

In the Matter of

**Te Arotake i te Anamata mō Ngā Kaunihera
Future for Local Government Review
Draft Report Consultation
He mata whāriki, he matawhānui**

Submission by
Waimakariri District Council

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1 Introduction

- 2.1 The Waimakariri District Council (WDC) welcomes the opportunity to submit on the Review Panel's (the Panel) draft report on the Future for Local Government (FFLG).
- 2.2 WDC would like to acknowledge the significant work of the panel, noting their thorough engagement programme with the sector (both in New Zealand and overseas), and would like to thank the panel for taking the time to meet with the Council during their investigative process.
- 2.3 This submission provides background information about the Waimakariri District and comments around the process and timeframes for consultation. Where we consider the topic is interlinked with another, we consider and respond to them jointly in the submission below.

3. Background

- 3.1 Waimakariri District is located in the Canterbury Region, north of the Waimakariri River. The district lies within the takiwā of Ngāi Tūāhuriri, one of the primary hapu of Te Rūnanga o Ngāi Tahu. It extends from Pegasus Bay in the east to the Puketeraki Ranges in the west; sharing boundaries with Christchurch City to the south, Selwyn District to the south and west, and Hurunui District to the north.
- 3.2 Geographically, socio-culturally and economically Waimakariri District is primarily a rural district. People identify with and are attracted to a 'country lifestyle'. However, the district's proximity to Christchurch City means it has a significant and growing urban and 'peri-urban' population. Approximately 60 percent of residents live in the four main urban areas of Rangiora, Kaiapoi, Woodend/Pegasus and Oxford. The remainder live in smaller settlements or the District's rural areas, including approximately 6000 rural-residential or rural 'lifestyle' blocks.
- 3.3 As a territorial local authority, the Council is the administering body for its locality. Bearing responsibility for functions, alongside providing a range of services, that directly impact on the lives and livelihoods of its residents. The propositions of the draft report have the potential to greatly shape the future form and function of Council.
- 3.4 Consequently, WDC is interested in this Review Into The Future For Local Government, with particular emphasis on how the review may alter the functions local government has responsibility for, propose changes to the structure of local government, and perhaps most importantly the issue of equitable funding to allow local government to fulfil its roles and duties both current and in the future.

4. General Comments Draft Report

- 4.1 WDC supports the need for a review into the future of local government in New Zealand. We agree that the nature of challenges faced by communities are changing and there is a need for local governance and government to be able to pivot and respond to these issues.

- 4.2 The focus of this discussion draft report has been to consider what a renewed and fit for purpose local government could look like to help meet the needs of a rapidly changing operational environment. However, the document fails to consider other matters under review that will greatly impact on the functioning of local government. We think that this has been a missed opportunity to do a comprehensive review into the sector.
- 4.3 The local government sector is facing pressure from expanding community expectations, ongoing growth, difficult economic conditions, all alongside several Central Government led reform projects such as the RMA and Three Waters reforms. Our intention is to meaningfully engage with these programmes to ensure the best outcomes for our communities.
- 4.4 The timeframe for submission on this draft report coincided with the holiday shut down period and the busy summer season. We respectfully remind the government that when it chooses to consult, to provide sufficient time for your stakeholders to make a meaningful response. For local authorities, WDC believes sufficient time ought to include time for councils to engage with its communities and partners.

5. Revitalising citizen-led democracy

- 5.1 We support these recommendations and express interest in the concept of citizen-led participatory democracy and how it can be adapted to suit the New Zealand context. We agree that there is a need for a fundamental shift from the current status quo. Successful examples in similar overseas jurisdictions, or a pilot programme run within New Zealand, would go a long way towards providing public faith in 'new' democratic processes.
- 5.2 Meaningful and comprehensive engagement can be a resource heavy process. For a Long Term Plan (LTP) for example there is a Special Consultative Procedure (SCP) required for that year and any subsequent years when there is a significant-enough variation to the proposed work programme and budget. There are also numerous policies and strategies than often require meaningful public engagement during the LTP term that in practice sit outside of this process.
- 5.3 As part of the statutory and regulatory changes proposed, we recommend that the reviewing of Council's Long-Term Plans be moved from three-yearly to every five years or are aligned to the term length of the Council itself
- 5.4 We would also support a review of engagement and consultation requirements to ensure there is clarity of the process, influence, roles and responsibilities available to partners (such as Iwi Māori) and stakeholders.

6. Tiriti-based partnership between Māori and local government

- 6.1 We agree that there is a need for local government (with the support of central government) to provide education to public servants (elected and staff) on the history of tangata whenua. This will require skills-based training in intercultural competency, conflict resolution, human rights, and tikanga. There is also need for guidance on how Councils should engage with mata waaka, who do not whakapapa to the roe they reside in. We submit this programme should be developed in conjunction with Iwi Māori that whakapapa within your boundary.

- 6.2 While central government has direct relations and obligations to Māori through the Treaty of Waitangi, how this is enacted with local government is less clear. Central government and regional councils hold responsibility for a wide range of matters that are important for Māori, including natural resources development, infrastructure, health and education.
- 6.3 Local government and Māori relations may not be directly legislated, nevertheless, almost all local councils have departments, teams and/or existing co-governance arrangements devoted to maintaining a positive relationship with local iwi. We submit these arrangements should be developed in partnership that establishes a local framework for process, influence, roles and responsibilities. This would be useful for both parties.
- 6.4 WDC has long recognized the need to provide iwi with targeted services and infrastructure for community development; and has long entered an MOU with Te Ngāi Tūāhuriri Rūnanga to help accomplish this. We continue to work on developing innovative methods to strengthen our engagement with iwi on issues such as land use and community planning and development, as well as culture and heritage recognition. We believe having formal legislative guidance on this will help to institutionalise the process and provide regulatory benchmarks to help maintain momentum in this regard.
- 6.5 While local governments, iwi entities and/or Māori organizations often meet on a regular basis, the information shared in these meetings can get “lost” over the years of negotiation as staff and officials from both parties turn over. To deal with this reality, local governments and iwi representatives need to be supported to meet early and often; and start building clear lines of communication that will endure.
- 6.6 Council supports the recommendation for a legislative framework for Tiriti-related provisions to guide Māori- Council engagement. The process of establishing such a framework needs to be well thought out and measured in its approach so as to help dispel fear and reluctance in local communities. Any such framework should be empowered by authentic discussions at a local level that allows consideration of co-design and partnership arrangements that best benefit that takiwa and acknowledge and enable Tiriti based pathways. This framework should have bipartisan support across political spectrum to enable it to be long-lasting. There should not be a fixed view on how to best achieve this.
- 6.7 A prerequisite for the success of any such legal framework is funding to adequately resource and/ or build the capacity of Māori organisations, iwi representatives, elected members and Council officers to fulfil the requirements that will undoubtedly ensue. Also, the implementation of such a legislation will need to be context based and take into account the specific circumstances of each rohe and the aspirations / interest of local iwi.

7. Allocating roles and functions in a way that enhances wellbeing AND establishing local government as champion, agent and activator of wellbeing. It is recommended you incorporate the findings of LGNZ’s Localism discussion paper into your considerations.

- 7.1 Centralised approaches are essential when governments deal with matters of large-scale national significance, like climate change, macroeconomic policy and health and safety regulations, where uniformity may be advantageous. But for other matters, where needs and preference vary, uniform solutions are both ineffective and inefficient. We should actively enable citizens to shape their own futures and provide fertile ground for this to take place. New Zealand needs to move from being a centralised country to one that trusts its communities to play a meaningful role in their development and improving their wellbeing's.
- 7.2 Council agrees that there is need for greater flexibility in the roles played by local authorities in responding to community need. The demographic makeup of territorial authorities across the country vary greatly and the nature of community need will vary as a result. Therefore, the form and function of roles played by territorial authorities should be allowed to vary accordingly to allow us to serve our communities more meaningfully. Territorial authorities have the local networks, assets and local infrastructure that pre-positions them to be able to step in and play a more hands on role in assuring community well-being over and beyond what we are currently able to do.
- 7.3 Territorial authorities should be able to influence where central government resources are focussed on in their districts and as an anchor institution, be enabled to play a more directive role in partner institutions' (e.g. Police, Whatu Ora, Education, Waste Management, Education etc.) local planning to help ensure that resources allocated to the district are directed appropriately and able to complement work done by other agencies. A devolution of decision making to a local level will ensure that wellbeing investment meets local need.
- 7.4 We recommend that legislation be modified to mandate periodic forums to be held between LG and other service providers in the district (e.g. Iwi, Police, MoH, MoE) where locally relevant issues are discussed and joined up responses are agreed to.
- 7.5 Central to this is funding. Territorial authorities need more funding from the Central Government, along with a lightening of the administrative burden associated with securing the funding, to better deliver of the well beings. Rather than having to apply and report to multiple government agencies for funding, we suggest that all local government related funding be coordinated through a one-stop Government agency. This agency should be able to provide the Government with the ability to allocate a locally specific levy or tax (like the Auckland fuel tax) that would provide council the ability to respond to problems unique to their area. Queenstown Lakes is one such TA that comes to mind.
- 7.6 We also recommend that a central government funded and territorial authority-supported shared database of sustainable / social procurement providers is created to allow for economies of scale benefits and facilitate the embedding of sustainability in procurement decisions.
- 7.7 We reiterate that there is a pressing need for funding support for territorial authorities to be able to make sustainable choices that adopt a whole of life / longevity-based approach to infrastructure development and maintenance.

8. A stronger relationship between central and local government

- 8.1 Council agrees that relationship between local and central government would benefit from a reset. We think there is a clear need to create LG/CG/Māori engagement and consultation framework that values all parties equally; demonstrates a genuine desire to consider all ideas and input; and acknowledges each party's unique network and strengths.
- 8.2 We consider that genuine dialogue and a willingness to implement some of the FFLG panel's *recommendations*, especially the need for diversified funding for local government and a re-allocation of roles between both parties would help towards achieving this reset.
- 8.3 Reducing the amount of centrally driven funding (allowing for more Councils to identify and deliver on their community's priority projects), the inherent complex reporting requirements and demanding timeframes for delivery would help build more trust between central and local government. Furthermore, this would build trust between citizens and both arms of government.

9. Replenishing and building on representative democracy

- 9.1 Council does not support making STV mandatory as it considers the approach potentially confusing. Rather, the choice of voting method should continue to be left to each territorial authority to decide. Similarly, we think that local elections should continue to be run and organized by territorial authorities as they currently are.
- 9.2 Council agrees with the recommendation that electoral terms be extended to 4 years. This allows sufficient time for newly elected members to get familiar with the role and be able to make meaningful contributions within the same term. It also helps improve Council's return on the monies invested in upskilling and providing professional development opportunities to elected members. We also think there could be benefit to developing a position description for elected members to provide intending candidates with an idea of what the role would entail.
- 9.3 We also support the recommendation for improved remuneration of elected members. This will help to ease the financial burden currently associated with taking local office and could help attract a wider and more diverse range of electoral candidates than is currently the case.

10. Equitable funding and finance

- 10.1 Council believes that Central Government may have underestimated the cumulative regulatory impact of all its reforms on local government and warmly welcome the recommendation for a regulatory impact assessment. We also agree with the other recommendations and as we have already noted above, central to any discussion on the future of local government is the issue of sustainable funding and actual devolution of power to local government.
- 10.2 Local government needs to be viewed as an entity and delivery agent of public good, capably fulfilling a role that Central Government would have great difficulty delivering on its own. Councils deliver a wide range of services to our communities. We are also part of the community and the local 'face' of government for many residents. Council staff and elected members have an in-depth understanding of their communities, business, geography, social issues

and unique opportunities. This localism needs to be considered by central government as a taonga worthy of protection and an essential component in public sector delivery. We therefore welcome a funding approach that acknowledges this fact and makes alternate sources of funding available to local government to adequately deliver on the four well beings.

- 10.3 There are numerous instances of central government imposing additional responsibilities onto local government but without the commensurate funding or limited funding. It is critical that local government is actively engaged as part of the process. Assessment of the future funding impacts and making appropriate funding allowance will encourage positive engagement from local government to proposals put forward by central government.
- 10.4 We strongly recommend that central government central government develops an intergenerational fund for climate change, with the application of the fund requiring appropriate regional and local decision-making input. The review document describes the future climate change challenge for local government being greater than the infrastructure deficit faced by councils over the past 30 years. There are numerous communities (especially small coastal villages) that are facing these challenges already and many do not have the ability to fund the significant costs involved in mitigation works. The key discussion is what funding mechanism is used to develop the intergenerational fund – Taxpayer funded or Ratepayer funded?
- 10.5 We believe rating should be retained as the principal mechanism for local government. However, we do urge for there to be a re-design to provide for a more simplified and streamlined process. The current legislation is restrictive on Council's ability to explore other funding mechanisms, which may be appropriate for individual communities.
- 10.6 Central government agencies should pay local government rates and charges on all properties. The charges should also include the relevant Development Contributions. Many TAs have large tracts of Department of Conservation land that currently is non-rateable, but visitors of the land still consume council services (roading, public toilets etc). The inability to charge rates on schools is a particular anomaly that should be addressed. This would deliver more equitable funding and result in services being paid for in tax alone as opposed to tax and rates.

11. System design

- 11.1 As we have noted above, Council agrees that a te Tiriti-based framework to guide Māori-Council engagement would help to provide a sure footing to base future interactions on. Any such framework should be empowered by authentic discussions at a local level that allows consideration of co-design and partnership arrangements that best benefit that takiwa and acknowledge and enable Tiriti based pathways. This framework should have bipartisan support across political spectrum to enable it to be long-lasting. There should not be a fixed view on how to best achieve this.
- 11.2 We note that there are opportunities where shared services (such as the digital transformation roadmap) could provide economies of scale and administrative benefits – especially for much smaller councils. We agree that there are benefits in exploring these further and would welcome the opportunity to be involved.

12. System stewardship and support

12.1 We support a comprehensive review of the model for system stewardship with a view to streamlining the process, strengthening the actors, and limiting the administrative burden and unfunded mandate on local government. Any changes to the system stewardship would need to be sufficiently expansive to adequately provide for the future functions and form of local government, along with the reimagined relationship between central and local government.

13. Conclusions

13.1 WDC thanks the Panel for the opportunity to comment on its draft report. We applaud the government's willingness to revisit national policy and regulations where there are difficulties with implementation

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Yours faithfully



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