

NORTHLAND REGIONAL COUNCIL

Agenda Papers

**for the extra-ordinary meeting to be held
in the Council Chamber, 36 Water Street. Whāngārei,
on Tuesday, 9 April 2013
commencing at 11.30am**

NORTHLAND REGIONAL COUNCIL

Agenda

For extra-ordinary meeting to be held in the
Council Chamber, Northland Regional Council,
36 Water Street, Whāngārei, on Tuesday 9 April 2013,
commencing at 11.30am

**Recommendations contained in the council agenda are NOT council decisions.
Please refer to council minutes for resolutions.**

OPEN MEETING

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ISSUE: Council response to the Local Government Commission's call for alternative reorganisation applications

ID: A306638

To: Extraordinary Council Meeting, 9 April 2013

From: Malcolm Nicolson, Chief Executive Officer
Kathryn Ross, GM Planning and Policy

Date: 4 April 2013

Summary The purpose of this report is to update council on the feedback it has received from its community engagement programme on local government reform. It concludes with the recommendation that the council submit an alternative application for a single council with local boards to the Local Government Commission.

Report Type:	Normal operations	<input type="checkbox"/>	Information	<input type="checkbox"/>	Decision	<input checked="" type="checkbox"/>
Purpose:	Infrastructure	<input type="checkbox"/>	Public service	<input type="checkbox"/>	Regulatory function	<input type="checkbox"/>
	Legislative function	<input type="checkbox"/>	Annual/Long Term Plan	<input type="checkbox"/>	Other	<input checked="" type="checkbox"/>
Significance:	High	<input type="checkbox"/>	Moderate	<input checked="" type="checkbox"/>	Low	<input type="checkbox"/>

Report:

1. Overview

The Commission has advised council that it has until 15 April 2013 to lodge an alternative application for local government reorganisation with the Commission, as part of the process initiated by the Far North District Council's application to become a unitary council on its existing boundaries.

Council has indicated that it thinks that there is a need for change in Northland and if there was community support for change that it would consider putting in an alternative application before the deadline. To establish whether there is community support for change council committed to a community engagement programme on local government reform in Northland. The programme has had to be condensed because of the early decision of the Commission to call for alternative applications and the short timeframe the Commission has given for applications to be lodged.

The community engagement conducted to date suggests that there is an appetite for change within Northland. As a general trend two options are preferred:

- the status quo with enhancements (e.g. greater collaboration and co-operation both politically and in service delivery) and
- a single council for Northland (i.e. a unitary council) with local boards (like those available in Auckland but tweaked for the Northland context).

The Commission must consider the status quo as part of its assessment of the Far North application. The council therefore need not put in an alternative application for the status quo for the Commission to consider this option as it is already on the table.

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It can and should however convey to the Commission that the public engagement process it has undertaken to date has found that there is support for continuing with the status quo, but with enhancements.

The other preferred option – a single council for Northland - is not currently before the Commission. The council must therefore decide whether it wishes to lodge an alternative application for a single council for Northland (and what if any local representation the alternative application should contain) or leave it up to the Commission to decide whether it wants to put this option into the mix itself. (It is also possible that another organisation or individual might put in such an application. However it is unlikely that any such application will be particularly well developed given the tight timeframes involved and the limited access they are likely to have to the types of information necessary to support such an application.)

Given the feedback the council has received through its community engagement to date, and that the council has tried in the past to achieve the types of enhancements to the status quo that communities want without success largely due to the current political climate, staff consider that there is sufficient community support for the council to put the option of a single Northland council (unitary) with local boards on the table for the Commission to consider. Staff therefore recommend that council should make an alternative application for a single council with local boards.

If council resolves to submit an alternative application for a single council with local boards it is also recommended that council clarifies to the Commission that the application is contingent on the Parliament making the amendment to the Local Government Act enabling local boards for Northland. This reflects the communities concerns that they need strong local representation, with local elected members, and boards with real decision making ability and budget to implement those decisions. (While there is merit in considering alternative arrangements such as community boards as a transitional arrangement the feedback from the community engagement is that based on experience, adequate local representation and genuine local decision making on local matters is not likely to happen under currently available structures such as community boards.)

Staff will therefore prepare a draft alternative application for a single council with local boards for council to consider and table this at the 9 April 2012 extra-ordinary meeting of council so that it can be considered alongside this agenda item and the further community feedback council has received from the Kaitaia, Kerikeri and Mangawhai public meetings that are being held between 2 April and 4 April.

2. Community Engagement Process

As part of its community engagement programme on local government reform in Northland, council held a series of independently facilitated public community workshops and public meetings in Whangarei, Kaikohe and Dargaville between 25 March and 27 March. A regional stakeholder workshop was also held in Whangarei on 25 March. One hundred and twenty seven people attended the sessions.

There are further public meetings in Kaitaia, Kerikeri and Mangawhai between 2 April and 4 April. (At the time of writing this item only the Kaitaia meeting had been held. Nine members of the public attended that event.)

Participants were given background information prior to the workshops and this information and summary documents were also provided at the workshops and public

meetings. (This information is included in “Northland Local Government Reform - Outcomes of Community Engagement by the Northland Regional Council” which appears as **Attachment A** to this report.

Participants were asked to:

- comment on what they liked and didn't like about local government in Northland today
- comment on the various local government structural and representation options available for Northland and
- indicate their most preferred options and least preferred options.

Not all participants chose to indicate preferences, or felt they could not choose between (usually two) options and/or wanted further information before making a choice. Comments and preferences have been captured in the report “Northland Local Government Reform - Outcomes of Community Engagement by the Northland Regional Council”.

3. Trends emerging from the community engagement programme

a. Status quo enhanced / one single council for Northland with local boards / community councils

As a general trend, from the meetings held between 25 and 27 March,

“two options are preferred:

- The status quo was a preferred option for many of the participants. It is familiar, keeps the separation of regional and district functions with the associated checks and balances, and retains regional assets in the ownership of the regional council. However, the status quo does need to be enhanced through, for example, greater collaboration and co-operation between the councils.
- One unitary authority was preferred by many because it is seen to provide economies of scale, consistency of service, policy and planning, and a single Northland voice when working with central government. For this option to be effective though, participants stressed the need for good local representation through either local boards or community councils that have real decision-making power and are properly funded.”

The report notes that “On balance, participants slightly favoured the option of one unitary authority over the status quo” as a first preference. (Please note that the status quo is “slightly preferred when the first and second preferences are taken into account”.) Participants who favoured the status quo were however looking for enhancements over what we have today – so it was not merely business as usual, some change was desired. The single unitary council for all of Northland was preferred but it had to have strong local representation and the preference here was for local boards or community councils and not community boards or other less permanent, less certain structures.

The report records some of comments, concerns and the questions that participants raised and the conversations that were had around the options. (For example, and this a paraphrased rather than verbatim - is the current system broken, it is about who is elected, more cooperation is required, how is “the poacher turned gamekeeper” issue addressed in a unitary council, what are the costs and savings of amalgamation, what happens to existing debt, are small councils sustainable, the east and west and north and south are very different, all options require good / better Maori and

community representation, how do you get better local representation, is one council for Northland too big and would we be ruled by Whangarei?)

At the Kaitaia meeting the above trend and the types of comments were also evident - a single unitary authority was preferred by four people, while two preferred the status quo and two preferred one regional council and two district councils. Kerikeri was similar with 5 people indicating they preferred the status quo, three people indicated a preference for a single unitary council, and one person indicated they preferred one regional council and two district councils.

A supplementary item will be tabled at the extraordinary meeting detailing the outcomes (including tables of most /least preferred options) of the public meetings held between 2 and 4 April. It is anticipated that the above trends will continue to be observed.

While local boards are not currently available to a rural region with a small population, the Department of Internal Affairs is actively considering whether they should be. It has indicated that the Commission should - given the greater flexibility and discretion it has now under the Local Government Act - consider the advantages and disadvantages of all options, informed by the views of the community. It has indicated that this may mean that the status quo should be continued, or applications postponed, as well a creative solutions within the current law should be considered. The feedback from the community engagement process is that better local representation and decision making is required under all structures including the status quo and is essential if local government reorganisation in Northland leads to a bigger geographical unit such as a single council / unitary.

b. Effective Maori representation

Participants were also asked to consider options for ensuring effective Maori representation in Northland's local government. No clear trends emerged in terms of preferred options. However the status quo was criticised for not delivering effective Maori representation and there was a clear view that better Maori representation was required. Many participants asked "what do Maori want?"

In addition to written invitations to the Runanga Chairs and Te Roroa and Te Uri o Hau to participate in the community / public meetings, the Chief Executive is meeting with the Iwi Chief Executives on 9 April to discuss the matter of Maori representation and wider local government reform issues. This is in addition to the offer to come and discuss these issues individually at a time convenient to them.

While the Commission must consider representation arrangements in general in a reorganisation process, the process for establishing Māori constituencies or wards is governed by the Local Electoral Act 2001 (LEA). The LEA prescribes a particular regime for establishing Māori constituencies or wards, involving a preliminary council or Commission decision to have Māori constituencies or wards introduced. Once a preliminary decision has been made, the community, through a petition of 5% of electors in a district or region, can then demand a poll on the decision, or the local authority concerned may call a poll without need for a petition. Provided that a poll does not reverse the preliminary decision, the final decision on wards and constituencies will then become part of the general requirement to determine representation arrangements as a whole.

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So while it would be possible in theory for the Commission to make a preliminary decision to have Maori wards or constituencies as part of a reorganisation process, the Commission has stated that it would be “difficult and impracticable for the Commission to comply with the LEA requirements within the constraints of the reorganisation process...” (The Commission’s advice on this matter appears as **Attachment B.**)

While there is no clear direction from the community engagement council has undertaken on what should occur to enable more effective Maori representation, the issue is clearly one that must be addressed by Northland councils whether reorganisation occurs or not.

Background:

At its meeting of 18 December 2012, the council resolved to conduct a participative process of information exchange and engagement with Northland communities to identify their preferred model of local governance.

An application by the Far North District Council to become a unitary authority on its current boundaries was lodged with the Local Government Commission on 18 December 2012. At a meeting on 23 January 2013, the Commission made a declaration that the application affects Kaipara District and Whangarei District as well as the Far North District (i.e. the whole of the Northland Region). The Commission also agreed to assess the application pursuant to the requirements of Schedule 3 of the Local Government Act 2002.

On 5 March 2013 the Commission met and made further decisions. They were:

- The Commission was satisfied that there is demonstrable community support in the district of each affected territorial authority for local government reorganisation in Northland Region and
- The Commission would publicly notify the application and invite alternatives (as it is required to do).

Conclusion:

While there is clear community support for retaining (an enhanced) status quo there is also support for a single council for Northland with local boards (with local representation, genuine decision making powers and budget).

Staff therefore recommend that council lodge an alternative application for a single council with local boards with the Commission by the 15 April 2013 deadline and that council clarifies to the Commission that the application is contingent on the Parliament making the amendment to the Local Government Act enabling local boards for Northland. Council should also convey to the Commission the communities’ views around the status quo and the need for enhancement.

Legal Compliance & Significance Assessment:

The Local Government Act 2002, Schedule 3, is the relevant legislation to this matter. This report complies in all respects with the legislation. In relation to section 79 of the Local Government Act 2002, this issue is considered to be of medium significance under council policy and the assessment of significance appears as **Attachment C.** Staff consider that no further consultation is required given the community engagement already completed and the timeframes dictated by the Local Government Commission.

Recommendation(s):

1. That the report “Council response to the Local Government Commission’s call for alternative reorganisation applications” by Malcolm Nicolson, Chief Executive Officer and Kathryn Ross, GM Planning and Policy and dated 4 April 2013, be received.
 2. The council lodge an alternative application for a single council with local boards with the Commission by the 15 April 2013 deadline.
 3. That the draft alternative application for a single council with local boards tabled at the extra-ordinary meeting of council held on 9 April 2013 is approved for lodging with the Commission.
 4. That council delegates to the Chairman and Chief Executive Officer the authority to make minor amendments to the application prior to lodgement based on matters raised at or consequential to the extra-ordinary meeting of council held on 9 April 2013.
 5. That the Chairman and Chief Executive Officer convey to the Commission on behalf of council that our engagement process has highlighted that there is an equal preference within the communities’ of Northland for an enhanced status quo.
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Northland Local Government Reform

Outcomes of Community Engagement by the Northland Regional Council

Dated 4 April 2013

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Supporting Documents Provided

1. Options for Local Government in Northland (March 2013)
2. Summary documents

1.0 Executive Summary

A series of public community workshops, public meetings and a regional stakeholder workshop were held between 25 and 27 March 2013 in Whangarei, Kaikohe and Dargaville to canvass community views on options for local government reform in Northland. A total of 127 people attended seven sessions.

Participants were asked to comment on the various options available for local government in Northland.

As a general trend, two options are preferred:

- The status quo was a preferred option for many of the participants. It is familiar, keeps the separation of regional and district functions with the associated checks and balances, and retains regional assets in the ownership of the regional council. However, the status quo does need to be enhanced through, for example, greater collaboration and co-operation between the councils.
- One unitary authority was preferred by many because it is seen to provide economies of scale, consistency of service, policy and planning, and a single Northland voice when working with central government. For this option to be effective though, participants stressed the need for good local representation through either local boards or community councils that have real decision-making power and are properly funded.

On balance, participants slightly favoured the option of one unitary authority over the status quo. The option of three unitary authorities was the least favoured option

Participants were also asked to consider options for ensuring effective Maori representation in Northland's local government. No clear trends emerged in terms of preferred options. The following are some of the comments made at the sessions:

- Maori representation is critical to any form of local government.
- Maori need to be the key driver and decision-maker for the model used
- Some views were expressed not supporting Maori wards
- Concern was expressed that the status quo does not deliver effective representation
- The needs of urban and rural Maori are different so the mechanism for involvement may be different
- It is important to use mechanisms that engage all Maori, not only the elite
- It needs to do more than just tokenism
- There needs to be a greater emphasis in involving Maori in the decision-making.

- Having goodwill in the process is also important
- Treaty settlement entities must be accommodated

In summary, the overarching message emerging from the community engagement is that some form of change is required, even if the status quo is retained. As well, there are two clear options (the status quo and the option of one unitary authority with strong local boards or community councils) that the community would like to see kept on the table and considered further at this stage of the local government reform process.

2.0 Introduction

The issue of how to best structure local government in Northland has been raised a number of times over the years. More recently, the Far North District Council has applied to the Local Government Commission to have a single layer of local government in Far North (i.e. a unitary authority) with three community boards. This application is currently being considered by the commission, which has set a deadline of 15 April for alternative proposals.

The council held three public community workshops and three public meetings in Whangarei, Kaikohe and Dargaville between 25 March and 27 March (one workshop and public meeting in each district council area). A regional stakeholder workshop was also held in Whangarei. The purpose of this engagement was to canvass community views on options for local government reform in Northland. While the council thinks that the region would be best served by either a single Northland council with two tiers of governance, or that the status quo should remain, it has sought community views before making any decision on the option to be supported. This will inform decision-making in response to the Local Government Commission's request for alternative proposals.

In preparation for this community engagement, a background briefing paper was made available to participants. A copy of this is **attached at Appendix 1**. Participants were also provided with the summary documents **attached at Appendix 2**.

2.1 Community and Regional Stakeholder Workshops

The public community workshops included a variety of invited community representatives from around the region. As well, the public and media were invited to all sessions. These were three-hour sessions and were held during the day. Set out below is a summary of attendees at each session.

Location	Number of attendees
Whangarei (25 March 2013)	18
Kaikohe (26 March 2013)	32
Dargaville (27 March 2013)	16

The regional stakeholders workshop was held in Whangarei on 25 March 2013 and was attended by representatives of organisations that have a region-wide interest or perspective. 20 representatives attended this workshop.

Participants at the community and regional stakeholder workshops worked in small groups to consider the following questions:

1. A briefing was provided on the principles of good governance as well as the functions of the regional and district councils, and community boards. Participants were then asked to identify:
 - What do you think local government in Northland currently does well?
 - What do you think local government in Northland currently does not do well?
 - Each group was then asked to rank the top five from each list.

Participants were asked to keep these things in mind as they commented on the various options for local government in Northland. In other words, any option should seek to retain those elements that local government currently does well while minimising those elements that it does not do well.

2. A briefing was provided on local government options. These were as follows:
 - Status quo (1 regional council, 3 district councils) - This option retains the Northland Regional Council and the current Kaipara District Council, Whāngārei District Council and Far North District Council. It retains the ability to establish community boards.
 - 1 regional council, 2 district councils - This option retains the Northland Regional Council. It amalgamates the current Kaipara District Council, Whāngārei District Council and Far North District into two district councils. It retains the ability of the district councils to establish community boards.
 - 1 regional council, 1 district council - This option retains a regional council and amalgamates the current three district councils into one district council. It retains the ability of the district council to establish community boards.

- 3 councils (unitary authorities) - This option establishes three unitary authorities for Northland. Each has the powers and functions of a regional and district/city council
- 2 councils (unitary authorities) - This option establishes two unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.
- 1 council (unitary authority) - This option establishes one unitary authority for Northland, which has the powers and functions of a regional and district/city council.

For each option, participants were asked:

- What they liked about each option.
- What they didn't like about each option.
- What type of local representation would they prefer for each option (such as community boards or local boards).
- Any other comments.

3. Participants were also asked to comment on the options for ensuring effective Maori engagement.

Set out in section 3 below are the key outcomes from these sessions. Section 4 contains the outcomes from the sessions held in Whangarei, Kaikohe and Dargaville.

2.2 Public meetings

Due to growing public and media interest, a decision was made on 21 March 2013 to also hold three public meetings in Whangarei, Kaikohe, and Dargaville. These meetings were 90 minutes and were held in the evening. They were run in a similar, although truncated, version of the public community workshops. Set out below is a summary of attendees at each public meeting.

Location	Number of attendees
Whangarei (25 March 2013)	7
Kaikohe (26 March 2013)	17
Dargaville (27 March 2013)	17

3.0 Key Outcomes

3.1 Preferences on local government options

Participants were asked to comment on the options for local government in Northland. They were also asked to identify their two most and two least preferred options. The results of this are set out below.

They are subject to the following qualifications:

- Not all participants chose to indicate a preference.
- Some tables agreed their preferences as a group. Where this occurred, their preferences have been shown below based on the number of people at the table.
- Some people indicated a preference on the cusp between 2 unitary authorities and 1 unitary authority. This was on the basis that more information was needed on how these options would be structured. These preferences have not been recorded in the numbers above.

The outcomes of this exercise should only be used to give an indication of general trends or opinion. It does indicate that participants were generally split between the status quo and 1 unitary authority as their most preferred option, with a slight preference in favour of the 1 unitary authority option, although the status quo is a strong preference for many.

Participants made the following key points in coming to these views.

- A unitary authority needs good local representation through either local boards or some form of community councils. These need to have clear powers set in statute and be well funded. There was also some preference expressed for local boards or community councils having some regulatory powers.
- While the status quo is a preferred option for many, it does need to be enhanced through, for example, greater collaboration and co-operation between the councils.

The option of 3 unitary authorities was the least preferred option.

Options	Most Preferred		Least Preferred	
	First	Second	First	Second
One regional council, three district councils (status quo)	32	27	11	3
One regional council, two district councils	2	8	6	6

	Most Preferred		Least Preferred	
One regional council, one district council	6	6	8	17
Three councils (unitary authorities)	3	4	34	11
Two councils (unitary authorities)	5	3	4	16
One council (unitary authority)	41	26	6	4

3.2 Effective Maori representation

Participants were asked for their comments on options to ensure effective Maori representation in Northland’s local government. This drew mixed responses and many participants felt unable to provide meaningful comment on the options, or their preferences, at this stage. Of those that did comment, some key points are as follows.

- Maori representation is critical to any form of local government.
- Maori need to be the key driver and decision-maker for the model used
- Some views were expressed not supporting Maori wards
- Concern was expressed that the status quo does not deliver effective representation
- The needs of urban and rural Maori are different so the mechanism for involvement may be different
- It is important to use mechanisms that engage all Maori, not only the elite
- It needs to do more than just tokenism
- There needs to be a greater emphasis in involving Maori in the decision-making.
- Having goodwill in the process is also important
- Treaty settlement entities must be accommodated

4.0 Whangarei meetings

Two workshops and one public meeting were held in Whangarei on 25 March 2013.

- 20 people attended the regional stakeholder workshop.
- 18 people attended the public community workshop
- 7 people attended the public meeting

4.1 What local government in Northland currently does and does not do well

The comments and observations from this are set out below. These comments do not necessarily represent the consensus of majority view of all participants.

What local government in Northland currently does well	What local government in Northland currently does not do well
Regional council acting as an environmental watch dog. Oversight works well.	Lack of collaboration between councils and with other agencies.
Regional environmental monitoring and enforcement (although some noted that this could be improved)	Lack of opportunities for Maori to influence decision-making, lack of engagement with iwi and lack of Maori representation
Some good community infrastructure and services provided (eg town development, libraries, parks, pools, walking tracks, City Safe programme)	Perceptions of political bias in some areas, such as funding decisions. Concern that spending decisions are motivated by political drivers.
Making efforts to improve engagement with Maori	Lack of capacity and resources to facilitate RMA support for Maori.
Reasonably good engagement with key stakeholders and strategies to engage with community sectors. WDC advisory groups allow some input into process	Lack of good Northland engagement with central government – no “one Northland view”
Staff are good to engage with	Inadequate rating base
WDC has a good wastewater programme, is good at solid waste (although diverging views), high level of technical expertise, is good at heritage issues, and roads are managed well	Consultation processes lack vigour and poor communication to and with stakeholders. There is a lack of engagement by NRC with wider communities. Councils are not good at explaining their functions.
Councils are administratively run well	Some things should be dealt with regionally (such as roading, which requires working with NZTA)
Some good planning for growth and the services and infrastructure required	Different plans, policies and service levels across the region and inconsistency between them. There are also too many plans and policies.
Catchments based approach works well	Leadership and governance at executive levels. Low level of skills and knowledge in political leadership. There is a gap between governance and management. Councillors should be speaking to the public and engaging with the public more.
In some areas (such as emergency management) Councils work well together	Approach to prioritisation of works and poor coordination of work programmes. Also asset and contract management is poor.
Some good regional strategic planning is happening (although it could still be done better and concerns that the plans are not implemented)	Not enough investment in staff to attract high calibre people

What local government in Northland currently does well	What local government in Northland currently does not do well
Involvement in economic development is a strength but need to invest in staff and infrastructure not in businesses	Dysfunctionality between councils gives Northland a poor reputation
Good communications and public relations	Duplication of resources and staff
Some ward councillors are good at working with constituents	Concern that money is being spent on consultant reports when it should be spent on infrastructure
Taking action on major issues such as harbour contamination	Councils don't listen. Submissions are ignored.
	Maintenance of core infrastructure (such as roads)
	Financial prudence and management. Rising debt levels is a major issue. Concern that this is increasing because pet projects are being undertaken without community support.
	Haven't kept pace with standard business practice.
	Some services and activities, such as roading maintenance, and monitoring, compliance and prosecution
	There are some activities that councils shouldn't be doing, such as supporting local businesses. Also, councils don't always consult on big issues.
	Lack of trust in local government
	Engaging youth in the local government process.
	Lack of transparency. Council responses need to be more timely.
	Economic focus or the NRC is at the expense of the environmental focus
	Spatial planning: doing the right things in the right places
	Environmental performance is not always good.

4.2 Local government options

4.2.1 Preferences

Participants were generally split between the status quo and 1 unitary authority as their most preferred option, with the status quo being slightly preferred when the first and second preferences are taken into account. The 1 unitary authority option is a preference if it has strong local representation through

local boards or community councils. The status quo is a preference for many provided it is enhanced over the current situation.

It must be noted that not all participants chose to indicate a preference. Also, some tables agreed their preferences as a group. Where this occurred, their preferences have been shown below based on the number of people at the table.

Options	Preferred options		Least preferred options	
	First	Second	First	Second
One regional council, three district councils (status quo)	15	15	2	2
One regional council, two district councils		8	3	2
One regional council, one district council	3	2	2	13
Three councils (unitary authorities)		2	22	6
Two councils (unitary authorities)	1	1	1	6
One council (unitary authority)	19	8	2	2

At the public meeting, a show of hands indicated that people generally supported the status quo. The 2 and 3 unitary authority options was least preferred. Some people chose not to indicate any preference.

Some comments on the options are set out below. They do not necessarily represent the consensus or majority view of all participants.

4.2.2 One regional council, three district councils (status quo)

This option retains the Northland Regional Council and the current Kaipara District Council, Whāngārei District Council and Far North District Council. It retains the ability to establish community boards.

Likes	Best option for demographic representation – closer to the people
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	<p>Least expensive in the short term</p> <p>It's known and it works – we understand it</p> <p>Keeps the “poacher/gamekeeper” checks and balances – deals very well and transparently with this</p> <p>Better than any of the other options</p> <p>You know your own councillor</p> <p>Leaves Kaipara debt where it is</p> <p>Not convinced it is broken</p>
Dislikes	<p>Lack of collaboration and consistency</p> <p>Failure to work together</p> <p>“My patch” mentality, parochialism</p> <p>Could be fine tuned</p> <p>Improve electoral process to avoid vote splitting</p> <p>Need to reveal voter preferences better</p> <p>See earlier comments on what is not working well in Northland local government currently</p> <p>Wasteful</p> <p>Fragments Northland</p> <p>Financial/rating base</p> <p>Economic focus of NRC</p>
Preferred local representation	<p>Community boards – revitalise interest and access to councillors</p> <p>Explore community boards and local boards</p>
Other comments	<p>More cooperation is required</p> <p>More joint services are possible</p> <p>Enhanced status quo – rationalisation, procurement, planning</p> <p>Issues with local government would not be affected by changing the structure</p>

4.2.3 One regional council, two district councils

This option retains the Northland Regional Council. It amalgamates the current Kaipara District Council, Whāngārei District Council and Far North District into two district councils. It retains the ability of the district councils to establish community boards.

Likes	<p>Reduces staff numbers and 1 mayor</p> <p>Good for Kaipara debt. It could help Kaipara's finances and a step in the right direction for the Kaipara issue</p> <p>Potential to be good neighbours</p> <p>Addresses east/west divide</p> <p>Retains 1 regional council</p> <p>This is almost an enhanced status quo</p>
Dislikes	<p>Kaipara debt not welcomed by non-KDC ratepayers</p> <p>Rates would go up</p> <p>Unclear where to draw the line</p> <p>Whangarei/Kaipara merger would be ok but other mergers not so good</p> <p>Far North might lose on growth opportunities at Whangarei and Mangawhai</p> <p>Whangarei gets the Kaipara debt</p> <p>No substantive change, so what is the point?</p>
Preferred local representation	Explore community boards and local boards
Other comments	Nil

4.2.4 One regional council, one district council

This option retains a regional council and amalgamates the current three district councils into one district council. It retains the ability of the district council to establish community boards.

Likes	<p>Keeps the "poacher/gamekeeper" checks and balances</p> <p>This would be more financially sustainable</p> <p>Enhanced collaboration</p> <p>Better integration and less plans</p> <p>Better interaction with central government</p> <p>Reduces conflict between districts</p> <p>Similar benefits to enhanced status quo</p>
Dislikes	Might as well have just one organisation

	<p>Pointless – geographic areas to big</p> <p>Would need local representation and facility for local decision-making – less efficient</p> <p>Diminution of local knowledge</p> <p>Major reconfiguration</p> <p>No precedent</p> <p>Potential conflicts between the organisations</p> <p>Political suicide</p>
Preferred local representation	<p>Local boards</p> <p>Explore community boards and local boards and community councils</p>
Other comments	<p>Nil</p>

4.2.5 Three councils (unitary authorities)

This option establishes three unitary authorities for Northland. Each has the powers and functions of a regional and district/city council. This option has:

- One unitary authority for the Far North
- One unitary authority for the Whāngārei area
- One unitary authority for Kaipara

Likes	<p>Nothing</p> <p>Not feasible</p>
Dislikes	<p>No economies of scale</p> <p>Not sustainable and duplication</p> <p>No watchdog</p> <p>Multiple plans across Northland (eg 3 coastal plans)</p> <p>Issues regarding catchment management</p> <p>Not an efficient size</p> <p>Don't want North Port assets split</p> <p>NRC assets get split 3 ways.</p> <p>Impossible to get agreement about anything at a regional level</p> <p>Costs are high</p> <p>Catchment management issues</p>
Preferred local representation	<p>Local boards</p>

Other comments	Would require statutory change to maintain watchdog role
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4.2.6 Two councils (unitary authorities)

This option establishes two unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.

Likes	<p>Recognises distinct difference between north and south, east and west (particularly relevant for northern communities)</p> <p>Provides effectiveness while retaining local access, focus and democracy</p> <p>WDC and KDC combined is probably a good scale</p> <p>Some said there was nothing they liked</p>
Dislikes	<p>Not sure where boundaries would be drawn</p> <p>No watchdog</p> <p>Duplication</p> <p>No watchdog</p> <p>Don't want assets split</p> <p>FNDC is probably not of a sufficient scale</p> <p>Limits democracy</p> <p>Driven by political ambitions not the community</p>
Preferred local representation	Local boards
Other comments	<p>Are there ways to address the concerns over the port shares?</p> <p>Could a trust structure be used to ensure they are never sold?</p>

4.2.7 One council (unitary authority)

This option establishes one unitary authority for Northland, which has the powers and functions of a regional and district/city council.

Likes	<p>Cost savings – recognises that the region is too poor to have multiple councils</p> <p>Economies of scale, efficiencies and effectiveness</p> <p>Consistency of service, policy, planning and better integration</p>
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	<p>of plans- one approach, greater collaboration</p> <p>Northland speaking with one voice</p> <p>More coordination between planning and strategy</p> <p>Reduced planning</p> <p>People capability – attracting the right people</p>
Dislikes	<p>Risk of political involvement in the resource consenting process</p> <p>Loss of checks and balances – watchdog role</p> <p>It is too big and is a risk to democracy and representation</p> <p>Geographically too big</p> <p>Isn't the need for the same degree of consistency as Auckland</p> <p>Too distant from constituents</p> <p>Concerns about local representation and Maori representation</p> <p>Organisation is too big, total disruption, takes years to sort out</p> <p>Big business friendly? How would smaller local contractors fare in this model?</p> <p>Questioning the potential cost-effectiveness</p> <p>Seen as Whangarei-centric</p> <p>Could disenfranchise electors</p>
Preferred local representation	<p>Local boards</p> <p>Statutory local boards/community councils needed so parent council cannot disestablish them (although some concern that community councils could be too big)</p> <p>Needs to provide for community boards (although some noted that strong representation is needed – more than ward committees or community boards)</p>
Other comments	<p>Needs to provide for good Maori representation</p>

4.3 Effective Maori representation

Participants were asked for their comments on options to ensure effective Maori representation in Northland's local government. Key comments were as follows.

- Maori representation is critical to any form of local government
- Maori need to be the key driver and decision-maker for the model used
- Some views were expressed not supporting Maori wards
- Concern was expressed that the status quo does not deliver effective representation

- The needs of urban and rural Maori are different so the mechanism for involvement may be different
- It is important to use mechanisms that engage all Maori, not only the elite

Comments on possible options were as follows:

Advisory groups

- Brings together all views within Maori society on particular issues
- Has no teeth
- Lack of representation
- Better than nothing

Appointed members to council committees

- Big questions about mandate
- Would get over some of the direct representation issues
- Good appointees can give valuable input

Maori wards

- Some thought that Maori wards can't represent all and that some disenfranchisement will occur
- The "oath of office" knee-caps Maori representatives. Real tension between representation and leadership roles
- Electoral issues with this
- A referendum should occur so people can have their say about this

Maori statutory board

- Will tend to attract the elite, which is not what Northland Maori communities need
- Difficulty resourcing this
- Could get a Northland specific model. Would need to be properly resourced with Maori input into the design

5.0 Kaikohe meetings

One workshop and one public meeting were held in Kaikohe on 26 March 2013.

- 32 people attended the public community workshop
- 17 people attended the public meeting

5.1 What local government in Northland currently does and does not do well

The comments and observations from this are set out below. These comments do not necessarily represent the consensus of majority view of all participants.

What local government in Northland currently does well	What local government in Northland currently does not do well
Checks and balances between the regional and district councils	Recognition and involvement of and engagement with Maori
A number of the community facilities and services (including libraries, parks, sportsfields recycling)	The way local government responds to Treaty settlements (during and after the process is completed)
Accessibility and opportunities to talk with councils and councillors	Structure is wrong at the community level. Community boards do not recognise communities of interest
Engagement with and representation of local communities	Local government reform has not addressed local issues. Bigger is not always better
The staff are good	The community should drive community outcomes
Local can react more quickly to change because they are local	The RMA process timeline, particularly consenting
Action is being taken towards creating local employment opportunities	Perception of Whangarei-centric
FNDC does refuse collection well	Environmental management and enforcement
NRC is good at its regional functions	Disconnect between local and central government (particularly no sustainable growth management strategy)
Websites can be good and provide good information	Disconnect between economic strategy and branding and lack of focus on economic plan
The Northland voice is put forward at the national level	Branding, especially for tourism
	Process is not community driven and doesn't empower communities (it is top down, not bottom up)
	Recycling is not done well in some areas
	Regulations and process can stop community-led projects. A more common sense approach is needed
	Could engage better
	Transparency issues – lack of and filtering of information
	Lack of cohesion, communication and co-operation between councils

What local government in Northland currently does well	What local government in Northland currently does not do well
	Staff turnover, continuity on large projects, and retention of corporate knowledge
	Contract management and management of projects. Lack of progress on major projects.
	No focus on social issues
	No overall plan for transport infrastructure in Northland
	Access to services outside of main centres
	Lack of Maori engagement with rural communities.
	The regional council could do better

5.2 Local government options

Participants were generally split between the status quo and 1 unitary authority as their most preferred option, with a slight preference in favour of the 1 unitary authority option, provided it has strong local representation through local boards or community councils. The status quo is a strong preference for many provided it is enhanced over the current situation. The options of 1 regional council and 1 district council, and 3 unitary authorities were the least preferred option.

It must be noted that not all participants chose to indicate a preference. Also, some tables agreed their preferences as a group. Where this occurred, their preferences have been shown below based on the number of people at the table.

Options	Preferred options		Least preferred options	
	First	Second	First	Second
One regional council, three district councils (status quo)	9	7	3	1
One regional council, two district councils	1		3	3
One regional council, one district council			5	3
Three councils (unitary authorities)	3	2	5	1
Two councils (unitary)	4	2	1	3

	Preferred options		Least preferred options	
authorities)				
One council (unitary authority)	12	10	4	1

Note: 2 people indicated a preference on the cusp between 2 unitary authorities and 1 unitary authority. This was on the basis that more information was needed on how these options would be structured. These preferences have not been recorded in the numbers above.

In considering the various options, some general comments were made.

- All options require:
 - Good Maori representation
 - Good community representation
 - Local service delivery centres
 - Local decision-making
 - A bottom up approach to planning
- Small local communities (like the Hokianga) need to be better represented and have good mechanisms for local decision-making
- Local knowledge and capability needs to be built

Some comments on the options are set out below. They do not necessarily represent the consensus or majority view of all participants.

5.2.1 One regional council, three district councils (status quo)

This option retains the Northland Regional Council and the current Kaipara District Council, Whāngārei District Council and Far North District Council. It retains the ability to establish community boards.

Likes	Checks and balances between regional and district council Core level of skill at the regional council Retains regional revenue Experience, comfortable and familiar Local autonomy Minimal expense It is working to a degree
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	<p>Holds most potential for strong local decision-making</p> <p>It is known</p> <p>Local staff</p> <p>Accountability</p>
Dislikes	<p>Different priorities</p> <p>Inconsistency of decision-making</p> <p>Does not represent isolated and smaller communities well</p> <p>Lack of accountability between the organisations – hard to get councils to take responsibility – buck passing</p> <p>4 authorities representing a small population</p> <p>Lack of integration in communities</p> <p>Doesn't encourage holistic solutions</p> <p>Parochialism</p> <p>Community boards have no real power</p> <p>Relationship with and lack of Maori representation</p> <p>Conflict between authorities</p> <p>Multiple authorities to deal with 1 issue</p> <p>Regional approach not quite delivering (transport)</p> <p>Duplication</p> <p>Current community boards</p> <p>NRC is Whangarei focussed</p>
Preferred local representation	<p>Some prefer local boards</p>
Other comments	<p>The status quo must be enhanced</p> <p>Better leadership is required</p> <p>Stronger regional planning is needed</p> <p>Stronger coordination and shared functions</p> <p>Good local representation is needed</p>

5.2.2 One regional council, two district councils

This option retains the Northland Regional Council. It amalgamates the current Kaipara District Council, Whāngārei District Council and Far North District into two district councils. It retains the ability of the district councils to establish community boards.

Likes	Keeps the checks and balances in place A little bit more efficient
Dislikes	3 authorities representing a small population No better or worse so what does it achieve Cutting up what's there Limited cost savings Doesn't solve problems Too big Duplication
Preferred local representation	Some prefer local boards
Other comments	Nil

5.2.3 One regional council, one district council

This option retains a regional council and amalgamates the current three district councils into one district council. It retains the ability of the district council to establish community boards.

Likes	Checks and balances Could be more streamlined and result in some cost savings
Dislikes	2 authorities representing a small population Fairly difficult to separate the two, particularly if they are located together Loss of local knowledge Bias towards greater populated areas Stupid Duplication
Preferred local representation	Some prefer local boards
Other comments	Nil

5.2.4 Three councils (unitary authorities)

This option establishes three unitary authorities for Northland. Each has the powers and functions of a regional and district/city council. This option has:

- One unitary authority for the Far North

- One unitary authority for the Whāngārei area
- One unitary authority for Kaipara

Likes	Removes 1 level of governance Retains the “local” Expert staff
Dislikes	Too much duplication Doesn’t make sense Not financially viable Loss of local jobs
Preferred local representation	See general comments above
Other comments	Nil

5.2.5 Two councils (unitary authorities)

This option establishes two unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.

Likes	Assets Potential to separate urban and rural Cost savings Local representation FNDC plan for Maori representation Far north autonomy More control over destiny
Dislikes	Question the rating base available Would require boundary adjustments Duplication Loss of local
Preferred local representation	Cross between local boards and community councils – they need local regulatory powers (eg bylaw powers)
Other comments	Could ring fence and target rate for historic debt

5.2.6 One council (unitary authority)

This option establishes one unitary authority for Northland, which has the powers and functions of a regional and district/city council.

<p>Likes</p>	<p>Efficient and potential for cost savings (eg HR, IT)</p> <p>Stronger planning</p> <p>If it has effective community councils, then get corporate service and local decisions</p> <p>Takes away layers and organisational costs</p> <p>One voice for Northland</p> <p>Strength of unity</p> <p>Northland-wide view</p> <p>Logical if looking at amalgamation</p> <p>Can work with other regional entities (eg DOC)</p> <p>Catchment basis</p> <p>Equity across the region (recognises that people from across the region may benefit from infrastructure and services)</p> <p>Broadens the number of people to choose leaders from</p> <p>Rural voice could be heard</p> <p>Expertise</p> <p>Location wouldn't be important if local matters are decided locally</p>
<p>Dislikes</p>	<p>Small communities could be isolated</p> <p>Whangarei-centric (but dependent on representation)</p> <p>Cost versus population</p> <p>No checks and balances from having a separate regional council</p> <p>Threat to local decision-making</p> <p>Loss of local</p> <p>Access to council and representation may be reduced</p> <p>Needs good local representation</p>
<p>Preferred local representation</p>	<p>Needs empowered local representation with a strong local voice</p> <p>Local boards</p>

	Some consider it needs a cross between local boards and community councils – they need local regulatory powers (eg bylaw powers)
Other comments	Move from Whangarei – needs to be in Kaikohe Need to deal with the Kaipara debt Could ring fence and target rate for historic debt Need robust local delivery

5.3 Effective Maori representation

Participants were asked for their comments on options to ensure effective Maori representation in Northland's local government. Key comments were as follows.

- Need to do more than just tokenism
- Needs to be a greater emphasis in involving Maori in the decision making. Having good will in the process is also important.
- Over a billion dollars of settlement money will come to northland over the next 10 years.
- What do Maori want? Maori should be allowed to decide how they want to be involved and represented
- Treaty settlement entities must be accommodated

Comments on specific options were as follows:

Advisory groups

- Advisory committee is nothing more than a taken gesture
- No power

Maori wards

- Some felt there should be Maori seats
- Current Local Electoral Act process is not guaranteed and disadvantages Maori from a representation perspective

6.0 Dargaville meetings

One workshop and one public meeting were held in Dargaville on 27 March 2013.

- 16 people attended the public community workshop
- 17 people attended the public meeting

6.1 What local government in Northland currently does and does not do well

The comments and observations from this are set out below. These comments do not necessarily represent the consensus of majority view of all participants.

What local government in Northland currently does well	What local government in Northland currently does not do well
Town and rural rubbish collection	Loss of identity – sustainability, lost jobs, clubs and local contracts, attrition rate
Happy with KDC staff	Debt and financial management and the long term and multiplier effect. Financial issues and rating base are a long term problem.
Efforts to improve facilities	Too many players in the management of the Kaipara Harbour
NRC watchdog function	Centralisation – moving away from the district, lack of autonomy
KDC worked well with Treaty partners and Rodney on catchment management	Governance skill set because of the low population – there is limited capacity
KDC biodiversity fund	Kaipara has no centre – it is disjointed
NRC enviroschools programme	Councils don't work well together for Northland. They don't work well together to talk to central government.
Maintenance of maritime assets	The size of KDC means there are too many consultants, ability to attract good staff, and issues with contracting
Assistance to local coastal communities for coastal stabilisation	Leadership issues – lack of good quality leaders, which is not necessarily linked to size
KDC knows its communities well	WDC overpromises and under-delivers and there is a lack of transparency
NRC's environmental information and programmes and pest control (eg environment fund, enviroschools)	Senior staff don't keep elected members sufficiently informed and have too much power
Roading is done as well as could be expected with the money available (but there are still issues)	Lack of Maori representation at the regional and district level
NRC staff assistance is good	Keep local money local
When joint council/community decision-making and ownership occurs, there are good outcomes (eg Kai Iwi lakes)	Perception that the communication and collaboration between the regional and district council is not good
There is a good example of NRC using the same landscape consultants on a project as the district council to ensure consistency of approach, rather than re-inventing the wheel	NRC does not achieve good representation of the Kaipara voice (only 1 representative at NRC level)

What local government in Northland currently does well	What local government in Northland currently does not do well
NRC appears to be prudent in its financial decision-making	District Plan processes in Kaipara are not good. There is a lack of early consultation. Early conversations are needed.
	There are instances of NRC being slow to respond to customer requests and to follow up
	Kaipara needs to be represented in the LGC process
	KDC is too far removed from communities at the staff level and difficulties talking to the right staff
	Councils consult and then do their own thing
	Councils are not working together well with central government on key economic development issues, especially roading
	Councils don't treat depreciation issues appropriately (eg no cash reserves and asset maintenance and management issues)
	Lack of integrated management between councils

6.2 Local government options

6.2.1 Preferences

Participants were generally more in favour of a unitary authority, provided it has strong local representation through local boards or community councils. The status quo was also a strong preference, provided it was enhanced over the current situation.

The option of 3 and 2 unitary authorities were the least preferred options.

There was a strong desire for enhanced local representation under all options, whether through local boards or community councils. The local representation needs to have real powers and a budget. It also needs to reflect the rural voice. Wards should not all be "urban".

It must be noted that not all participants chose to indicate a preference.

Options	Preferred options		Least preferred options	
	First	Second	First	Second
One regional council, three district councils (status quo)	8	5	6	

	Preferred options		Least preferred options	
One regional council, two district councils	1			1
One regional council, one district council	3	4	1	1
Three councils (unitary authorities)			7	4
Two councils (unitary authorities)			2	7
One council (unitary authority)	10	8		1

Some comments on the options are set out below. They do not necessarily represent the consensus or majority view of all participants.

6.2.2 One regional council, three district councils (status quo)

This option retains the Northland Regional Council and the current Kaipara District Council, Whāngārei District Council and Far North District Council. It retains the ability to establish community boards.

Likes	<ul style="list-style-type: none"> Environmental watchdog role of regional council Know how it works They are specialised entities Like local representation Local economic support and Northland Inc
Dislikes	<ul style="list-style-type: none"> A lot of debt in Kaipara for a small district to bear Nothing being done to advance industry or job creation in the area Lack of economic development Affordability – ratepayer base is too small Duplication Nothing retains Kaipara identity Issues covered in session 1 Not cost-effective Lack of governance

	<p>Has not met expectations</p> <p>Prone to poor governance</p> <p>How current resources are being utilised</p>
Preferred local representation	<p>Strong local boards with a lot more power, democratically elected members who are much closer to the people</p> <p>Some support for community councils with their own budget (special legislation)</p>
Other comments	<p>Enhancements are needed to the status quo</p> <p>Population capacity limits governance expertise</p> <p>Would like to see these run better with a central pool of expertise</p> <p>We can get out of our debt</p>

6.2.3 One regional council, two district councils

This option retains the Northland Regional Council. It amalgamates the current Kaipara District Council, Whāngārei District Council and Far North District into two district councils. It retains the ability of the district councils to establish community boards.

Likes	<p>Environmental watchdog role</p> <p>Savings to be made</p>
Dislikes	<p>Does not address economic growth or job creation</p> <p>Loss of Kaipara identity</p>
Preferred local representation	<p>Strong local boards with a lot more power, democratically elected members who are much closer to the people</p> <p>Some support for community councils with their own budget (special legislation)</p>
Other comments	<p>Nil</p>

6.2.4 One regional council, one district council

This option retains a regional council and amalgamates the current three district councils into one district council. It retains the ability of the district council to establish community boards.

Likes	Environmental watchdog role Benefits to the management of the Kaipara Harbour No duplication – everything is done once Give Northland a unified voice Clear responsibilities Suits socio economic characteristics of Northland Simplified planning
Dislikes	Does not address economic growth or job creation Possibility of Kaipara area being dominated by Whangarei area
Preferred local representation	Strong local boards with a lot more power, democratically elected members who are much closer to the people Some support for community councils with their own budget (special legislation)
Other comments	Nil

6.2.5 Three councils (unitary authorities)

This option establishes three unitary authorities for Northland. Each has the powers and functions of a regional and district/city council. This option has:

- One unitary authority for the Far North
- One unitary authority for the Whāngārei area
- One unitary authority for Kaipara

Likes	Nothing
Dislikes	Not viable Waste of time Opposed to splitting regional council assets Unwieldy Population too small Not necessarily giving economies of scale No council can get across all issues
Preferred local representation	
Other comments	Nil

6.2.6 Two councils (unitary authorities)

This option establishes two unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.

Likes	No comments
Dislikes	<p>Where is Dargaville in the split?</p> <p>Boundary issues</p> <p>Who will look to promote industry here</p> <p>Whangarei is too different to Kaipara</p> <p>Opposed to splitting regional council assets</p> <p>Splits governance and dilutes power</p> <p>Conflict (headbutting) between organisations will continue</p> <p>“A plague on both their houses”</p> <p>Kaipara would be sidelined and Kaipara voice would be lost against Whangarei</p> <p>Unwieldy</p> <p>Not convinced you would get efficiencies through economies of scale</p> <p>No councillor can know all of the functions</p>
Preferred local representation	<p>Strong local boards with a lot more power, democratically elected members who are much closer to the people</p> <p>Some support for community councils with their own budget (special legislation)</p>
Other comments	Nil

6.2.7 One council (unitary authority)

This option establishes one unitary authority for Northland, which has the powers and functions of a regional and district/city council.

Likes	<p>Efficiencies of scale</p> <p>Can recruit better people (eg management skills)</p>
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	<p>1 plan/ 1 stop shop</p> <p>Consistent rules and policies</p> <p>One voice for Northland (to central government)</p> <p>One set of administrators</p>
Dislikes	<p>Where is Dargaville in the big picture</p> <p>Who will focus on growing Dargaville</p> <p>Poor representation currently – won't it get worse?</p> <p>Lack of watchdog function of regional council</p> <p>Could be seen as an attack on RMA by developers</p> <p>Possibly less loss of the Kaipara voice than 2 unitary authorities but still has representation issues</p> <p>No councillor can have full knowledge over all functions</p>
Preferred local representation	<p>Strong local boards with a lot more power, democratically elected members who are much closer to the people</p> <p>Some support for community councils with their own budget (special legislation)</p>
Other comments	<p>Some like/support the representation review constituencies</p> <p>The devil is in the detail</p>

6.3 Effective Maori representation

Participants were asked for their comments on options to ensure effective Maori representation in Northland's local government. Key comments were as follows.

- Maori should be guaranteed representation but it should be up to Maori to determine how that is provided for
- Everyone has the right to stand for council and to vote. Good people should be elected. As a result some do not support separatism or symbolism through separate Maori wards.
- If all Maori voted they could influence the general vote. This is an education issue to support Maori to have their voices heard through the general electorate.
- People should be voted for, not appointed.

Comments on specific options were as follows:

Advisory groups

- Cheapest option

Maori wards

- Maori wards are working well in the Bay of Plenty

Options for local government in Northland



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1 Introduction

Many parts of New Zealand are reviewing their local government structures to ensure they provide effective representation and efficient services to ratepayers.

Major reform has occurred in Auckland with the establishment of the Auckland Council to represent Aucklanders from Wellsford in the north to Pukekohe in the south. Other regions, such as Wellington, Hawkes Bay, and Waikato are reviewing their local government structures to determine what the best model of local government is for their areas.

The issue of how to best structure local government in Northland has been raised a number of times over the years. More recently, the Far North District Council has applied to the Local Government Commission to have a single layer of local government in Far North (i.e. a unitary authority) with three community boards. This application is currently being considered by the commission.

Any local government change must be based on principles of good governance and be designed to meet the specific needs and requirements of Northland and its diverse communities. Discussed below are the principles for good governance, the Northland context, and the various local government options available.

While a range of options are explored, at this stage some of these options are not permitted under current legislation and would require central government to amend the relevant legislation.

2 What is local government?

Local government is a form of public administration that exists to make decisions on behalf of communities – delivering services, infrastructure and local regulation.

It is a “creature of statute” that acts within powers delegated to it by legislation made by central government.

2.1 Principles of good governance

There are a number of principles of good governance that must underpin any local government structures. Local government must:

- be **prudent** and **financially sustainable** – it must be efficient, cost-effective, affordable and equitable to its ratepayers and residents.
- be **representative** of its local communities and reflect the diversity of the community.
- encourage **participation** from elections through to the setting of policies, plans and service levels.
- be **transparent and accountable** to its communities – we need to know where we are going, why, and how we will get there, and report clearly on what has been achieved with ratepayer money.
- meet the **current and future needs** of communities.
- be **flexible** and capable of adapting to local and changing circumstances and needs.

2.2 Purpose of local government

The purpose of local government centres on local decision making and cost-effective delivery of services and functions. This purpose is set out in section 10 of the Local Government Act:

- (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.

- (2) *In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—*

- (a) *efficient; and*
- (b) *effective; and*
- (c) *appropriate to present and anticipated future circumstances.*

2.3 Local government structures and responsibilities

Local government structure has multiple levels, which are intended to:

- Provide good planning and oversight for **regional issues** by the regional council, particularly in terms of environmental management;
- Ensure **local services** are planned for and delivered at the local level by the district/city council; and
- Provide a **community voice** and representation through the local community board.

Most regions in New Zealand, like Northland, have separate regional and district/city councils. In some cases though, the functions of the regional and district/city councils can be combined. The region is then governed by a 'unitary authority', which has the combined powers of a regional and a district/city council.

Regional council role

Regional councils were established in 1989 to focus on the management of resources, such as air and freshwater (quantity and quality), coastal water, managing rivers, soil erosion, and providing flood control, and coastal protection.

A regional council is responsible for regional environmental planning through the development of a Regional Policy Statement (which focuses on the significant regional resource management issues) and Regional Plans.

It also undertakes regional 'state of the environment' monitoring, and monitoring compliance with resource consents and plans. It has specific responsibilities for pest management, transport planning and funding (including public transport services), regional emergency management and civil defence preparedness, and harbour navigation and safety, oil spills and other marine pollution.

Some regional councils, including Northland Regional Council, also choose to promote regional economic and infrastructure development, such as the Marsden Rail Link, the Northland Events Centre, and flood protection works.

District/city council role

District councils are responsible for delivery of a wide range of local services and infrastructure, including local roads and their maintenance, public water supply, stormwater systems, sewerage and refuse collection, libraries, parks, recreation services, and community development activities.

A district council is responsible for environmental safety and health, public health inspections, building control, noise control and managing and regulating local land use through its District Plan, monitoring and enforcement.

District councils (such as Far North District Council and Whāngārei District Council) also choose to undertake economic development activities.

Committees

Both regional and district councils set up committees for specific purposes. All of Northland's councils have, for example, a committee overseeing audit and finance activities.

It is also usual for councils to have planning and environmental committees. Councils can also establish joint committees. All councils in Northland have representatives on the Regional Transport Committee and the Civil Defence Emergency Management Group.

Community boards

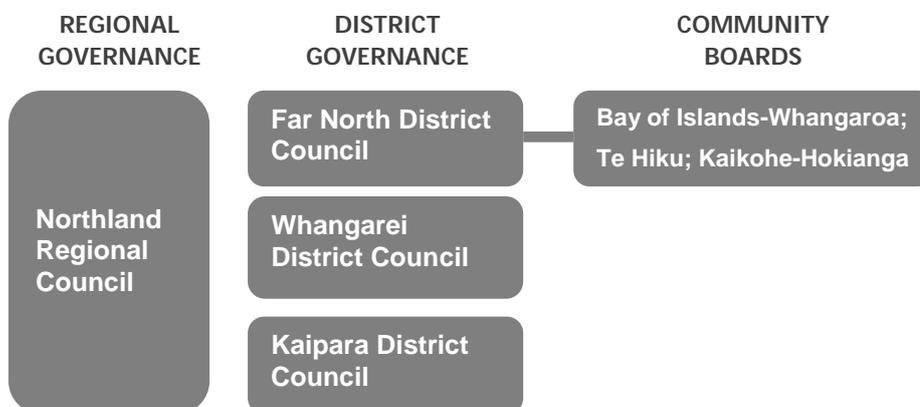
A district council can choose to establish community boards to represent local communities. They represent and act as an advocate for their local area, make decisions on matters delegated to them by the district council, and maintain an overview of the services provided by the council within the community.

There is a formal statutory process to establish and disestablish community boards. Currently only the Far North District Council has established community boards.

Ward councillors can be appointed to community boards – the Far North District Council currently does this.

2.4 About local government in Northland

The current structure of local government in Northland is shown below.



Each council has established a number of committees that are delegated responsibility to oversee the council's performance in respect of specific functions.

The degree of responsibility each committee has ranges from full-decision-making powers to simply making recommendations to the council.

Commissioners have been appointed by the Minister of Local Government to carry out the

functions of Kaipara District Council until October 2015. One of the key tasks of the commissioners is to resolve current financial issues in the Kaipara District. Another is to consider options for structural changes in local government in Northland, including options for reorganisation and amalgamation.

Schedule 1 contains financial information on each of the existing council.

3 About Northland

For any local government structure to be successful, it must meet the needs and be representative of the communities within it. The following is an overview of our region.

3.1 Our people

- Northland is home to just over 158,000 people, which is 3.6% of New Zealand's population. We live on a land area of 12,450 square kilometres. This means a relatively small population is spread over a large area.
- With a high proportion of people living in rural areas (49%, compared with the national average of 14%), Northland is the most rural of New Zealand's regions. We are becoming more rural – over the last ten years we have had higher growth rates in rural areas than urban areas. We also have significant differences at the district level. For example, just over 75% of the Kaipara district population is rural.
- Of the 51% of people living in urban areas, the majority (65%) are located in Whāngārei, with 25% located in Kaitiāia, Kerikeri, Kaikohe and Dargaville, and the remaining 10% in Kawakawa, Moerewa, Paihia, Russell and Taipā Bay-Mangōnui.
- At least one-third of our population in Northland is Māori. This ranges from about 45% of the population of the Far North District, to about 25% in the Whāngārei District, and about 22% in the Kaipara District.
- Northland has a relatively low proportion of working age people. About 61% of Northland's population is aged 15-64, compared with 66% nationally. Within the working age population, Northland has the lowest proportion of people aged 15-39 years. This reflects the fact that many young people move out of the region once they have finished secondary school for tertiary education and training. While all three districts currently have similar proportions of working age people, the working age population is projected to represent just 51% of Kaipara's population by 2031 compared to 53% in the Far North and 55% in Whāngārei.

3.2 Our communities

- Northland has many distinct communities within it. Communities are areas where we feel a sense of belonging and to which we look for social, service and economic support. It is where our family and friends are, where we look for community, education, health and recreational facilities and services, and generally where we work.
- Local government in Northland needs to be structured so that it reflects and represents these distinct communities.

3.3 Our economy

- Northland has the highest proportion of low-income households in New Zealand (at 37% of households in December 2011, compared to the New Zealand average of 27%).
- Northland's economy, when measured in Gross Domestic Product (GDP), was valued at just over \$4.7 billion in December 2011, equivalent to 2.3% of New Zealand's GDP.
- Northland has the second lowest GDP per capita among the 16 regions and our economic activity is not uniform across our region, predominantly centering on Whāngārei (which produces 60% of Northland's GDP).
- Our economy is structured differently to that of the national economy. Primary industries – agriculture, fishing, forestry and logging, and mining – account for 13% of Northland's GDP compared with only 6.5% nationally. Service industries account for just 47% of Northland's GDP (compared with 58% nationally).
- Northland's economy is connected and interdependent, particularly around employment location and proximity of primary production to infrastructure.
- Northland's economy grew by 4.2% in the year to March 2012– higher than the national growth rate of 2.3%. The strong performance of the dairy and forestry industries contributed significantly to Northland's higher rate of growth. This contrasts markedly with the previous four years during which the Northland economy shrank by 0.1% per year. In addition to the impact of the global financial crisis, Northland's economic performance in recent years has been constrained by climatic events such as a major flood in 2007 and a drought in 2010.
- While economic activity has improved, the number of people employed in Northland continues to fall. Since 2007 it has fallen by 1,700, with major job losses occurring in the manufacturing, construction and services to consumers (retail, accommodation and food) sectors. This compares with the period between 2002 and 2007 when 8,500 new jobs were created.
- Northland's unemployment rate is the highest among the 12 regions for which unemployment rates are calculated (at 9.5% in December 2012 compared to the New Zealand average of 6.9%).

3.4 Our infrastructure and services

- Northland's terrain and geology make infrastructure provision a challenge.
- The region is experiencing more extremes, from droughts to flood events. Droughts limit our access to water for rural production activities but also put significant pressure on our domestic water supply infrastructure. Floods have the potential for loss of human life, damage to property, destruction of crops, loss of livestock and damage to essential infrastructure such as communication links, power generation and supply, roads and bridges. This can significantly affect individuals, communities, and businesses and brings with it economic, social, community and health effects.
- The region's geology impacts on roading costs. Underlying soil types such as Onerahi Chaos significantly add to the initial construction costs and also often require more maintenance and repair than other regions. Combined with a vast network of unsealed local roads servicing a wide spread forestry industry (and other rural productive industries), there is a significant challenge in providing fit-for-purpose infrastructure.

4 Options for local government in Northland

The organisation of local government involves elements of service delivery, local representation of communities (including geographic and demographic interests), and structure. All of these elements can be arranged in different ways, leading to a number of options.

This section provides information about key options that have been raised in recent times. It describes some points to consider in evaluating whether they might be appropriate here, and identifies which options are achievable within current legislation, and which would require either changes to existing law or special legislation.

Assessing the options – Local Government Commission requirements

The Local Government Commission is required to assess community support for local government reform and the community's preferred option for change (if any). In addition, it must also be satisfied that the preferred option:

(a) will best promote, in the affected area, the purpose of local government as specified in section 10; and

(b) will facilitate, in the affected area, improved economic performance, which may (without limitation) include—

(i) efficiencies and cost savings; and

(ii) productivity improvements, both within the local authorities and for the businesses and households that interact with those local authorities; and

(iii) simplified planning processes within and across the affected area through, for example, the integration of statutory plans or a reduction in the number of plans to be prepared or approved by a local authority.

4.1 Options for cost-effective service delivery

There are a number of ways that the councils within Northland can achieve cost-savings by using methods such as shared services and collaboration on service delivery.

These options are available to the existing councils and any new local government structures set up in Northland.

With any option aimed at providing more cost-effective and efficient service delivery, it is important to ensure that levels of service are not reduced when delivering that service at a lower cost.

Shared back-office functions

Examples include IT, financial services, call centres, and human resources.

Inter-regional and national collaboration

Examples include procurement, planning and infrastructure development.

Joint contracting for service delivery

Joint contracting for service delivery. This could include, for example, jointly procuring software and information management systems, vehicle supply and maintenance, operation of swimming pools, library purchases, infrastructure and building maintenance, and legal services.

Some collaboration for service delivery is currently occurring. Northland Regional Council is collaborating with other regional councils on developing specific software for core regulatory functions. The Kaipara and Whāngārei District Councils are collaborating with the Northland Regional Council to share services for Civil Defence Emergency Management.

Joint committees to oversee common activities

Examples include planning, economic development, infrastructure management, and Māori engagement.

Joint delivery entities

Examples include a combined business unit or council-controlled organisation, to deliver services for councils.

Joint approaches to infrastructure delivery

This would ensure an integrated approach to timing and cost-effective contracting.

This can be particularly effective on major network infrastructure (such as roads) where larger joint projects can provide coordinated delivery of infrastructure to an agreed standard and at a lower cost. It can be particularly beneficial to communities that may struggle to fund that same standard of service if the infrastructure was separately contracted and delivered.

4.2 Options for local representation

One of the principles of local government is that it should be representative and reflective of local communities and enhance, empower and facilitate each community's sense of responsibility for its own wellbeing.

Larger local government organisations can become removed from their local communities and the aspirations of the people who live within them. Therefore, all local government options need good community representation to ensure communities across Northland have a voice and can participate in decision-making. There are a number of options to achieve this, and this section provides information about what these are.

Please note that informal structures, community boards and ward committees are options that can be introduced under current legislation. Local boards and community councils, however, are not presently available and would require either a change to current law or special legislation.

4.2.1 Informal structures

Communities influence council decisions through a number of informal structures. These include for example, Residents and Ratepayers Associations which represent local areas and work with their ward councillors on local issues. Other options include advisory committees.

This informal representation provides the community with a voice and a degree of influence over council decision-making.

It does not, however, have any formal status and has no decision-making power.

4.2.2 Community boards

A council can choose to establish community boards. These are formally established under the Local Government Act and members are elected from the communities they represent at each local government election. This gives the community board a formal mandate to speak on behalf of its community. Community boards also run under formal meeting processes, which require publication of reports and public meetings. This provides transparency and accountability to ratepayers.

Community boards gain their powers from the council. The council decides how much decision-making power it will delegate to community boards (and can also remove this power at will). These boards also have the power to make recommendations to council and therefore have a degree of influence over council decisions.

Community boards provide a useful local voice and perspective and encourage community participation in local government activities. However, they can also be costly to run, do not have any fixed decision-making powers, and councils can disestablish community boards as part of a representation review process.

4.2.3 Ward committees

Any council can choose to establish ward committees. These are made up of ward councillors and can also include non-elected community representatives. These people are appointed by the council rather than elected by the community.

These committees are formal committees of the council and are required to run under formal meeting processes, which require publication of reports and public meetings. This provides transparency.

Ward communities gain their powers from the council. The council determines how much decision-making power it will delegate. Ward committees that have been established in other parts of New Zealand often have little decision-making power. They do though, have the power to make recommendations to the council and therefore have a degree of influence over council decisions.

Like community boards, ward committees can provide a useful local voice and perspective, although they can also be costly to run and are potentially less enduring as they can be disestablished by the governing council at any time.

4.2.4 Local boards

Local boards have been established in Auckland to provide community representation and make decisions on local issues. Auckland Council has two largely autonomous but complementary decision-making arms:

- **The governing body**, made up of a mayor elected at large and 20 ward councillors. The governing body focuses on the big picture and on region-wide strategic decisions.
- **21 local boards**, made up of between five and nine members. Local boards represent their local communities and make decisions on local issues, activities and facilities.

In their various roles, local boards:

- make governance decisions on local activities, issues and services (like local libraries, parks, community facilities and events).
- adopt a strategic planning document every three years in consultation with their communities (called a local board plan).
- agree with the governing body annual local board agreements which set out their budget and activities for the financial year.
- provide input into regional strategies, policies and plans (which are adopted by the governing body).
- propose bylaws for the local area.
- engage with and advocate on behalf of their communities.

Local boards are provided with significant decision-making roles by legislation and have a budget, which they have responsibility and accountability for. They are supported by the council organisation, including staff and resourcing to support their role. These boards have a higher cost associated with them than the committee or community board options, but less than community councils as described below.

Local boards provide community representation and decision-making on local activities at the local level. However, the governing body has the responsibility for determining the decision-making roles of the local boards, in accordance with criteria set out in the legislation, and has the responsibility for the annual plan, which sets annual budgets. As a result, tension and uncertainties can arise over the boundaries between local and regional decision-making and the budget allocated to local boards.

This option is not available to Northland under current legislation. Some minor changes will be required to the Local Government Act to allow for local boards in Northland. If these changes occur, then the local board model could be applied. Under this model, local boards could not be disestablished by the council and some of their powers could be enshrined in law (i.e. unlike delegations to community boards, which can be amended by the parent council at will).

4.2.5 Community councils

Community councils are similar in many ways to local boards. They would be elected by and represent local communities and have responsibility for local activities.

A regional authority undertakes region-wide planning and delivery of region-wide infrastructure and services, such as major roading projects and water and wastewater infrastructure. All other activities would be the responsibility of the community council.

Under this option, most local government functions would be performed by the community councils. Unlike Auckland, this would include regulatory functions like building consents, many resource consent matters, and operational policies for local matters like dog control, brothels and liquor licensing. They could also have responsibility for some decision-making for infrastructure within roads (such as trees, street furniture and lighting).

The cost of administering and supporting community councils is likely to be higher than the other options given the higher level of decision-making they would perform.

This option is not presently available to Northland under current legislation. It would require special legislation for Northland. It does though, allow for the establishment of local governance structures that are tailored to the needs and specific requirements of the Northland region and its communities.

Under this model, community councils cannot be disestablished by the regional authority.

4.3 Options for effective Māori representation

Māori represent 32% of Northland's population. Effective Māori representation is a key consideration for any local government structural reform.

Options available range from informal arrangements through to formal structures set up under legislation. Some of these options are not currently available and would require central government to pass special legislation.

4.3.1 Advisory groups

A common mechanism used by councils is to establish a Māori advisory group or forum to provide advice and recommendations to council. These groups have no formal decision-making role.

4.3.2 Appointed members to council committees

Current legislation allows councils to appoint members to council committees.

This could include appointing iwi representatives to council committees. This could be through a specific Māori committee to advise on issues relevant to Māori or through membership on an existing council committee (such as a planning committee) to bring a Māori perspective to the work of that committee.

The council can provide these committees with some decision-making authority. These committees must have a minimum number of elected councillors.

4.3.3 Māori wards – current legislation

The Local Electoral Act sets out an optional process for establishing Māori wards.

This process does not, though, guarantee Māori representation on council. For example, a council decision to establish Māori wards can be overturned as a result of a poll.

As well, the number of Māori seats is determined by the percentage of all eligible voters who are registered on the Māori electoral roll. This means that Māori would be entitled to less seats per head of population than the general population.

The Far North District Council application to become a unitary authority includes provision for a dedicated Māori representation from each of the proposed three wards. However, the Local Government Commission is not able to provide for Māori wards and constituencies unless they are already provided for in the district or region concerned. Rather, the process set out in the Local Electoral Act would need to be implemented for this to occur.

4.3.4 Māori wards – special legislation

Another option is to guarantee separate Māori wards through special legislation.

Bay of Plenty Regional Council has separate Māori wards established under its own empowering legislation. Only voters on the Māori roll can vote for a Māori member in their constituency. They cannot vote for a general councillor instead of or as well as a Māori member. This same restriction applies to optional Māori seats under the Local Electoral Act.

This option would require central government support to pass special legislation.

4.3.5 Other options requiring special legislation

Further options for effective Māori representation include the following.

- **Special legislation to guarantee Māori seats on council** with a set number of members appointed by mana whenua of the Northland region. Other members would be elected from the Māori roll. This option was recommended by the Royal Commission that considered Auckland's governance reforms and reflects the special status of mana whenua. In that case it was not accepted by central government – which stated that the council could establish the positions itself if there was community support. After lobbying from Māori, government agreed to establish a nine-member Statutory Māori Advisory Board.
- **Establishment of a Statutory Māori Board** to advise any new Northland regional authority on issues relevant to iwi and monitor compliance against the requirements of the Treaty of Waitangi. This Board would also have the right to appoint members to key committees of the Northland regional authority. This is the current structure in Auckland.

These options are not available to Northland under current legislation. The options would require special legislation and as such, central government support. Other options more immediately available include the transfer of powers or co-governance arrangements.

4.4 Options for local government structure

A number of possible options for the structure of local government in Northland are set out on the following pages.

These represent the primary options for local government structures (such as retaining the existing council structure, amalgamating some councils, or establishing one combined regional and district council).

Factors to consider

When considering any local government structure, a number of factors are important. These include:

- How well the structure delivers on the principles of **good governance** (as discussed above). This includes consideration of how representative the organisations will be of local communities.
- The short-term **cost** of changing structures against any longer term benefits, including cost-savings that may result from amalgamating organisations.
- The **organisational implications** of any change, including the impact on services, the interface with the public, governance support, and the consequences for staff.
- How existing **debt and assets** will be transitioned to any new local government organisations, as well as the implications for rating- see below for examples.
- The implications for the **provision of services** such as regional and district environmental and land use planning, resource consenting, infrastructure provision, maintenance, and provision of activities and services at the regional and local level.

Example considerations around debt:

- Debt is a sensitive subject. The majority of debt is usually associated with investment in infrastructure. Irrespective of what structure is chosen for local government, there are a variety of options for managing funding

requirements and old debt. For example, debt could be "ring-fenced", to be repaid via a targeted rate on the communities that currently benefit from the work / infrastructure, or such a rate could be applied within district boundaries; . Alternatively, the new council(s) could be directed to review the debt and decide whether it should be repaid regionally or locally. This could be based on equity, affordability, area of benefit, generational benefit, public good and efficiency arguments; or reviewing investments and or paying down debt from investments.

- Councils hold a range of assets, including investments. Some are strategic and/or come with specific limitations about how they are managed. Assets will require careful attention in any reorganisation process. For example, the Regional Council owns the majority shareholding in Northland Port Corporation Limited. Splitting the Regional Council shareholding in Northland Port Corporation Limited has been seen as way to spread the return on investment and a potential way to pay down debt. However splitting the shareholding also carries risk. Non-majority ownership by council(s) is likely to lead to loss of majority control, which would have a negative effect on the value of the holding (which could affect the return Northland currently gets from this investment), open up the potential for a call for equity capital from the shareholders (i.e. money from the councils that have the shares) and could trigger takeover provisions. Other assets and investments will be more easily dealt with.

4.4.1 Status quo

This option retains the Northland Regional Council and the current Kaipara District Council, Whāngārei District Council and Far North District Council. It retains the ability to establish community boards.

This option is familiar to the community. Ward councillors provide the local and community perspective on their respective councils. People generally understand the current representation arrangements. The existing structure has also developed councils' familiarity with the needs of communities, including the services and infrastructure that is required.

There are, however, four separate organisations in the status quo. This leads to duplication of resources, including staff. Shared service arrangements can go some way to address this (see section 4.1). As well, there are three separate district plans and a regional plan. Each organisation also has its own resource and building consenting processes.

The existing structure does not encourage Northland to speak with one voice when working with central government agencies. It also does not encourage the councils to work together on the provision of regionally significant infrastructure and services (such as economic development).

4.4.2 One regional council, two district councils

This option retains the Northland Regional Council. It amalgamates the current Kaipara District Council, Whāngārei District Council and Far North District into two district councils. It retains the ability of the district councils to establish community boards.

This option has similar issues as the existing status quo. However, it does rationalise functions and as a result, resources, into three instead of four entities. There will be short-term transition costs but these may be offset by longer-term organisational savings associated with amalgamation.

4.4.3 One regional council, one district council

This option retains a regional council and amalgamates the current three district councils into one district council. It retains the ability of the district council to establish community boards.

This option continues the traditional separation between regional council functions and district council functions – i.e. there would continue to be a regional council focus on environmental and resource management, and territorial authority focus on infrastructure, local service delivery and land use. For some, this provides some certainty about the checks and balances they want in local government.

This option would rationalise the current organisations from four to two entities. Shared services could be introduced for corporate functions like IT, customer service offices, etc. It could allow for broader strategic decision making about service delivery for major infrastructure like water, sewerage, stormwater and roads. However it would still require each council to maintain its own strategic and resource management plans.

Please note that the Local Government Act provides that reorganisation applications may seek the union of districts or the abolition of a district, including the dissolution of the local authority for that district. It is therefore potentially lawful, but New Zealand does not have any examples of, one district council and one regional council for the same geographical area. Instead single councils (unitary councils) exercising both the functions of the district and regional councils are created. More research into the viability of this model is needed.

4.4.4 Three unitary authorities

This option establishes three unitary authorities for Northland:

- One unitary authority for the Far North
- One unitary authority for the Whāngārei area
- One unitary authority for Kaipara.

Each has the powers and functions of a regional and district/city council

This option provides some rationalisation of local government in Northland. It integrates regional and district plan into one combined unitary plan for each area. However, there will still remain three organisations with separate planning rules, and resourcing requirements. Without some form of shared services, there will also still be duplication of resources and specialist roles, such as multiple harbour masters. (See section 4.1 for discussion on options for service delivery.)

As well, Kaipara would probably not be able to sustain district and regional council functions due to its population and rating base. Boundary adjustments would be required to meet the required population thresholds, impacting on the Rodney ward of the Auckland Council. There are some restrictions on timeframes for making changes to the boundaries of Auckland Council and these would need to be factored into a proposal for the three unitary model.

4.4.5 Two unitary authorities

This option establishes two unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.

Most discussion on this option has suggested the re-organisation would see one unitary authority for the Far North and one unitary authority for the remainder of Northland (Whāngārei/Kaipara), based on existing council boundaries. However the actual boundaries need not be based on the existing ones.

This option provides some rationalisation of local government in Northland. It integrates regional and district plans into one combined unitary plan for each area. There will still remain two

organisations with separate planning rules, and resourcing requirements. There will also be duplication of some specialist roles, such as multiple harbourmasters.

There will be short-term transition costs but these may be offset by longer-term organisational savings associated with amalgamation.

This option would require good local representation structures (as discussed in section 4.2) and collaborative approaches to service delivery (as discussed in section 4.1) if it is to operate efficiently and effectively and be representative of local communities.

4.4.6 A single council for Northland – one unitary authority

This option establishes one unitary authority for Northland, with the powers and functions of a regional and district/city council.

This option provides rationalisation of local government in Northland into one entity supported by a localised tier of community boards, local boards or community councils. It integrates regional and district plans into one combined unitary plan and provides a regionally consistent approach to resource consenting. There will also be only one annual plan, long term plan and one system to collect rates. It could also develop one rating system.

There will be short-term transition costs but these may be offset by longer-term organisational savings associated with amalgamation. It provides an integrated approach to planning for and delivery of services, financial planning, and major regional infrastructure provision. It also allows Northland to “speak with one voice” when working with central government agencies.

The geographic size of the council could distance communities from their representatives and make the provision of local services and activities more challenging for one large organisation. Good local representation structures (as discussed in section 4.2) and local service delivery offices would be required if one unitary authority is to operate efficiently and effectively and be representative of local communities.

5 Appendix one – council finances

This appendix is an overview of the financial performance of the four councils in Northland, as summarised in the table on page 21.

5.1 Introduction

The following table shows some of the key financial statistics of the four local government councils in Northland. The metrics are based on those used by the New Zealand Institute of Economic Research (NZIER) in their report to Local Government New Zealand, September 2011, *Is local government fiscally responsible?*¹

To enable comparability, the financial positions of the four Northland local councils are not only compared with each other but also with other similar councils.

There is no agreed system of council classification in New Zealand based on defined parameters.

Often councils are analysed on the basis of their self-identified sector groups related to membership of Local Government New Zealand (LGNZ). These four groupings are regional, metropolitan, provincial and rural. While this scheme places councils in their chosen area of interest, it has the disadvantage of grouping councils of different sizes (and other characteristics) together. Even within a sector group, trends observed in smaller councils tend to be “swamped” by larger councils.

An alternative classification system is used by the Department of Internal Affairs in their report, *Observations on the use of debt by local government in New Zealand*², Local Government

Information Series 2011/01. This system is designed to enable differences between more urbanised and more rural councils to be more easily recognised. It is based on population size, population growth, the percentage of urban population and the relative proximity to a large urban centre.

The alternative classification system has been used in this analysis. Northland Regional Council is compared to other regional councils; the Far North District Council to other rural-provincial councils; the Whāngārei District Council to other large provincial councils; and the Kaipara District Council to other medium rural councils. Information is also supplied on the fiscal position of unitary authorities as this is the form of local government being requested by the Far North District Council.

The table also shows how some of these indicators have changed over time. The year ended June 2003 is used as the base period because since that time local authorities have been operating under the Local Government Act 2002.

¹ <http://nzier.org.nz/sites/nzier.org.nz/files/NZIER006%20Local%20Govt%20report%203V.pdf>

² [www.localcouncils.govt.nz/lqip.nsf/Files/PDF/\\$file/LGIS%20Debt%20Report%202011%20v2.pdf](http://www.localcouncils.govt.nz/lqip.nsf/Files/PDF/$file/LGIS%20Debt%20Report%202011%20v2.pdf)

5.2 Rates revenue

- Among the four Northland councils, the largest percentage increase in rates revenue per person since 2003 has been received by the Northland Regional Council. One reason for this is the decision by the Northland Regional Council to redirect investment income away from subsidising rates and into an Investment and Growth Reserve to promote economic activity and jobs. The level of rates revenue per person charged by the Northland Regional Council remains below the regional council average. Only the Otago and Taranaki regional councils have a lower rate level per person.
- Since 2003, rates revenue per person for the Far North District Council has grown at a slower rate as compared to Whāngārei and Kaipara district councils, and in comparison to the provincial-rural district council average.
- The level of rates revenue per person is highest for the Far North District Council, followed by Kaipara and then Whāngārei district councils. In all three cases, the level of rates is similar to the comparative council grouping average.
- The importance of rates revenue within total operating income for the Northland Regional Council, Far North District Council and Whāngārei District Council is similar to that of like councils. Kaipara District Council is less reliant on rates revenue than other medium rural district councils.
- The combined rates revenue of the four Northland local councils is very similar to that of unitary authorities when measured on a per capita basis, over time and as a share of operating income.

5.3 Operating expenditure

- Kaipara District Council has a higher level of operating expenditure when measured on a per person basis than the Far North or Whāngārei district councils, and in comparison to other medium rural district councils. The operating expenditure of the Kaipara District Council is also higher in relation to the district's GDP than for the Far North or Whāngārei district councils. In general, medium rural (and small rural) district councils operating expenditure represents a larger portion of district GDP than other district council groupings. This may reflect higher per unit costs for providing services to rural communities as opposed to urban communities.
- Operating expenditure of the Far North and Whāngārei district councils is at about the same level on a per capita basis and has grown on average at a similar rate since 2003. While the level of operating expenditure per person for the Far North District Council is lower than other provincial-rural councils, it represents a higher proportion of GDP. Whāngārei District Council's operating expenditure per person is higher than other large provincial councils.
- Operating expenditure of the Northland Regional Council has increased at a faster rate than other regional councils but remains below the regional council average and represents a similar portion of regional GDP.
- As for rates revenue, the combined operating expenditure of the four Northland councils is very similar to that of unitary authorities when measured on a per capita basis and over time. However, operating expenditure does represent a larger share of GDP in Northland. This is because of the lower level of GDP per capita in Northland.

5.4 Capital expenditure

- Capital expenditure is much higher for district/city councils as compared to regional councils because of their responsibilities for roading, water and waste management. By its nature, capital expenditure can be relatively bulky and vary much more from year to year than operating expenditure. Consequently, eight year averages have been used to smooth out any large fluctuations that might have occurred in any one year.
- Over the eight years 2003-2011, Northland's three district councils spent a larger amount per person on capital expenditure than their other comparative council groupings on average.
- On average, all councils in New Zealand spent about 4% of the value of their fixed assets on new capital each year during 2003-2011. The Far North District Council spent a similar amount, while the Whāngārei and Kaipara councils spent slightly more.

5.5 Debt

- Debt levels per person have risen in all three Northland district councils. The increase has been most dramatic for Kaipara, with a 670% increase since 2003. Debt levels in Whāngārei have risen by 231%, faster than the increase for other large provincial councils. The rate of increase in Far North debt levels has been slower compared with Kaipara and Whāngārei, and other provincial-rural councils.
- District council debt levels per person are very similar in the Far North and Whāngārei – at around \$1,900 per person. In both cases, debt levels per capita are over 40% higher than the average for their comparative council groupings. The debt level per person in Kaipara is more than double this level at close to \$4,500 per person, four times higher than the average for medium rural councils.

- Kaipara District Council's debt level represents over four times its annual rate revenue. The debt to rates ratio for the Far North and Whāngārei districts is about twice the annual rates revenue collected.
- The Northland Regional Council has currently no external debt, having paid back the little it owed in 2003.
- The combined debt level of the Northland councils is much higher than that of the combined unitary authorities. It has also grown at a much faster rate since 2003 and represents a much higher ratio compared to rates revenue.

5.6 Interest expenditure

- As a consequence of rising debt levels, the share of operating income used to repay external debt in the form of interest has increased during the period.
- Interest expenditure represents 7-8% of operating income in the Far North and Whāngārei districts, up from 3-4% in 2003. Over 10% of operating income is now being used to pay back debt in Kaipara, up from 2% in 2003.
- All three Northland district councils use a much larger portion of their operating income to pay interest than their comparative council groupings.
- A much larger share of operating income is used to pay interest in Northland than compared to all unitary authorities. However, it is lower than the average for all local authorities. A major reason for this is the relatively high proportion of operating income used to pay interest by the Auckland Council.

5.7 Selected financial statistics of Northland local authorities, year ended June 2011

Variable	Unit	Northland Regional Council	All regional councils ¹	Far North District Council	Provincial-Rural TAs ²	Whāngārei District Council	Large Provincial TAs ³	Kaipara District Council	Medium Rural TAs ⁴	Combined Northland local authorities	Unitary Authorities ⁵	All local authorities
Population	persons	158,200	2,731,900	58,500	232,500	80,500	494,000	19,150	159,450	158,200	187,140	4,405,200
GDP	\$million	4,592	116,923	1,451	9,110	2,691	21,903	450	5,441	4,592	6,952	200,254
Rates revenue	\$million	13	350	61	232	66	399	18	171	159	199	4,357
Rates revenue per person	\$	84	128	1,051	998	822	808	963	1,070	1,008	1,062	989
Increase in real rates revenue per person since 2003	%	185%	46%	26%	38%	69%	26%	40%	32%	50%	50%	29%
Rates revenue as a share of operating income	%	52%	50%	64%	62%	70%	62%	46%	60%	62%	62%	60%
Operating expenditure	\$million	26	657	92	394	120	678	46	296	284	327	7,840
Operating expenditure per person	\$	162	240	1,572	1,696	1,494	1,373	2,425	1,858	1,797	1,748	1,780
Increase in real operating expenditure per person since 2003	%	77%	38%	41%	49%	40%	31%	54%	32%	45%	43%	40%
Operating expenditure as a share of GDP	%	1%	1%	6%	4%	4%	3%	10%	5%	6%	5%	4%
Capital expenditure ⁶	\$million	4	78	59	195	65	314	25	126	153	149	3,397
Capital expenditure per person ⁶	\$	24	30	1,040	857	879	670	1,348	800	1,022	844	837
Capital expenditure as a share of fixed assets ⁶	%	15.8%	3.2%	3.8%	3.4%	5.5%	3.8%	5.8%	2.4%	4.8%	3.1%	3.9%
Debt	\$million	0	154	109	306	148	626	83	172	340	250	7,592
Debt per person	\$	0	58	1,891	1,339	1,909	1,304	4,474	1,093	2,213	1,381	1,796
Increase in real debt per person since 2003	%	-100%	33%	157%	321%	231%	72%	670%	144%	233%	102%	182%
Debt to rates ratio	Ratio	0.0	0.4	1.8	1.3	2.2	1.6	4.5	1.0	2.1	1.3	1.7
Interest expenditure	\$million	0	8	6	18	8	40	4	10	18	14	508
Interest expenditure as a share of operating income	%	0%	1%	7%	5%	8%	6%	10%	4%	7%	4%	12%
Equity	\$million	117	3,713	1,503	6,018	1,375	9,013	421	5,450	3,416	5,334	110,040
Equity per person	\$	760	1,401	26,005	26,348	17,746	18,773	22,635	34,589	22,206	29,461	26,027
Increase in equity per person since 2003	%	79%	63%	70%	61%	75%	71%	60%	63%	69%	105%	79%

1. All regional councils data excludes Auckland Regional Council as this was merged into the new Auckland Council in 2010.
2. Provincial Rural Territorial Authorities are Ashburton District, Far North District, Matamata-Piako District, Southland District, South Taranaki District, Waitaki District and Whakatane District.
3. Large Provincial Territorial Authorities are Hastings District, Invercargill City, Napier City, New Plymouth District, Palmerston North City, Rotorua District and Whāngārei District.
4. Medium Rural Territorial Authorities are Central Hawke's Bay District, Central Otago District, Clutha District, Gore District, Grey District, Hauraki District, Kaipara District, Rangitikei District, Ruapehu District and Taranaki District.
5. Unitary Authorities are Chatham Islands Territory, Gisborne District, Marlborough District, Nelson City and Tasman District.
6. Eight year average for the period 2004-2011.

5.8 Sources

Statistics New Zealand, Local Authority Financial Statistics, Year ended June 2011; Statistics New Zealand, Consumer Price Index; Statistics New Zealand, Estimated Residential Population for Regional Councils and Territorial Authorities; Infometrics Regional Database, accessed 28 February 2013.



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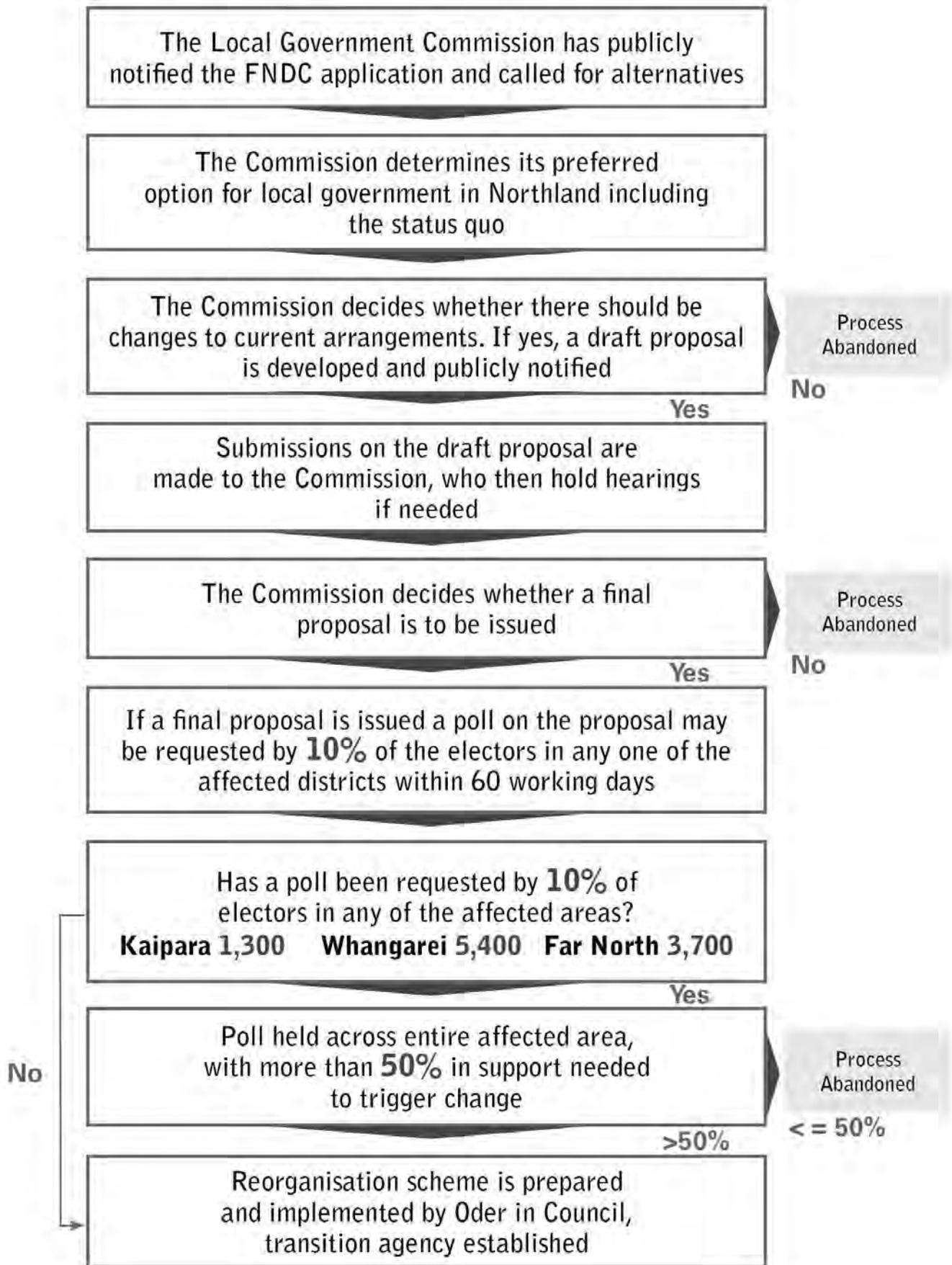
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Local Government Commission Process



Local government – principles and purpose

Principles of good governance

There are a number of principles of good governance that must underpin any local government structures. Local government must:

- be **prudent** and **financially sustainable** – it must be efficient, cost-effective, affordable and equitable to its ratepayers and residents.
- be **representative** of its local communities and reflect the **diversity** of the community.
- encourage **participation** from elections through to the setting of policies, plans and service levels.
- be **transparent and accountable** to its communities – we need to know where we are going, why, and how we will get there, and report clearly on what has been achieved with ratepayer money.
- meet the **current and future needs** of communities.
- be **flexible** and capable of adapting to local and changing circumstances and needs.

Purpose of local government

The purpose of local government centers on local decision making and cost-effective delivery of services and functions. This purpose is set out in section 10 of the Local Government Act:

- (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.*
- (2) *In this Act, good-quality, in relation to local infrastructure, local public services, and performance of regulatory functions, means infrastructure, services, and performance that are—*
 - (a) *efficient; and*
 - (b) *effective; and*
 - (c) *appropriate to present and anticipated future circumstances.*

Re-organisation proposals

The Local Government Commission is required to assess community support for local government reform and the community's preferred option for change (if any). In addition, it must also be satisfied that the preferred option:

- (a) *will best promote, in the affected area, the purpose of local government as specified in section 10; and*
- (b) *will facilitate, in the affected area, improved economic performance, which may (without limitation) include—*
 - (i) *efficiencies and cost savings; and*
 - (ii) *productivity improvements, both within the local authorities and for the businesses and households that interact with those local authorities; and*
 - (iii) *simplified planning processes within and across the affected area through, for example, the integration of statutory plans or a reduction in the number of plans to be prepared or approved by a local authority.*

Local government options

Option		Description
<p>REGIONAL</p> <p>DISTRICT</p> <p>DISTRICT</p> <p>DISTRICT</p>	<p>One regional council, three district councils (status quo)</p>	<p>This option retains the existing councils – Northland Regional Council, Kaipara District Council, Whāngārei District Council and Far North District Council. It retains the ability to establish community boards.</p>
<p>REGIONAL</p> <p>DISTRICT</p> <p>DISTRICT</p>	<p>One regional council, two district councils</p>	<p>This option retains Northland Regional Council. It amalgamates the current three district councils into two district councils. It retains the ability of the district councils to establish community boards.</p>
<p>REGIONAL</p> <p>DISTRICT</p>	<p>One regional council, one district council</p>	<p>This option retains Northland Regional Council and amalgamates the current three district councils into one district council. It retains the ability of the district council to establish community boards.</p>
<p>UNITARY</p> <p>UNITARY</p> <p>UNITARY</p>	<p>Three councils for Northland</p>	<p>This option establishes three unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.</p> <p>This option has:</p> <ul style="list-style-type: none"> • One unitary authority for the Far North • One unitary authority for the Whāngārei district • One unitary authority for Kaipara.
<p>UNITARY</p> <p>UNITARY</p>	<p>Two councils for Northland</p>	<p>This option establishes two unitary authorities for Northland. Each has the powers and functions of a regional and district/city council.</p>
<p>UNITARY</p>	<p>Single council for Northland</p>	<p>This option establishes one unitary authority for Northland, which has the powers and functions of a regional and district/city council.</p>

Note: Each of these options would allow for another tier of governance – e.g. community boards, ward committees etc.

Summary discussion of the issues related to the Local Government Commission establishing Māori constituencies or wards under a reorganisation proposal

1. Māori constituencies or wards are an option to consider in a local authority's representation arrangements. The Commission must consider representation arrangements in general in the reorganisation process.
2. There is no requirement, however, for the Commission, or indeed, a local authority, to provide specifically for Māori constituencies or wards, but a process for establishing Māori constituencies or wards is available under the *Local Electoral Act 2001* (LEA).
3. If the Commission were to provide for Māori constituencies or wards as part of the representation arrangements in a reorganisation, it is, like a council authority, required to comply with the relevant provisions of the LEA (as per clause 18(c) of Schedule 3 of the *Local Government Act 2002* (LGA)).
4. The LEA prescribes a particular regime for establishing Māori constituencies or wards, involving a preliminary decision by a council, or indeed the Commission, to have Māori constituencies or wards introduced. Once a preliminary decision has been made, the community, through a petition of 5% of electors in a district or region, can then demand a poll on the decision, or the local authority concerned may call a poll without need for a petition. Provided that a poll does not reverse the preliminary decision, the final decision on wards and constituencies will then become part of the general requirement to determine representation arrangements as a whole.
5. In practice however, it would be difficult and impracticable for the Commission to comply with the LEA requirements within the constraints of the reorganisation process under the LGA.
6. Although the Commission could, in theory provide for Maori constituencies or wards in a reorganisation scheme in an Order in Council under section 25(4) of the LGA. It would be difficult for the Commission to provide for the preliminary decision and poll within the earlier stages of the reorganisation process.
7. There is no obvious point in the reorganisation process where the Commission could make the preliminary decision to have Māori wards or constituencies. The most likely possibility would be as part of the final proposal, but doing so at this stage would almost certainly interfere with or delay the timing of the remainder of the reorganisation process, so as to allow for a poll to be held and to meet the very stringent timeframes set out in the LEA.
8. Even if it were possible to provide for the preliminary decision and hold the LEA poll within the reorganisation process, combining the LEA and LGA processes in such a way is likely to prove confusing for members of the public. For instance, presuming a preliminary decision on Māori constituencies or wards was included in a final proposal, collecting signatures for both the LEA and LGA petitions at the same time could cause some misunderstanding, and interfere with the respective statutory processes.
9. Ultimately, the regimes in the LGA and the LEA are not particularly compatible with regard to Māori constituency wards. Attempting to provide for Māori wards or constituencies as part of a reorganisation process would likely require the

Commission to take some fairly liberal interpretations of some of the relevant LEA provisions, thereby exposing the process to legal challenge and risk.

10. The Commission's ability to modify the LEA requirements is very limited. On the surface, section 25(2)(b) of the LGA does seem to enable an exemption from the LEA, in that as an Order in Council made under section 25(1), with the agreement of the Commission, can suspend any statutory requirement that an affected local authority would otherwise be subject to before a final proposal comes into effect.
11. But, this may only occur if the coming into effect of the final proposal would render the compliance with the other statutory provision unnecessary or inappropriate. This clearly does not apply in the case of Māori constituencies or wards and their establishment.
12. Clause 42(1)(d) of Schedule 3 of the LGA also states that, as part of a reorganisation scheme, the Commission can may modify the effect of any provision of any Act if that is consider appropriate to the matter where that it necessary or desirable.
13. However, this in itself does not necessarily allow the Commission to set aside the stages of a separate decision making process under the LGA. The Commission also has specific obligations under clause 18(c), and more generally in clause 41((2)(b) of Schedule 3, to comply with the LEA. These clear directions to the Commission would override any presumed general authority to make modifications.
14. Our understanding of the advice received and in discussions is therefore that the process for establishing Māori constituencies or wards does not, in practice, fit easily within the reorganisation process under the LGA. It will be difficult and impractical for the Commission to provide for Māori constituency wards as part of the reorganisation process.
15. The inevitable conclusion is that a decision on Māori constituencies or wards is ultimately a decision of any new or changed local authority, to be made following its establishment, when it has time to consult its communities and meet all of the LEA statutory requirements without conflict with other legislation. Such an approach would be less confusing and ensure sufficient time to meet the statutory timetables in the LEA for establishing Māori constituencies or wards.

Assessment of Significance - Compliance with Decision-Making Procedures (Local Government Act, Section 79)

Council response to the LGC's call for an alternative reorganisation proposal

This issue has been assessed against, and triggered, the council's significance policy because a decision on this issue will potentially be controversial.

Assessment Factors	High\Medium\Low	Comments
The number of persons\communities likely to be particularly affected by or interested in this issue.	Medium	Northland as a whole is likely to be affected by this issue. The original application by Far North and the decision by the Commission that the Far Northland Application affected all of Northland were the determinative decisions. The council's decision to lodge an alternative application does not of itself affect people to any greater degree. It adds information into a wider process that was triggered by an application by the Far North and is overseen by the Local Government Commission. Community engagement has occurred and there is demonstrable support for the alternative application being proposed.
The extent to which these people\communities are likely to be particularly affected by, or interested in this issue	Medium	As above, however, the council's decision to put in an alternative application is part of a much wider process that was triggered by an application by the Far North and is overseen by the Local Government Commission. At this stage no one is directly affected by the council's decision to put in an alternative application.
Likely degree of these persons\communities' expectation to be involved in decision-making on this issue.	Medium	The community will expect to be involved in decision making about the future of local government in Northland. This will happen through the LGC submission process and potentially a poll if the LGC chooses to proceed with a draft and final proposal for reorganisation in Northland. Communities legitimately expect their council's to represent their views in the debate. Council has engaged the community in the debate through community workshops and public meetings – albeit on a limited timeframe dictated by the LGC process.
Degree of historical public interest in this issue	Medium	Surveys and processes where local government reform has been raised previously have illustrated that people have engaged in the debate about local government reform, albeit awareness and participation is not high amongst the general public.
Degree of information\research required to inform decision-making.	Medium	Given the timeframe for preparing an alternative application and the information and requirements (of the LGA) for such an application the information requirements are low to medium. There is no requirement for a majority of community support for an alternative application, nor do all elements of the application need to be worked up to an implementable standard. The job of the LGC is to gather the finer details to support any draft reorganisation proposal.
Scope of options available to address the issue.	Low	The council is faced with only two real options at this stage – put in an alternative application or don't put in an alternative application. It has assessed, via community engagement, whether there is public support for change and there is some – whether it be an enhanced status quo or a single council. It is unlikely that any other individual or person will be able to put the sort of information the council has about the benefits and limitations of a single council forward, and there is demonstrable support for this option, but only with local boards.

		<p>Therefore to ensure that the single council is considered by the LGC with appropriate information about the communities preference for local boards and not current structures such as community boards, the choices at this point are very limited. . The LGC could always put the FDNC application on hold if it thought local boards were necessary to future reform and giving the LGC this information early is likely to be more efficient that progressing to future stages before an amendment to the LGA can occur.</p> <p>Waiting until the submission process on a draft Proposal risks the commission not considering the merits of the local board structure, the communities' views on this matter and a sub-optimal proposal coming forward</p>
<p>Extent to which information relating to decision-making should be recorded.</p>	<p>Medium</p>	<p>Council is not the final decision maker on local government reorganisation. However in deciding to put in an alternative application it should demonstrate and record that it has considered the views of the community and turned its mind to the implications for Northland's communities if the Commission only considers the Far North application and status quo (and any other alternative application that an individual or organisation may make).</p>
<p>Staff recommendations: In balancing the assessments of these factors, it is suggested that the issue is of moderate significance. It is considered that this issue does not require further consultation given the consultation done to date and the time limits imposed by the LGC, and further that the extent of options assessment, detail, and record keeping in relation to this matter should be medium.</p>		

Assessment of Practicable Options (Local Government Act, Section 77)

Assessment Criteria	Option 1: Don't put in application	Option 2: Put in application
Benefits (current & future)	None known.	NRC meets its (statutory) purpose to represent communities and to promote the achievement of efficient and effective infrastructure and service delivery and regulation. NRC promoting informed decision making. Best available information about community views and potential benefits for representation and service delivery from single council option is before the LGC before it proceeds to spend time and money on developing a draft reorganisation proposal
Costs (current & future)	NRC not fulfilling its (statutory) purpose to represent communities. Potential efficiencies in service delivery, infrastructure and regulatory services not known early in the process, or realized through reorganisation. LGC may spend time and money on developing a draft reorganisation proposal that is not aligned to community preferences.	
Extent to which option will achieve or promote Council Objectives	Not aligned to improving quality of overall environment, building a business friendly environment, promoting regionally significant infrastructure and improvements that enable economic development	Aligned to improving quality of overall environment, building a business friendly environment, promoting regionally significant infrastructure and improvements that enable economic development.
Impact on Council capacity to fulfill statutory responsibilities	No immediate impact	No immediate impact
Impact on Māori and their relationship to ancestral land, water, sites, waahi tapu, valued flora and fauna, and other taonga	No immediate impact	No immediate impact
Likely impact to service levels of any significant activity, or the way it will be delivered	No immediate impact	No immediate impact
Likely impact on any of Council's strategic assets	No immediate impact	No immediate impact

Likely impact on, and consequences for, the well-being of the region	No immediate impact	
Alignment/consistency with existing council policy/strategy	Not aligned	Aligned with Select committee submission on LGA reform 2012.
Any other relevant matters		