019-2022 three-year work programme

8. Outstanding items from the 2019-2022 three-year work programme have been carried across to the workstream tracker (attachment 2), therefore it is recommended that the Chief Executives close the 2019-2022 three-year work programme.

Actions to support the strategic work plan

9. The primary means for the Mayoral Forum to deliver on the strategic work plan are through leadership, facilitation and advocacy. With this in mind, workstreams have been proposed in the workstream tracker (attachment 2) for the Chief Executives review and approval.

Regional housing strategy

10. It is proposed that the scoping of the regional housing strategy is undertaken in stages.
11. The first stage would be to undertake an Investment Logic Mapping (ILM) process to clearly identify and articulate the issues(s) that a regional housing strategy would address. This is proposed to be a facilitated process and include representatives from councils, central government and iwi. The cost is estimated to be in the region of \$10,000. There are funds available in the regional forums budget for this.
12. Alongside the ILM it is proposed to undertake a stocktake of what current housing strategies have been developed or are in development. The Ministry of Housing and Urban Development (HUD) is currently undertaking a desktop stocktake and the secretariat could work with them to ensure we are not duplicating effort.

13. Following the ILM and stocktake it is proposed that the development of the regional housing strategy is then fully scoped to deliver the housing strategy that will identify the range of housing issues affecting communities across the region and a pathway forward to improve them.

Immigration and skills policies

14. The Economic Development Forum (EDF) considered the Mayoral Forum's action "Advocate with the Government for immigration and skills policies that work for Canterbury" at its March meeting.
15. Following this meeting a sub-group of the EDF met to discuss options for developing the evidence to support the Mayoral Forum's advocacy and influence in this space when engaging with Government.
16. Members noted that there is a need for robust data on the current state of the labour market in the region to effectively identify and address these issues. The group discussed prioritising the collection of evidence to understand current weaknesses as well as how the needs of businesses will change as the population ages and immigration settings limit migration.
17. The subgroup identified two bodies of work to progress that will meet the objective of better evidence to inform the work of the forum:
 - data collection
 - draw on existing labour market data and supplement this with work being undertaken in some territorial authorities. North Canterbury has a well proven annual business survey that explores business confidence and current challenges, this survey can serve as the basis for a uniform business survey across Canterbury that covers a range of industries and ensures that the data available is representative of the region. The survey would gather information on the skills and labour shortages that businesses are experiencing and explore the growth challenges being faced.
 - this piece of work can primarily be undertaken in-house with some costs (likely less than \$1,000) associated with utilising a survey tool, such as Survey Monkey
 - understanding how economic growth will impact on the number of workers needed and exploring scenarios for future business growth for the region to plan for the changing labour market.
 - Venture Timaru has commenced work in this area to plan for the changing labour market. To do this for all of Canterbury would likely involve an economist and could cost in the region of between \$50 - \$100K. This would not be able to be fully funded out of the current regional forums budget.
18. The evidence collected from the survey, along with the future need analysis (if approved) would also help inform the proposed regional housing strategy.

Financial implications

19. The actions directly related to advocacy will generally not have a financial impact on the regional forums budgets. Any costs associated with travel for Mayors/Chair and Chief Executives is met by member councils.
20. Any projects to be developed (for example the regional housing strategy) will need to be fully scoped and costed prior to proceeding. If budget is required beyond what is in the regional forums budget, it will need to be considered on a case-by-case basis. The expectation is that additional budget will be provided by member councils on the usual pro-rata basis.

Next steps

21. The strategic work plan will be updated and reported to the upcoming Mayoral Forum meeting.
22. If the forum approves the approach to develop a regional housing strategy the secretariat will initiate both the Investment Logic Mapping and stocktake processes. This will include engaging an appropriate facilitator, inviting the relevant people and working with HUD on the stocktake.

Attachments

- Attachment 1: Strategic Work Plan
- Attachment 2: Workstream Tracker

Canterbury Mayoral Forum strategic workplan 2023-2025

#	Workstream	Plan for Canterbury priority	Key updates
1	Strongly advocate with Government on the regional councils' business case for permanent co-investment from the Government on flood protection.	Climate change	
2	Advocate with the Government for immigration and skills policies that work for Canterbury.	Shared prosperity	
3	Seek to partner and collaborate with central government to develop an integrated approach to transport funding in Canterbury in order to increase in the level of funding available for Canterbury transport network.	Shared prosperity	
4	Continue oversight of the Canterbury Water Management Strategy.	Sustainable environment	
5	Continue to support the Biodiversity Champions this term as the key conduit to facilitate work across the region on the revitalisation of the Canterbury Biodiversity Strategy, the development of a regional biodiversity monitoring framework and implementation of the National Policy Statement for Indigenous Biodiversity	Sustainable environment	
6	Continue to encourage, support and advocate for research and investment in diversifying and adding value to our agricultural production.	Shared prosperity	
7	Develop a regional housing strategy that will identify the range of housing issues affecting communities across the region and a pathway forward to improve them.	Shared prosperity	
8	Support the work of the Canterbury Civil Defence Emergency Management Joint Committee on preparing for major natural hazard incidents, including an Alpine Fault rupture.	Shared prosperity	
9	Oversee a Canterbury-wide climate change partnership plan, which will confirm a collaborative vision for regional adaptation planning, an 'urgency assessment' to support prioritising climate actions, and a funding plan laying out a regional/aligned approach for accessing finance for climate actions in Canterbury.	Climate change	

Canterbury Regional Forums workstream tracker 2023-2025

#	Workstream	Reports to	Delivery lead	Update	Status	Due
Strongly advocate with Government on the regional councils' business case for permanent co-investment from the Government on flood protection.						
1a		Mayoral Forum		An updated version of the business case was presented to the Government in late 2022.		
1b	Discuss with Ministers as part of Wellington visit	Mayoral Forum		Included in briefing packs for meeting with Ministers in Wellington on 11 May 2023		Ongoing
Advocate with the Government for immigration and skills policies that work for Canterbury.						
2a	Discuss with Ministers as part of Wellington visit	Mayoral Forum		Included in briefing packs for meeting with Ministers in Wellington on 11 May 2023		Ongoing
2b	Develop the evidence base on the current state of the labour market in the region, including skills and labour shortages now, and explore growth challenges	Mayoral Forum	Economic Development Forum	Draft scope of work developed and TBC CE Forum 1 May 2023		TBC
Seek to partner and collaborate with central government to develop an integrated approach to transport funding in Canterbury in order to increase in the level of funding available for Canterbury transport network.						
3a	Discuss with Ministers as part of Wellington visit	Mayoral Forum		Included in briefing packs for meeting with Ministers in Wellington on 11 May 2023		Ongoing
Continue oversight of the Canterbury Water Management Strategy.						
4a	Continue providing regular reporting to the Mayoral Forum and Chief Executives Forum	Mayoral Forum				Ongoing
Continue to support the Biodiversity Champions this term as the key conduit to facilitate work across the region on the revitalisation of the Canterbury Biodiversity Strategy, the development of a regional biodiversity monitoring framework and implementation of the National Policy Statement for Indigenous Biodiversity						
5a	Biodiversity Champions Group established	Mayoral Forum		Biodiversity Champions Terms of Reference confirmed		Ongoing
Continue to encourage, support and advocate for research and investment in diversifying and adding value to our agricultural production.						
6a	Discuss with Ministers as part of Wellington visit	Mayoral Forum		Included in briefing packs for meeting with Ministers in Wellington on 11 May 2023		Ongoing
Develop a regional housing strategy that will identify the range of housing issues affecting communities across the region and a pathway forward to improve them.						
7a	Investment logic mapping process to clearly identify and articulate the issue that a regional housing strategy will address	Mayoral Forum	tbc	draft scope of work to be considered at CE Forum meeting 1 May		
7b	Undertake a stocktake of current housing strategies across the motu	Mayoral Forum	tbc	draft scope of work to be considered at CE Forum meeting 1 May		
Support the work of the Canterbury Civil Defence Emergency Management Joint Committee on preparing for major natural hazard incidents, including an Alpine Fault rupture.						
8a	discuss with Ministers as part of Wellington visit	Mayoral Forum		Included in briefing packs for meeting with Ministers in Wellington on 11 May 2023		ongoing
Oversee a Canterbury-wide climate change partnership plan, which will confirm a collaborative vision for regional adaptation planning, an 'urgency assessment' to support prioritising climate actions, and a funding plan laying out a regional/aligned approach for accessing finance for climate actions in Canterbury.						
9a	Establish Climate Change reference group	Mayoral Forum		Climate change reference group established, chair Dan Gordon, Mayor Waimakariri District Council		
9b		Mayoral Forum				

Canterbury Regional Forums workstream tracker 2023-2025

#	Workstream	Reports to	Delivery lead	Update	Status	Due
Encourage all Canterbury local authorities to complete carbon footprint assessments, to inform action plans for reductions						
10a		Policy Forum	Corporate Forum	All councils have agreed to adopt ISO:14064. A working party, reporting to the Corporate Forum, was reconvened in mid-2021 to collaborate on reporting of data. CCC has offered to collate data from other councils for reporting. The Corporate Forum continues to keep a watching brief on this item.	Delayed	31/12/2020
Lead development of a 10-year plan for Canterbury councils to move to a common platform for IT systems and digital services (including valuation and rating functions) and secure cost savings through group licensing procurement, with specific concrete actions to be implemented in each year of the 10-year plan						
11a	Conduct a stocktake of Canterbury councils' IT platforms, applications and procurement / licensing cycles and investment intentions to inform planning to move towards a common platform by 2030. Information collated for DIA is to be sent to the CIOs to analyse; they will then report back to the Corporate Forum.	Corporate Forum	Chief Information Officers Group (CIOs)			
11b	Develop a business case (with value proposition and a request for funding) to go to member councils to test and build consensus on a collective vision, commitment and understanding of what it might mean over time for procurement and renewal cycles for IT	Corporate Forum	Chief Information Officers Group (CIOs)	Once the stocktake is complete this will proceed.		
Develop a proposal for a joined-up procurement system/service for Canterbury councils, including legal services provisioning						
12a	Phase 1 -	Corporate Forum	Canterbury Finance Managers Group			
12b	Phase 2	Corporate Forum	Canterbury Finance Managers Group			
12c	Phase 3	Corporate Forum	Canterbury Finance Managers Group			
Align renewal of waste minimisation plans to provide a consistent approach to waste management across the region and improve efficiencies.						
13a		Operations Forum		COF agreed 16 March 2020 to park this until 2023	On hold	
Engage with central government on the resource management reforms through participation in the Local Government Forum of Chief Executives for resource management reform, reviewing and preparing submissions on new legislation, participating in Select Committee processes						
14a		Chief Executives Forum		Continuous engagement with Minister Parker and Ministry for the Environment on resource management reforms. Submissions made on Inquiry on the Natural and Built Environments Bill: Parliamentary Paper and MfE engagement discussion document Feb 2022. Meetin	On track	
Engage with central government on the future for local government by supporting development of a regional approach and participating in the Future for Local Government Review						
15a	Progress actions from the Future for Local Government Workshop (April 2021) and actively participate in engagement with central government's Future for Local Government Review	Mayoral Forum	Chief Executives Forum	Workshops were held with papatipu rūnanga chairs and central government regional directors in March and May 2021. The May session also included the chair and executive director of the Local Government Review Panel. A health workshop was held in July 2021.	On track	1/04/2023
Supporting councils with three waters transitions						
16a						
Support regional collaboration as opportunities arise						
17a	Review forums ToRs three-yearly					
17b	Collaborate on LTPs					
17c	Hold regional training workshops					

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Dr Stefanie Rixecker, Environment Canterbury

Canterbury Water Management Strategy update

Purpose

1. This paper provides the Canterbury Chief Executives Forum with an update on region-wide progress of Canterbury Water Management Strategy (CWMS) partners' work towards implementing the CWMS for January to March 2023.

Recommendation

That the Canterbury Chief Executives Forum:

1. receive this report.

Update on region-wide progress towards implementing the CWMS

Zone and Regional committee updates

2. Zone Committee Northern¹ and Southern² Forums were held at the end of March at Rāpaki and Waihao Marae. The purpose of these forums was to provide committees with an introduction to the partnership approach being developed by Environment Canterbury and Ngā Papatipu Rūnanga to achieve a review of the Canterbury Regional Policy Statement. Participants were asked for feedback on how zone committees should be involved and on community engagement.
3. Committees were also provided a recap of the CWMS approach and of the committees' progress and discussed some of the challenges and successes of freshwater management. Following further Environment Canterbury and Papatipu Rūnanga discussions, the next round of committee forums will focus on next steps in the development of the Regional Policy Statement.
4. Hurunui District Council continues to lead the establishment of a new Hurunui Water and Land Committee in conjunction with Environment Canterbury, and Kaikōura and Ngāi Tūāhuriri Rūnanga.

¹ Kaikōura, Waimakariri, Christchurch West Melton, Banks Peninsula and Selwyn Waihora Zone Committees. Hurunui District Council was also invited to attend.

² Ashburton, Ōrāri Temuka Ōpihi Pareora, Lower Waitaki and Upper Waitaki Zone Committees

5. Zone committees continue to focus on implementing actions on the ground to support the delivery of the CWMS Targets and goals. Attachment 1 provides a summary of the last three months' progress of zone committee projects.

RMA planning and implementation

6. Environment Canterbury continues to work through the final appeal on Plan Change 7, made to the High Court on points of law. Three appeals have been withdrawn by the appellants, and one has been resolved. Provisions not under appeal can now be treated as operative. Further information can be found on the Environment Canterbury [website](#)³.

Key regional projects/campaigns

7. The CWMS is implemented throughout the Canterbury region by the CWMS partners through a range of statutory and non-statutory obligations and working with a number of agencies and community groups.
8. This section of the update provides information on the delivery of actions by CWMS partners to meet the 2025 goals under the ten targets, although not all ten target areas are intended to be covered each quarter. Progress against the CWMS Targets is reported on Environment Canterbury's [website](#)⁴.
9. The Supreme Court has now heard Cloud Ocean Water's appeal (22 - 23 March) concerning water bottling and the link between take and use in consenting. The Court has reserved its decision.
10. The [Rangiora Reach Master Plan](#)⁵ aims to deliver a cohesive landscape plan that will guide future development and management of a section of the Ashley River/Rakahuri. The Master Plan is supported by Ngāi Tūāhuriri, Waimakariri District Council, Environment Canterbury, and key community groups such as the Ashley Rakahuri Rivercare Group. It is the culmination of two years of conversation, consultation, feedback, workshops, and hui with community and stakeholders to ensure the multiple values of this area are equally considered, including flood protection function, amenities, and natural and recreational values.
11. Key agencies, organisations and landowners continue to work together to directly address the health of the **Ōtūwharekai / Ashburton Lakes** which supports progress towards the Ecosystem Health and Biodiversity Target.

³ <https://www.ecan.govt.nz/your-region/plans-strategies-and-bylaws/canterbury-land-and-water-regional-plan/change-7/>

⁴ <https://www.ecan.govt.nz/your-region/your-environment/water/measuring-cwms-progress/>

⁵ <https://www.ecan.govt.nz/document/download?uri=4744483>

12. The Ōtūwharekai Working Group co-hosted a [Pop Up Community Day](#)⁶ with the Ashburton Water Zone Committee on Saturday, 25 February 2023 at Te Puna a Taka / Lake Clearwater to highlight the action underway by working group members to improve environmental outcomes. The event was well-attended by hut-holders, local people, and councillors including Ashburton Mayor Neil Brown. Forest and Bird NZ also took part and hosted a stall. A [video of the event](#)⁷ has been created and shared.
13. The working group held an online hui in March, which focused on new stream monitoring science from the Department of Conservation and NIWA.
14. The **Whaka-Ora Healthy Harbour Programme** is a partnership between Te Hapū o Ngāti Wheke, Te Rūnanga o Ngāi Tahu, Environment Canterbury, Christchurch City Council, and Lyttelton Port Company to action the Whaka-Ora Healthy Harbour Catchment Management Plan, to improve the environmental and cultural values of Whakaraupō/Lyttelton Harbour (supporting progress towards the Ecosystem Health and Biodiversity Target).
15. The Whaka-Ora Collaboration Agreement was recently re-signed by the five partners at Te Wheke Marae (at Rāpaki) for another three years. Significant milestones include:
- Kaimahi for Nature programme operating at Living Springs and Rāpaki has maintained 15 kilometres of fences, created 11 kilometres of tracks, installed over 35,000 plants, and removed 3,000 predators.
 - Working with University of Canterbury and Frontiers Abroad to develop an environmental monitoring programme.
16. The **Te Mōkihi Programme** is a partnership between Te Rūnanga o Arowhenua, Te Rūnanga o Moeraki, Te Rūnanga o Waihao, Environment Canterbury, the Department of Conservation, Land Information NZ, Mackenzie District Council, and Waitaki District Council, focused on improving environmental, cultural, social, and economic outcomes in Te Manahuna/ Mackenzie Basin (supporting progress towards the Ecosystem Health and Biodiversity Target).
17. The Rūnanga-led project to undertake a stocktake of land parcels in Te Manahuna administered by agencies has been completed. The information is being consolidated for presentation to Ngā Rūnanga for review and confirmation of next steps.
18. The **Whakaora Te Waihora Programme** is an operational programme of the Te Waihora Co-Governance Group (members are Te Rūnanga o Ngāi Tahu, Environment Canterbury, Selwyn District Council, Christchurch City Council, and the Department of Conservation) to restore and rejuvenate the mana, mauri and ecosystem of Te

⁶ <https://www.ecan.govt.nz/get-involved/news-and-events/zone-news/ashburton/strong-turnout-to-otuwharekai-pop-up-event/>

⁷ <https://www.facebook.com/EnvironmentCanterbury/videos/3569304419959446>

Waihora/Lake Ellesmere (supporting progress towards the Ecosystem Health and Biodiversity and Kaitiakitanga Targets). A key project is:

- **Whakaora Te Waikēkēwai** is a project led by Te Taumutu Rūnanga and funded by the Government's Freshwater Improvement Fund and Environment Canterbury to restore the mid-lower reaches of Te Waikēkēwai/Waikēkēwai Stream. Key milestones include:
 - landowner agreements to support the planting of over 50,000 riparian and wetland plants for Te Repo o Papatahōra – a wetland adjacent to the Ngāti Moki marae is being developed.
 - a completed draft wetland design for Te Repo o Papatahōra approved by mana whenua.
 - the Weed Strikeforce (delivered by the Department of Conservation and funded by Environment Canterbury) continues to make significance progress to control willows and woody weeds around the lakeshore of Te Waihora, facilitating natural regeneration of wetland vegetation.

Update on a new planning framework

19. Environment Canterbury continues to review its planning framework to give effect to the National Policy Statement for Freshwater Management 2020. Environment Canterbury is undertaking a review of its Regional Policy Statement first (notification in 2024) with a view to review its entire plan framework by 2028, creating an integrated planning framework to manage the region's resources.
20. Environment Canterbury has agreed with Ngā Papatipu Rūnanga to work together in the development of a planning framework by way of a Protocol under the Tuia Relationship Agreement to provide joint strategic direction. Te Rōpū Tuia, the governance group comprising all Environment Canterbury Councillors and the Chair (or nominee) of each Papatipu Rūnanga, will act as the partnership body for the governance oversight of the pre-notification phase of the regional planning programme.
21. Environment Canterbury, in discussion with Ngā Papatipu Rūnanga, agreed to adopt the Protocol at Te Rōpū Tuia in December 2022 to provide joint strategic direction on Council's regional planning programme. At its hui in March, Te Rōpū Tuia provided staff with direction on the scope and timeframes for the planning framework review.
22. Consultation with the community has commenced, with meetings with Zone Committees at Rāpaki and Waihao Marae in late March. Community engagement is expected to continue throughout 2023 and into early 2024. Further information is provided on the Environment Canterbury [website](#)⁸.

⁸ <https://www.ecan.govt.nz/your-region/plans-strategies-and-bylaws/regional/>

Central government policy

23. Environment Canterbury has been engaging with MfE in developing Source Water Risk Management Area delineation guidelines to support the implementation of the amended **National Environmental Standards for Sources of Human Drinking Water** (NES-DW). MfE had anticipated a gazettal date in mid-May for the amended NES-DW, however, this has been pushed back to August 2023.
24. On Thursday, 13 April 2023 the Government announced changes to the three waters reform (rebranded to 'affordable water reform') increasing the number of water services entities from four to 10. There will now be two entities within the Ngāi Tahu Takiwā; West Coast-Canterbury; and Otago-Southland. The entity boundaries will be roughly along the lines of the 16 regional councils. The increase in the number of entities will enable all councils to be represented on their entity's regional representative group. The timetable for roll out has been extended with the new entities going live sequentially from early 2025 with this process to be completed by 1 July 2026.
25. In preparation for the new water services entities, over the last quarter regional councils that sit within the Ngāi Tahu Takiwā (Environment Canterbury, Otago Regional Council, Environment Southland, West Coast Regional Council and Marlborough District Council (as a unitary authority)) agreed to support a project to develop aligned good practice for compliance monitoring and enforcement relating to wastewater, stormwater and water takes. The project involves engaging an external compliance expert to collate existing standard operating procedures and compliance guidance from each council, identify common practices and gaps and make recommendations for alignment. With the Government's recent announcement on the number of entities, councils will re-assess the value in continuing to collaborate and support alignment.

Essential Freshwater implementation

26. Alongside reviewing the regional land and water planning framework, Environment Canterbury continues to develop its approach to implementing the new requirements of the Essential Freshwater package and provides regular updates on the [Environment Canterbury website](#)⁹. This includes developing campaigns (including key messages, factsheets and resources) for wetland protection, synthetic nitrogen cap and intensive winter grazing to help landowners understand the requirements of the Essential Freshwater National Environmental Standards.
27. Dairy farmers are now required to report their annual synthetic nitrogen fertiliser use to Environment Canterbury by 31 July annually. Farmers can submit these data via the National Online Reporting tool or via the Ballance and Ravensdown external reporting tool. Environment Canterbury's [Synthetic Nitrogen Cap webpage](#)¹⁰ has been updated

⁹ <https://www.ecan.govt.nz/your-region/your-environment/water/essential-freshwater-package>

¹⁰ <https://www.ecan.govt.nz/your-region/farmers-hub>

with a FAQ section and a downloadable tool for farmers to calculate their nitrogen use. As of December 2022, a total of 47% of dairy farmers reported for the last financial year (2021/2022). Educational communications have been issued to farmers reporting over 200kg/ha as a follow up.

28. From 1 November 2022, new national rules around winter grazing came into force. Under these rules, Canterbury farmers who cannot meet the Permitted Activity rules need to apply for resource consent for intensive winter grazing (IWG) by 1 May 2023. A suite of information for farmers around IWG is now available at the [Environment Canterbury website](#)¹¹. Environment Canterbury's focus this quarter is providing information at farmer drop-in sessions and industry workshops, attending field days and events.
29. The Ministry for the Environment has indicated that Freshwater Farm Regulations (part of Essential Freshwater Package) will be gazetted in the coming months with implementation expected to occur in a staged manner nationally between 2023-2025 with implementation in Canterbury likely to be 2025. Environment Canterbury staff have begun planning the regional implementation approach to ensure a smooth transition from Canterbury Farm Environment Plans to national Freshwater Farm Plans.

Attachments

- Attachment 1: Zone Committee Action Plan overview January to March 2023

¹¹ <https://www.ecan.govt.nz/your-region/farmers-hub/essential-freshwater-package-farmers-guide/intensive-winter-grazing/>

Attachment 1: Zone Committee Action Plan overview January to March 2023

Regional Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
	To be developed once Committee established	TBC
Kaikōura Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
Natural Character of Braided Rivers Target Ecosystem Health and Biodiversity Target Kaitiakitanga Target	Supporting “ki uta ki tai” projects and identifying future projects Enhance biodiversity, and improve amenity and recreation values Facilitate understanding of catchment systems within our zone, build community knowledge and connection to these systems and increase public participation	<ul style="list-style-type: none"> • The Committee recommended the remaining Action Plan Budget fund go towards the Support for Wetlands and Riparian Restoration Projects proposal for the maintenance of native plantings and control of brush weeds on several Environment Canterbury managed projects. This will enable the completion of several projects which will then be handed over to the respective landowners. • The Committee supported the ‘Wetlands’ farm tour on 16-17 March with Landcare Trust and the ‘Managing Wetlands as farm assets’ project. The event was attended by industry groups including Fonterra, DairyNZ, NZ Beef & Lamb and Environment Canterbury enabling opportunities for collaborative discussions. • Weed control works have been undertaken as part of the Hāpuku Catchment Collective project supported by the Zone Committee Action Plan Budget. To date works have been undertaken across four properties covering approximately 3ha. • The Committee supported the Waikōau Stream and Beach Clean-up for Seaweek 2023 by providing gear and supplies to enable two local school (St Joseph’s and Kaikōura Suburban School) beach clean-up outings. Collectively the schools picked up over 120kg of rubbish.
Hurunui Waiau Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
	To be developed once Water & Land Committee established	TBC

Waimakariri Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<p>Ecosystem Health and Biodiversity Target</p> <p>Drinking Water Target</p> <p>Natural Character of Braided Rivers Target</p> <p>Recreation and Amenity Opportunities Target</p> <p>Kaitiakitanga Target</p>	<p>Improved monitoring of water resources</p> <p>Biodiversity improvements</p> <p>Braided Rivers</p> <p>Recreation resources</p> <p>Mahinga kai improvements</p>	<ul style="list-style-type: none"> At its January meeting the Zone Committee received an update on the Waimakariri Biodiversity Trust, including the visioning workshop supported by the Waimakariri Water Zone Committee through the CWMS Action Plan Budget for 2021/22. This update also covered the current and future priorities of the Trust in 2023/24. The February briefing session for the committee included a demonstration of the GW50 nitrate analyser (Lincoln Agritech) which is an option this and other zone committees, or groups, could look at hiring/purchasing to support education and awareness of local communities on drinking water testing. At its March meeting the Zone Committee received an update from Waimakariri Irrigation Limited (WIL) on current biodiversity projects on both shareholder and non-shareholder farms where the extension of biodiversity/planting corridors provide additional benefits to a particular catchment. All consents have now been secured for a large-scale water storage development by WIL and the construction contract details were finalised in early March. A shareholder vote will be held in early April to confirm if the proposal will proceed. The Zone Committee received a report on the Ashley Rakahuri Estuary Shorebird monitoring project undertaken by Ashley Rakahuri Rivercare Group over the 2022/203 summer season. This project was supported by the Waimakariri Water Zone Committee through the CWMS Action Plan Budget for 2021/22. The committee received reports from both Waimakariri District Council and Environment Canterbury on their weed control programmes for the coming year. This was in response to positive community feedback about the improvement in the state of the Kaiapoi Lakes since chemical weed control had been halted by the Council/s. The committee received an update from the Waimakariri Landcare Trust on the Next Generation Farming project funded by MPI, Environment Canterbury, Waimakariri Irrigation Limited, and Ballance. This project seeks to identify, test, and share on-farm practices to address environmental concerns. One of the key milestones being advanced is Integrated Farm Plans (IFPs). In the previous quarter, six were completed. Nine more will be completed by the end of next quarter.
Christchurch-West Melton		
Target	Focus of the Action Plan	Highlights of practical work underway

<p>Ecosystem Health and Biodiversity Target</p> <p>Kaitiakitanga Target</p>	<p>Enhance mahinga kai</p> <p>Engage community</p> <p>Enhance ecosystem health</p>	<ul style="list-style-type: none"> • Banks Peninsula, Christchurch West Melton Zone Committees and Whaka-Ora Healthy Harbour Programme are having a joint erosion and sediment control workshop in April with CCC and ECan staff and community groups. The focus is to progress the identification of erosion and sediment sources and application of practical solutions for the Port Hills and Whakaraupō, along with prioritising advocacy options. • Committee members are presenting to CCC Council on their recommendation for an independent audit of all aspects of the effectiveness of erosion and sediment control. • The committee is supporting a project to remove litter from the Avon River, protect springs in Cashmere Stream catchment and to educate tamariki about tuna and stormwater. • The Committee is developing this year’s Stormwater Superhero awareness campaign and awards programmes. • The committee has been on a Waka on Avon tour and visit to the Ōtākaro Orchard which has the first commercial green-blue roof in Aotearoa, and a raingarden. • Committee members continue to take part in Community Waterways Partnership which is agreeing on an awareness and behaviour change focus on litter in waterways for the coming 1-3 years, with sediment identified as the next topic to focus on. The Partnership will also be providing input on the draft Healthy Waterways Action Plan being developed by CCC.
<p>Banks Peninsula Zone Committee</p>		
<p>Target</p>	<p>Focus of the Action Plan</p>	<p>Highlights of practical work underway</p>
<p>Ecosystem Health and Biodiversity Target</p> <p>Kaitiakitanga Target</p>	<p>Enhance ecosystem health</p> <p>Engage community</p>	<ul style="list-style-type: none"> • Banks Peninsula, Christchurch West Melton Zone Committees and Whaka-Ora Healthy Harbour Programme are having a joint erosion and sediment control workshop in April with CCC and ECan staff and community groups. The focus is to progress the identification of erosion and sediment sources and application of practical solutions for the Port Hills and Whakaraupō, along with prioritising advocacy options. • The Committee had a display at the Little River Show about mahinga kai, climate change and fish passage. • The committee held a meeting in March about water quality for recreation on Banks Peninsula with community members from Whakaraupō and Environment Canterbury scientists. The committee will continue supporting the progress of improved signage, communication and once the sources of faecal contamination are identified, help progress solutions.

Selwyn-Waihora Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<p>Ecosystem Health and Biodiversity Target</p> <p>Drinking Water Target</p> <p>Natural Character of Braided Rivers Target</p> <p>Recreation and Amenity opportunities Target</p> <p>Kaitiakitanga Target</p>	<p>Raising awareness of private drinking water supply risks</p> <p>Healthy Waikirikiri/Selwyn River</p> <p>Enhance mahinga kai, recreation and amenity values</p> <p>Catchment nutrient targets and water quality outcomes</p> <p>Healthy Te Waihora</p>	<ul style="list-style-type: none"> The Zone Committee has focussed on identifying initiatives to fund which support the delivery of their Action Plan priorities. As a result, presentations were received from the Boat Creek Community Group, Te Ara Kākāriki Greenway Canterbury Trust, and Ellesmere Sustainable Agriculture Incorporated. The presentations highlighted the work each are doing with their communities on projects to improve environmental outcomes. Four initiatives were also presented to the Zone Committee for their consideration, and these were subsequently recommended for funding by the Zone Committee: <ul style="list-style-type: none"> Boat Creek Reserve Native Restoration - An ecological restoration and enhancement project supported by the Committee last financial year. Te Ara Kākāriki (TAK) Kids Discovery Plant-out Day - at Te Motu o Ahuriri, a site located alongside the Huritini/Halswell River between TAK's Te Pae o Ahuriri site and the Ahuriri Lagoon. Ellesmere Sustainable Agriculture Incorporated (ESAI) Project Tinaku by supporting funding for coordination to enable the project to continue its work to protect and enhance remaining remnants of native biodiversity within the Ellesmere area and to improve water quality in lowland waterways that feed into Te Waihora/Lake Ellesmere and Muriwai/Coopers through multiple restoration projects. ESAI Corbetts Road Wetland Restoration Project - The Zone Committee are supporting the restoration of a wetland at one of ESAI's Project Tinaku sites. The purpose of the proposed planting is to restore the natural biodiversity of the unique wetland and its abutting dryland terrace, to filter runoff from adjoining paddocks, and to uptake nutrients from the groundwater seepage. Additionally, the planting aims to improve habitat for native wildlife and increase mahinga kai values. The wetland restoration site is located on the lower reaches of the Waikirikiri/Selwyn River. Following concerns raised by the community in November 2022 about nitrate levels in community drinking water supplies and need for more nitrate testing; the Committee is currently considering how the Committee can support and/or facilitate the testing of community drinking water supplies.

		<ul style="list-style-type: none"> The Zone Committee is considering funding a project in the upper catchment of the Waikirikiri/Selwyn River, focusing on the establishment of a biodiversity corridor.
Ashburton Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<p>Ecosystem Health and Biodiversity Target</p> <p>Recreation and Amenity opportunities Target</p> <p>Kaitiakitanga Target</p>	<p>Focus on Ōtūwharekai / Ashburton Lakes</p>	<ul style="list-style-type: none"> The Ashburton Water Zone Committee and the Ōtūwharekai Working Group co-hosted a pop-up information day at Te Puna-a-Taka/Lake Clearwater on February 25th to provide an opportunity for people to learn more about the work underway to restore the area's lakes. The event highlighted the on-the-ground actions underway by the Ōtūwharekai Working Group (made up of Papatipu Rūnanga with connection to the area, councils, crown agencies and landowners) and other organisations to restore and enhance this special location. These actions include nutrient reductions on-farm, additional science investigations, the removal of long-drop toilets at the settlement, and biodiversity surveys. Hut-holders, farmers, and conservation groups were among those who attended. They put their questions to the groups and agencies involved with the Ōtūwharekai Working Group and the Ashburton Water Zone Committee.
Orari-Temuka-Opihi-Pareora Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<p>Ecosystem Health and Biodiversity Target</p> <p>Kaitiakitanga Target</p>	<p>Protecting, enhancing and restoring mahinga kai and tuhituhi nehera sites.</p> <p>We commit to raising awareness of te mana o te wai and te mana o</p>	<ul style="list-style-type: none"> Baseline data is being sought for Te Ahi Tarakihi Creek project for the purposes of a future restoration plan. Kakahu Phosphorus Management Project: Implementation of bank battering and sediment traps; community engagement – incl. supporting the farming community on freshwater issues and the new national direction and implementation of PC 7; water testing. Catchment Collective South Canterbury is being supported to: <ul style="list-style-type: none"> Provide training and advice on future Freshwater Farm Environment Plans. Provide training on how to better engage with local Runanga (initially through Te Tiriti o Waitangi training).

	te awa in a rural, urban and industrial context.	<ul style="list-style-type: none"> Purchasing of eDNA kits to get baseline data on the aquatic biodiversity within the catchment streams.
Upper Waitaki Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<p>Ecosystem Health and Biodiversity Target</p> <p>Recreation and Amenity opportunities Target</p> <p>Kaitiakitanga Target</p>	<p>Gaining insight into cultural values and areas of significance relating to mahinga kai</p> <p>Engaging with schools and youth to illustrate the importance of mahinga kai and the local history</p> <p>Increasing engagement with Ngāi Tahu regarding enhancement of Nohoanga sites</p> <p>Hosting hāngī for stakeholders and local schools.</p>	<ul style="list-style-type: none"> With several new representatives on the Committee, the 17 February zone committee workshop focused on a CWMS induction session and addressed possible projects to support through the committee's 2022/23 Action Plan Budget. The committee also considered its work programme for 2023 with the Love Our Lakes campaign and the Twizel River Reserve confirmed as priorities. The Love Our Lakes campaign has been successfully supported over the summer (from November 2022 - March 2023). This year the focus moved from encouraging responsible toilet use to asking visitors to reduce rubbish by packing waste-free picnics and taking rubbish with them. On-the-ground channels included the committee's local networks (material distribution, online sharing, events), promotional material tote bags, car stickers and dog poo bags used at events (Meridian Swim Ruataniwha, and the Twizel Salmon and Wine Festival). Online and traditional media channels included print advertising, radio advertising (140 'spots'), social media, Environment Canterbury website, and a competition. Social media posts gained over 1100 engagements. Facebook boosted posts were worthwhile as they are low cost and target people visiting the area (one boosted post reached 21,900 people). The Love Our Lakes webpage and news stories gained over 1030 views.

Lower Waitaki Zone Committee		
Target	Focus of the Action Plan	Highlights of practical work underway
<p>Ecosystem Health and Biodiversity Target</p> <p>Recreation and Amenity opportunities Target</p> <p>Kaitiakitanga Target</p>	<p>Working alongside landowners, rūnaka, communities, councils and others towards ecosystem health and biodiversity targets</p> <p>Educating, motivating and inspiring communities</p>	<ul style="list-style-type: none"> In February the Zone Committee received <i>Waitaki Valley Biodiversity Education and Community Nursery Project 2022 Review</i> report from the Hakataramea Sustainability Collective (HSC). HSC received \$17,500 from the Zone Committee Action Plan fund for this project in the 2021/22 financial year. HSC outlined their future plans for this project and requested further funding. <p>The Waitaki Valley Biodiversity Education and Community Nursery project is aimed at increasing biodiversity in the local area through an action-based education program delivered through the Waitaki Valley School (WVS) and coordinated by HSC.</p> <ul style="list-style-type: none"> The integrated education program combines a mix of hands-on learning modules, the development of a community native nursery and activities of preparing, planting, and protecting local areas of biodiversity. This project aims to combat the decline of biodiversity within the local region by increasing community awareness, enabling, and inspiring our community to understand, restore and protect biodiversity and through the propagation and planting of native species thriving in the area.

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Hamish Dobbie, Angela Oosthuizen, Stuart Duncan, Will Doughty, Dawn Baxendale, Secretariat

Regional Forums update

Purpose

1. This report summarises outcomes from the regional forum meetings since the Chief Executives Forum last met on 30 January 2023.

Recommendations

That the Canterbury Chief Executives Forum:

1. **receive the quarterly reports on March 2023 regional forum meetings**
2. **receive the quarterly update on the regional forums budget**
3. **approve amendments to the Canterbury Finance Managers Group and Canterbury Health and Safety Advisors Group terms of reference to enable standing invitations to councils outside of Canterbury to attend their working group meetings.**

Background

2. The regional forums held their annual in-person meetings in March:
 - the Operations and Corporate Forums met on 13 March
 - the Policy and Communications and Engagement Forums met on 17 March
 - the Economic Development Forum met on 31 March.

Operations Forum (chair Stuart Duncan)

3. Andrew Dixon, deputy chair, chaired the Operations Forum meeting. The Forum discussed:
 - a short list of priorities for the Operation Forum's that would feed into the Mayoral Forum's action plan for consideration by the Chief Executives Forum
 - three waters reform, in particular the impact that the reform is having across councils, some councils have gone out with a restructure plan based on current legislative direction, and uncertainty for the preparation of long-term plans, with some councils preparing A and B plans with water in or out

- the priorities in the refreshed Mayoral Forum's Plan for Canterbury, noting that there has been some Canterbury work done previously with respect to transport funding and forum members would provide this to the secretariat
 - consenting issues in Christchurch and Waimakariri around storm water, noting that councils are working collaboratively with Environment Canterbury to develop advice on potential ways forward
 - challenges around the level of contamination in public recycling receptacles and how best to educate the public about what can and cannot be recycled
 - Environment Canterbury's gravel management strategy, which is currently in development, challenges around the river rating system, critical infrastructure situated in flood plains throughout Canterbury, and Lifelines pilot on hazard mapping.
4. The Operations Forum also received updates on recent activities of the Engineering Managers Group, Drinking Water Reference Group, Wastewater Working Group, Stormwater Forum and Canterbury Joint Waste Committee.

Attendance and next meeting

5. Only six members (out of 15) attended this meeting.
6. The Forum next meets on 19 June.

Corporate Forum (chair Angela Oosthuizen)

7. Kelvin Mason, deputy chair, chaired the Corporate Forum meeting. The Forum discussed:
- progress with the collaborative procurement project (see below)
 - whether to extend membership or standing invitations for some working groups to enable them to invite councils outside of Canterbury to participate in their meetings (see below)
 - the value the audit process provides, as well as the issues councils experience. This feedback fed into preparation for the item with the Office of the Auditor-General at the 1 May Chief Executives Forum
 - the government reform programme, and top-of-mind issues for each council, particularly three waters reform and ongoing impacts of the NTU transition process
 - the upcoming long-term plans, noting that councils were all at different stages with annual plans and preparation for next year's long-term plan.
8. The Forum also received updates on the activities of the People and Capability Working Group, Health and Safety Advisors Group, Chief Information Officers Group, Finance Managers Group, CPRAES and CRIMS.

Collaborative procurement project

9. The Forum discussed the possible range of procurement which staff find particularly challenging or complex, where a collaborative regional approach may offer benefit. These procurement categories include office furniture; forestry, carbon credits and emissions trading

scheme consultants; IT consultants; vehicle purchases (noting however this is well covered by AoG contracts); fleet management and fuel; rating and valuation services; and electricity.

10. The next agreed step in the process was for the project manager to develop a regional forward plan for procurement collaboration for further discussion by the Corporate Forum. It was also agreed that the project manager would review the scope of the project in light of the progress made so far and where the project looks to be heading.
11. In late March, the secretariat was advised the project manager would be leaving his role. Given where the project is at, the secretariat and chair of the Finance Managers Group will review progress with the project in light of its scope, and prepare a paper for the next Corporate Forum meeting to confirm its next steps.

Working groups terms of reference – standing invitations to non-Canterbury councils

12. At the Corporate Forum's December 2022 meeting, it was noted that the Canterbury Health and Safety Advisors Group and the Canterbury Finance Managers Group currently invite representatives from some councils outside of Canterbury to observe at its meetings, and both groups were considering whether to formally extend membership outside of Canterbury.
13. Members discussed whether formally extending membership to outside Canterbury would be beneficial, or whether an approach like standing invitations might work better. Either option would require a change to the groups' terms of reference, which in turn would require approval from the Chief Executives Forum.
14. At the March meeting, the Corporate Forum agreed to recommend to the Chief Executives Forum that the Canterbury Health and Safety Advisors Group and Canterbury Finance Managers Group be empowered to issue standing invitations for representatives from non-Canterbury councils to participate in their working group meetings, and that terms of reference be amended for both working groups accordingly.
15. The rationale for this is as follows:
 - guest council contributions add to the pool knowledge available to forum members
 - individual members can establish ongoing connections with peers in other councils
 - a number of the staff involved with other South Island councils are former employees of Canterbury councils - extending the invitation to those councils broadens the experience and support that is provided to the groups
 - widening membership or formalising an invitation process would support further achievement of the first purpose of the Health and Safety Advisors Working Groups terms of reference: "ideas and information are shared collegially and wherever possible work together to enhance the provision of health and safety advice...to assist in improving health and safety outcomes"
16. Issuing standing invitations to other councils to participate in the meetings of these two working groups is preferred over formally extending membership because it allows the groups to maintain their Canterbury focus, as envisaged by the terms of reference, while still being able to grow relationships with counterparts across the South Island and offer those other

councils the opportunity to benefit from the work being done in Canterbury for their own regions.

17. Formally extending the membership would require the name of the group to change as well as its strategic focus, goals and work programme to incorporate those of the groups from outside Canterbury. This could also set precedents for the other regional forums, meaning that the focus on Canterbury could become increasingly diluted.
18. Similar to the terms of reference for the Canterbury Mayoral Forum, it is proposed that the membership section of the terms of reference for the two groups be amended to include the following statement:

“The [working group name] is empowered to invite representatives from councils outside the Canterbury region to attend and participate in its meetings on a permanent and/or issues basis”.

Attendance and next meeting

19. Only six (out of 15) members attended the meeting.
20. The Corporate Forum next meets on 19 June.

Communications and Engagement Forum (chair Will Doughty)

21. The Communications and Engagement Forum met in person for the first time on 17 March. At the meeting, the Forum:
 - discussed the visual that was developed showing the range of community consultations councils will be undertaking this calendar year, and agreed to keep this as a live document so that members were aware of what consultation and engagements were happening across the region at any one time
 - discussed ideas for a work programme for the year, including how to reflect the importance of the Forum for information-sharing and learning from each other
 - held a roundtable to discuss top-of-mind communications and engagement matters at each council, and issues on the horizon
 - received the regional forums update and discussed possible areas of alignment between the Forum and the Plan for Canterbury.
22. The Forum also identified a possible opportunity to collaborate regionally on digital tools for rates calculators and a visual tool that demonstrates how/where rates are spent. Both Environment Canterbury and the Christchurch City Council have been working together on the visual tool, which provides a breakdown of property rates, with menus that expand to show how each council spends the rates. Other councils may also wish to use these tools, or councils could come together to procure something similar that could work for all. This will be raised with the Corporate Forum to look into as part of the collaborative procurement workstream.

23. Following the meeting, an MS Teams collaboration site was set up to enable members to continue to keep in touch, share ideas and learnings between meetings, and enable ongoing editing of the community consultation calendar.

Attendance and next meeting

24. The meeting was well-attended and members agreed to consider holding all meetings in person where possible.

25. The next meeting of the Forum is on 23 June. At that meeting, members will receive a presentation from the Waitaki District Council on their planned council services campaign “what we do for you”, to consider whether other councils may wish to embark on something similar, or whether there is scope to support a more region-wide approach to such a campaign.

Policy Forum (chair Hamish Dobbie)

26. At its meeting on 17 March, the Policy Forum:

- a draft process to evaluate and prioritise councils’ responses to consultations and Bills, noting the pace of central government reform and the number of consultations underway. The process evaluates whether council might want to submit on a given issue, and then, if yes, whether there might be a regional submission that might align
- the process for preparing regional submissions. It was noted that the process adopted for the Mayoral Forum’s submission to the Future for Local Government review, where different councils volunteered to respond to different chapters of the review, was not successful due to the different levels of drafting and that there were gaps as not all chapters were covered. A sub-group may be a better option in the future
- the process used for the resource management submissions was successful in that there was enough lead time for consultant services to be procured to work with the planning managers group to develop and craft the submissions
- the challenges with the government reforms, in particular the pressure on councils to respond to the three waters reform and the unknowns about the RM reforms, in particular implementation and which regions might be in which tranche of plan development
- received the regional forums update and discussed possible areas of alignment between the Forum and the Plan for Canterbury
- long-term plans (LTPs), including:
 - issues related to long-term plans, some councils have started drafting their LTP framework and strategic priorities, while others are focussed on completing their AP before starting the LTPs.
 - the challenge of reflecting three waters – some councils are preparing A & B versions of their LTP
 - concerns related to audits being completed on time
 - whether or not the LTP working group should be reinstated - at this stage it was agreed to keep LTP as a standing agenda item on the Policy Forum agenda.

- received updates on the activities of the Natural Hazards Risk Reduction Group, the Planning Managers Group, and Climate Change Working Group.

Attendance and next meeting

27. The meeting was well-attended. The Forum next meets on 30 June.

Economic Development Forum (chair Dawn Baxendale)

28. Simon Worthington, deputy chair, chaired in the meeting. The Economic Development Forum met on 31 March and discussed:

- how the Forum can support the Mayoral Forum to advocate with the Government on skills and immigration policies that work for Canterbury. Members agreed that the first step for this work would be to undertake an information-gathering exercise to understand the picture more clearly, and then scope what work would then be required to provide evidence-based advice to the Mayoral Forum. A draft scope and budget for this project has been provided in item 4.1,
- discussed the Mayoral Forum's Plan for Canterbury, and the linkages to this Forum
- received updates from members on key economic development issues, projects and activities in their respective council/EDA area
- received an update from Kānoa on relevant developments occurring in Canterbury.

29. To support its discussion on skills and immigration, the Forum invited Jo Aldridge, RSLG secretariat, to attend the meeting and be part of the discussion, given the work the RSLG is undertaking on these matters. This is also consistent with the Mayoral Forum's action to continue to work closely with RSLG on skills and immigration. A standing invitation has been extended to Jo to attend the Economic Development Forum meetings.

Attendance and next meeting

30. The meeting was well-attended, and members expressed a desire to meet more often in person than online. The Forum next meets on 30 June.

Regional forums budget

31. The Canterbury Chief Executives Forum approved the regional forums 2022/2023 budget at its meeting in August 2022.

32. The regional forums budget funds collaborative projects and regional training workshops. Environment Canterbury acts as fund holder for regional forums, as part of providing secretariat support.

33. A contract variation of \$10,470 was approved for Perspective Planning to complete the submissions for the Natural and Built Environment and Spatial Planning Bills. The reason for the variation was that the length of the NBE Bill, in particular, was significantly larger and more complex than anticipated and took significantly longer to workshop with the planning

managers. There were also additional meetings with Ngāi Tahu, Christchurch City, the Chief Executives Forum and briefing the CMF Chair prior to the Select Committee hearing.

34. The income and expenditure report as of 31 March 2023 is provided at Attachment 1.

Workstream tracker

35. Please see item 4.1.

Next meetings

36. Scheduled forum meetings for the upcoming quarter are:

11 May	Mayoral Forum trip to Wellington
1 June	Mayoral Forum dinner
2 June	Mayoral Forum
19 June	Corporate and Operations Forums
23 June	Communications and Engagement Forum
30 June	Policy and Economic Development Forums

Attachments

- Attachment 1 – Income and Expenditure report as at 31 March 2023

Attachment 1 – Income and Expenditure report**Regional Forums Budget 2022/2023 Budget**

INCOME	Contribution	Budget 2022/23	Actual 2022/23
Regional Forums Levy 2021/22	Ratios		
Environment Canterbury	21%	\$12,907.32	\$12,907.32
Christchurch City	21%	\$12,907.32	\$12,907.32
Selwyn District	11%	\$6,760.98	\$6,760.98
Waimakariri District	11%	\$6,760.98	\$6,760.98
Ashburton District	10%	\$6,146.34	\$6,146.34
Timaru District	10%	\$6,146.34	\$6,146.34
Hurunui District	5%	\$3,257.54	\$3,257.54
Waimate District	4%	\$2,458.54	\$2,458.54
Waitaki District	4%	\$2,458.54	\$2,458.54
Kaikōura District	3%	\$1,598.05	\$1,598.05
Mackenzie District	3%	\$1,598.05	\$1,598.05
TOTAL INCOME	100%	\$63,000.00	\$63,000.00
SURPLUS carried forward from 2021/22		\$102,430.32	\$102,430.32
TOTAL FUNDS AVAILABLE for 2022/23		\$165,430.32	\$165,430.32

EXPENDITURE	Budget 2022/23	Forecast to end of FY (including actuals)	Actual 2022/23
Research			
Canterbury Wellbeing – refresh	\$8,000.00	\$8,000.00	\$4,668.00
	\$8,000.00	\$8,000.00	\$4,668.00
Mayoral Forum Plan for Canterbury 2023-2025			
Refresh - research	\$3,000.00	\$3,000.00	\$-
Refresh - facilitated workshops	\$4,000.00	\$4,000.00	\$4,550.00
Refresh - engagement	\$3,000.00	\$3,000.00	\$-
Refresh - production	\$5,000.00	\$5,000.00	\$-
	\$15,000.00	\$15,000.00	\$4,550.00
Workshops			
CEs strategic planning day	\$4,680.00	\$5,075.00	\$5,075.00
	\$4,680.00	\$5,075.00	\$5,075.00
Training Events			
TBC	\$1,000.00	\$1,000.00	\$-
	\$1,000.00	\$1,000.00	\$-
Collaborative projects			
Model for Procurement	\$25,000.00	\$25,000.00	\$-
Climate Change Risk Assessment engagement	\$10,000.00	\$10,000.00	\$-
Resource Management Reform	\$27,317.00	\$27,317.00	\$37,787.00
CPRAES / CRIMS Information Mgmt Project	\$35,000.00	\$35,000.00	\$35,000.00
Collaborative projects (TBC)	\$5,000.00	\$5,000.00	\$-
	\$102,317.00	\$102,317.00	\$72,787.00
Three waters			
Three waters council contributions carried forward	\$9,268.00	\$9,268.00	\$-
	\$9,268.00	\$9,268.00	\$-
Secretariat / Administration			
Travel (secretariat support)	\$1,000.00	\$1,000.00	\$806.00
Mayoral Forum leaving gifts		\$378.00	\$378.00
Mayoral Forum photos		\$1,836.00	\$1,836.00
	\$1,000.00	\$3,214.00	\$3,020.00
TOTAL EXPENDITURE	\$141,265.00	\$143,874.00	\$85,550.00

	Budget 2022/23	Forecast to end of FY (including actuals)	Actual 2022/23
SURPLUS / DEFICIT			
TOTAL FUNDS AVAILABLE	\$165,430.32	\$165,430.32	\$165,430.32
TOTAL EXPENDITURE	\$141,265.00	\$143,874.00	\$85,550.00
TOTAL SURPLUS / DEFICIT	\$24,165.32	\$21,556.32	\$79,880.32

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Bede Carran

Office of Auditor General visit

Mark Maloney, Assistant Auditor General Local Government
Stephanie Macdonald-Rose, Sector Manager

There is no paper for this item.

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Hamish Riach

Three Waters update

Michael Brewster, Chief Executive Entity D

Teresa Wooding, Council Interface Manager, Entity D

There is no paper for this item.

DRAFT AGENDA

CANTERBURY MAYORAL FORUM



Name:	Canterbury Mayoral Forum
Date:	Friday, 2 June 2023
Time:	8:30 am to 1:00 pm (NZST)
Location:	Commodore Hotel, 449 Memorial Avenue, Burnside, Christchurch
Board Members:	Anne Munro, Craig Rowley, Craig Mackle, Dan Gordon, Gary Kircher, Marie Black, Neil Brown, Nigel Bowen (Chair), Peter Scott, Phil Mauger, Sam Broughton
Attendees:	Alex Parmley, Angela Oosthuizen, Bede Carran, David Ward, Dawn Baxendale, Hamish Riach, Hamish Dobbie, Jeff Millward, Stefanie Rixecker, Stuart Duncan, Will Doughty, Amanda Wall, Maree McNeilly, Rosa Wakefield

1. Opening meeting

1.1 Karakia, welcome, introductions and apologies 8:30 am (5 min)

Nigel Bowen

Canterbury Mayoral Forum karakia

Ko Ngā Tiritiri o te Moana ngā maunga

Ko ngā wai huka ngā awa i rere tonu mai

Ko Ngā Pākihi Whakatekateka o Waitaha te whenua Ko Marokura, ko Mahaanui, ko Araiteuru ngā tai

Thei mauri ora!

The Southern Alps stand above

The snow-fed rivers continually flow forth

The plains of Waitaha extend out

To the tides of Marokura, Mahaanui and Araiteuru

Behold, there is life!

1.2 Confirmation of agenda 8:35 am (5 min)

Nigel Bowen

1.3 Minutes from the previous meeting 8:40 am (5 min)

Nigel Bowen

Supporting Documents:

1.3.a Minutes : Canterbury Mayoral Forum - 24 Feb 2023

- 1.4 Action List** 8:45 am (10 min)
Nigel Bowen
Supporting Documents:
1.4.a Action List
-
- 2. For discussion**
- 2.1 Cabinet Ministers meeting debrief and next steps** 8:55 am (15 min)
Nigel Bowen
- 2.2 Mayoral Forum's Plan for Canterbury 2023-2025 Action Plan** 9:10 am (10 min)
Hamish Riach
- 2.3 Future for Local Government** 9:20 am (30 min)
Hamish Riach
- 2.4 River Management** 9:50 am (20 min)
Peter Scott
Councillor Ian McKenzie
- 3. Morning tea**
- 3.1 Morning tea** 10:10 am (15 min)
- 4. For discussion**
- 4.1 Ngāi Tahu relationship** 10:25 am (30 min)
Peter Scott
Councillors Iaeen Cranwell and Tutehounuku "Nuk" Korako
- 4.2 Canterbury Water Management Strategy update** 10:55 am (5 min)
Peter Scott
- 4.3 Climate Change Action Planning Reference Group update** 11:00 am (5 min)
Dan Gordon
- 4.4 Regional Policy Statement review - scope and timeframe** 11:05 am (30 min)
Peter Scott
- 4.5 Health NZ localities update** 11:35 am (20 min)
Vince Barry, Regional Lead, Te Whatu Ora regional lead and Ben Clark, Regional Public Service Commissioner

5. For information

5.1 Three waters reform

11:55 am (10 min)

Nigel Bowen

5.2 Chief Executives Forum report

12:05 pm (5 min)

Hamish Riach

5.3 Mayoral Forum activities and engagements

6. General business

6.1 General business

12:10 pm (10 min)

7. Close Meeting

7.1 Meeting review

12:20 pm (5 min)

7.2 Close the meeting

Next meeting: Canterbury Mayoral Forum - 25 Aug 2023, 8:30 am

Lunch to follow

Canterbury Chief Executives Forum

Date: 1 May 2023

Presented by: Ben Clark, Regional Public Service Commissioner

Regional Public Service Commissioner update

Purpose

1. The purpose of this paper is to provide a written quarterly regional public service commissioner update.

Recommendation

That the Canterbury Chief Executives Forum:

1. **note the written update from Ben Clark, Regional Public Service Commissioner.**

Background

2. At the August 2021 Chief Executives Forum it was agreed to a standing item on future Chief Executives Forum meeting agendas for the Regional Public Service Lead (now Regional Public Service Commissioner (RPSC)).

Regional Public Service Commissioner update

3. A written report has been prepared and is provided as Attachment 1.

Attachments

- Regional Public Service Commissioner report

Regional Public Service Commissioner (RPSC) Update: CE Forum 01 May 2023

Purpose

The purpose of this paper is to provide a brief update from the Regional Public Service Commissioner (Ben Clark) on:

- The Waitaha Priorities Group (WPG) - Regional Leaders operating under the Regional Systems Leadership Framework (RSLF). This framework is intended to improve how the public service works in regions and ultimately support improvements in the wellbeing of New Zealand's communities

Waitaha Priorities Group (WPG)

The current role of WPG is threefold:

- To define and progress regional priorities
- Oversee the regional coordination of the national strategies where RPSC has been identified to support, identify further opportunities to collectively respond, and identify how the national strategies align with regional priorities
- Convene to resolve localised issues as they arise

Smaller working groups have been formed for 2 priority areas, with others to follow. These groups are made up of those agencies directly involved in each priority area to refine as above, gather data and insights to support the focus, while also noting existing strategies, work programmes and plans in place and connections across wider stakeholders (to avoid duplication of effort).

As data and insights are gathered, it is envisaged that stakeholders including rūnanga and territorial authorities may wish to:

- Contribute additional data or scenarios
- Consider representation on the relevant working group if needed (and if the area of focus resonates)
- Identify gaps where further partnering opportunities should be explored

These opportunities can be presented for discussion at the CE forum, and/or be followed up by discussions with individual territorial authorities.

The broad priorities noting current activities are as follows:

All tamariki and rangatahi in Canterbury reach their full potential

Attendance and Engagement:

WPG is currently working with Ministry of Education as the regional plan is developed. The focus is on identifying activities in the regional plan that requires a collective response. WPG will support Ministry of Education by convening other agencies as required to promote a holistic approach to addressing the current issues in this area.



Workforce Development – transitioning Canterbury to become a more highly productive and sustainable economy

A working group has convened and is working through a collation of employment action plans, identifying which focus areas would be those which could benefit from a more joined up approach across agencies.

Initially this entails:

- Identifying strategic themes across all
- Clarifying progress on actions (a regional view)
- Identifying potential crossover/duplication

Equitable access to services, safe housing and secure tenure

Initial focus areas:

- Support people with complex issues, where housing alone will not meet their needs
- Wrap around, cross-agency support for whānau with tamariki transitioning through emergency housing (will also align with the Engagement and Attendance strategy)

A working group, co-led by MSD and Kāinga Ora is in the data sourcing stage. The group is completing a continuum of agency responsibilities and gathering scenarios and data to support the focus on these areas. This exercise will identify 'pain points' (disconnect between agencies/services), to then move to a solution focused stage. This group meets monthly.

Whānau have access to services, resources and live in healthy environments that support mental wellbeing

Consensus is that we need to strengthen the multi-agency response needed to support people with mild to moderate mental health problems (including early signs of distress). Discussions are continuing around the timing to progress this priority area given the impact of the transformational change occurring within the health sector. However, work continues supporting the Kia Manawanui strategy (long-term pathway to mental wellbeing) which include a presentation to WPG in May on how agencies are collectively supporting the strategy in the region.

Addressing family violence and sexual violence

The Regional Public Service team is keeping connected to Te Puna Aonui (previously known as Joint Venture) to determine how best the team can support regional implementation of Te Aorerekura (The National Strategy to eliminate Family Violence and Sexual Violence)

Other:

Mayoral Forum Priorities

The Regional Public Service Team, alongside WPG will seek opportunities to actively support priorities and associated actions identified in the renewed Mayoral Forum plan – particularly where a more joined up agency response will result in improved outcomes for communities.

B. Oversight: regional coordination of the national strategies where RPSC has been identified to support

The RPS team is overseeing how agencies are regionally supporting the national strategies. In doing so, identifying further opportunities to convene, and confirming the level of alignment of national strategies with our regional priorities. Regional agency leads in Waitaha are identifying interagency synergies that exist across the range of current national strategies.

So far, the group has focused on Oranga Tamariki Action plan, the Ministry of Education's Attendance and Engagement Strategy, Child Youth Wellbeing Strategy and Te Aorerekura (National Strategy to Eliminate Family Violence and Sexual Violence).

The next strategy to focus on will be Kia Manawanui Aotearoa: long-term pathway to mental wellbeing.

C. Convene to resolve localised issues as they arise

At the last CE forum, there was interest from a group of CEs in exploring housing opportunities. A meeting was convened between Ministry of Housing and Urban Development, Kainga Ora and 5 Chief Executives for local government (Hurunui, Mackenzie, Ashburton, Timaru and Waitaki) to start the conversation on how local and central government can work better together across housing.

This meeting generated some good discussion, particularly noting the unique challenges facing TAs, the need for improved visibility of funding (e.g., HUD's Affordable Housing Fund) and suggestions around combined planning.

A follow-up meeting will be scheduled in May following a regional wide housing strategy discussion at the next CE Forum.

