

FUTURE GOVERNANCE

In the remaining chapters, submitters' ideas for change are summarised under key topics:

- Chapter 21 summarises submissions about local authority functions across all levels – regional, territorial authorities, and community board.
- Chapter 22 summarises proposals to modify the present system of territorial authorities.
- Chapter 23 covers specific proposals for certain places such as Waiheke Island, Great Barrier Island, and the Kaipara Harbour.
- Chapter 24 covers submitter's concerns and ideas on council-controlled organisations and commercial entities.
- Chapters 25 and 26 summarise calls for changes to representation and other political issues for Māori and for Pacific and other ethnic communities.
- Chapter 27 deals with the range of proposals for alternative models of governance, from the “super city” idea to two-tier structures or corporate models.
- Chapter 28 discusses legislative reforms that changes might require.
- Chapter 29 summarises submitters' ideas on transition processes – what the Commission needs to consider when recommending reform, and how it should occur.

21. Future Allocation of Local Authority Functions: Regional, Local, Community

21.1 This chapter summarises submitters' recommendations for future allocation of functions between different local body levels. It covers functions such as planning, regulatory functions, public transport, road construction, water supply, and parks. The treatment in this chapter does not repeat the detail on some of these functions in preceding chapters. The first section summarises submissions on regional functions, the second section focuses on territorial authority functions, and the third section is about community board functions. Many submissions proposed moving functions between regional, territorial, and community bodies, so there is inevitably some overlap in the sections.

21.2 The strongest theme of the submissions was that some functions done at present by territorial authorities should be moved to the regional council and other territorial

21. Future Allocation of Local Authority Functions

functions should be moved to community boards. The combined result of these submissions would be to “hollow out” the functions of territorial authorities and increase the powers of both the regional council and the community boards.

21.3 Several submitters pointed out that a critical part of the Commission’s work was to define what was regional and what was local in terms of responsibility, funding, function, and delivery. Clarifying and simplifying funding and delivery responsibilities that presently overlapped between multiple organisations would lead to better planning and implementation. One submitter summed up thus:

Considering this question will require the Royal Commission to think about two separate matters. The first is the inherent nature of the service itself. Is it divisible or do issues of scale, consistency, etc require that its governance be at the metropolitan level? Services such as regional economic development, and regional planning, are examples of services which are seen as inherently metropolitan even though district authorities may also undertake both planning and economic development activities ...The second matter the Royal Commission will need to consider is the relationship between any given set of ownership and management arrangements, and the ability to take and implement effective and timely decisions. In the Auckland case, there is at least an argument for services such as water and wastewater that the case for a single metropolitan structure is not just based on economies of scale, and on the critical mass required to maintain technical expertise, but on the need for more effective decision-making arrangements. [11078]

Regional functions

21.4 Almost 300 submitters generally sought an increase in the functions of the regional council or other regional body. Many more suggested specific functions that might be done regionally. In contrast, 27 submitters wanted no change to the existing regional functions, and 37 sought a reduction in the functions of regional bodies.

21.5 For those submitters who wanted no change to the existing regional functions, there seemed to be general satisfaction with the current operations and culture of the Auckland Regional Council (ARC). One submitter said that the ARC had been outstanding in what it had achieved in working for the good of citizens, not politics. These submitters appeared to be generally satisfied with the performance of the ARC, especially mentioning environmental protection, growth planning, and regional transport policies.

21.6 Many submitters argued for an expansion of the functions of regional bodies in order to improve planning, public transport, and road infrastructure. These submitters considered that increasing the powers of the regional body in these matters would achieve this. Other reasons given for increased regional powers included the following:

- It was a better way to protect environment, maintain urban limits, and promote efficiency.

- It provided regional coordination, consistent application of regulations and cost-efficient management, with stronger financial controls and responsibility.
- It would achieve economies of scale and reduce the rates burden.
- It would address the worldwide shortage of technical and engineering managers.
- It would result in downsizing of local councils.
- It would have the power to stop shortsighted decisions of local bodies.

21.7 Of these reasons, the call for consistent administration across the region was the most common reason for moving territorial authority functions to an expanded regional council. Opportunities to obtain economies of scale were also regularly mentioned, to improve investment in infrastructure and service delivery, as well as to increase the power of the regional body in other ways:

To effectively protect our heritage and planning laws we need one large council responsible for the whole region to fight the good fight on the people's behalf. Seven separate councils individually have neither the skill nor resources to take on developers with their deep pockets. [738]

21.8 A smaller number of submitters saw a legitimate function of the regional body as being to override city councils where they blocked regional policies, and to arbitrate disagreements between city councils:

The more regionally or nationally strategic the issue, the more important that local councils are consistent, and the more important becomes an executive regional overview. [10727]

21.9 While there was no consensus about the exact powers that an enlarged regional body might perform, a number of functions were commonly mentioned. These included growth planning, strategic planning, infrastructure investment, environmental policies and standards, public transport infrastructure (including public transport, rail, arterial roading, and State highways), airports, water, electricity, and telecommunications including broadband. Regional parks were mentioned by a large number of submitters. Some wanted the regional body to manage economic development, promotion, and tourism, as well as water and wastewater planning and service delivery, and to oversee the funding of recreational and cultural facilities, amenities, and services that had been identified as regionally significant. One submitter saw an opportunity for an enlarged regional body to widen the tax base, for example by imposing a visitor accommodation tax and road congestion charges.

21.10 Less commonly mentioned functions were for the regional body to take over management of the zoo, museums, Eden Park, Auckland Symphonia, and the Auckland waterfront development.

21.11 A reduction in regional functions was sought by 37 submitters. A general theme of these submitters was that the regional council should concentrate on a small number of functions, in order to ensure that these were done properly. The functions that were

21. Future Allocation of Local Authority Functions

mentioned as appropriate for the regional body to perform included environmental management, regional planning, and public transport.

21.12 In regard to environmental management, some submitters suggested that the ARC should be converted into an environmental protection agency as its core business. One reason for this was a perception that there was an inherent conflict in the ARC's current roles in environmental protection and as a land developer, and that the roles should be separated.

21.13 These submitters tended to be less enthusiastic about the current performance of the ARC. One wanted to reduce the ARC's power because

the ARC is a left-wing PC gathering of nerds, geeks and greenies. Reduce their power ASAP! [498]

21.14 Thirty submitters distinguished between the rural and urban portions of the region, suggesting that different regional governance was required for the rural areas. These submitters called for urban and rural councils to be separated as much as possible, so that rural communities that required more localised control were not lumped in with urban areas and swamped by urban voters. However, some submitters said that it was important not to split urban from rural areas. They saw the rural area as providing future growth options and rural facilities that were important to the whole region.

21.15 A number of submitters gave a basis for distinguishing local from regional functions. One submitter said that the role of the region was to paint with a broad brush while local level governance would fill in the details. This idea of regional responsibility for policy setting and local responsibility for implementation of policy was echoed by a number of submitters.

21.16 Others preferred to distinguish regional and local functions based on the nature of the functions. Examples of ways to identify regional functions included suggestions that regional functions were those that

- gained from efficiencies of scale and did not have a community-specific context
- linked or transcended local communities, for example, infrastructure (power, water, roading), public transport, waterways, and major environmental issues
- required "cross-border" organisation.

21.17 Some submitters wanted some regional functions (such as major services and investment management) to be placed in arms-length entities, which would be "managed by boards with relevant expertise but with accountability back to a new regional organisation ...". [10537]

21.18 The Local Government Centre submission suggested there was quite a strong case for structuring the management and delivery of major metropolitan-level services

(whether delivered by a local authority or council-controlled organisation) so there was a degree of separation between the two functions. One reason given was

The potential for conflict of interest if the same entity is responsible (say) both for regional planning and environmental management on the one hand, and the delivery of major infrastructure services such as water, waste water and transport on the other. [11078]

21.19 Another theme in the general comments about regional functions related to the role of central government. Ten submitters commented that the central government should retain full responsibility for health, education, social welfare, police, and education. These submitters were against the regional body taking a role in these matters. Another group of submitters referred to the role of the central government in funding of the regional body. These people said that central government should fund local authorities better, and in particular should not delegate new functions to councils without adequate funding to accompany it.

21.20 A number of submitters called for a simpler regional structure, without the various entities such as Auckland Regional Transport Authority (ARTA) and Auckland Regional Holdings that they considered overly complicated administration. Others felt that these bodies did a better job than would an ARC committee.

21.21 Miscellaneous comments included calls to reinstate the powers held by the former Auckland Regional Authority, calls for special attention to be given to management of the Hauraki Gulf and volcanic cones, and for regional contributions to be made towards iwi⁵³ development.

Territorial authorities' functions

21.22 The majority of submissions on this topic (61) were in favour of reducing territorial authorities' functions, while 25 supported retention of the current functions of territorial authorities and 15 submitters argued for an increase in the current functions of territorial authorities.

21.23 There was no consensus among submitters as to the particular functions that should be undertaken by territorial authorities. At the minimal end, one submitter suggested that territorial authorities should make decisions of limited financial significance only, for example library opening hours. Some felt that the proper role of the council was fixing roads, maintaining water pipes, looking after traffic problems, and maintaining local reserves. Others felt that territorial authorities should not have anything to do with infrastructure management.

21.24 Several thought that the current councils could be improved by streamlining and reducing their workload. This was suggested as likely to strengthen local councils as it was considered that the territorial authorities currently over-commit themselves.

53 Tribal grouping.

21. Future Allocation of Local Authority Functions

21.25 The particular functions that were most often suggested for transfer from territorial authorities to the regional body were the three waters (wastewater, stormwater, and water supply), arterial roading, transport, and regional parks (including stadiums). In general terms it was suggested that territorial authorities should be responsible for items that did not impact on the region as a whole, such as local roads, planning, libraries, and food premises licensing.

21.26 Submitters who favoured giving territorial authorities' functions to community boards were less specific in their suggestions. The allocation of resources to community boards was seen as an important territorial authority function as most submitters felt that the territorial council should still set the rates. One submitter suggested that territorial authorities should be responsible for issues that involved more than two community boards.

21.27 Those who supported the status quo expressed general satisfaction with current arrangements. Submitters commented that current councils had many flaws but they were accessible to the public and could therefore be kept honest. Another said that local decisions were best made locally as this was the most cost-effective way to get things done. Several wanted to retain the current range of functions, which were seen as about right and fitting the scope of the councils.

21.28 Submitters who wanted to expand territorial authorities' functions had a variety of points of view. The opinion was expressed that territorial authorities should take on all regional functions because they were capable and could deal with their own unique problems. One suggested that territorial authorities should administer all plans, including district and regional plans, so that the ARC did not conflict with the local councils in the Environment Court.

21.29 Several submitters felt that current territorial authorities should have all functions that shaped individual lives and households. Specific functions were suggested by some submitters as being suitable for management by territorial authorities. These included affordable and social housing, transport, rates, roads (including cycleways and footpaths), environmental protection, water management (including wastewater), reserves and walkways, and community development. Some submitters qualified their suggestions for territorial authority activities. One proposed that they should not provide services and public goods that could be provided by the public sector. Another felt that service delivery should not be through council-owned organisations, because these had been used to avoid transparency and accountability.

21.30 One submitter said that existing territorial authorities needed a better-defined role; this might involve changing the name from "city" to "area administration" and providing a shorter list of functions. Another submitter suggested that the existing cities should be retained with reduced planning and service delivery roles, but as active communication and lobbying entities.

21.31 General comments made by submitters about territorial authority powers provided a diversity of views. There was a suggestion that the law should be changed to remove the power of general competence. This was seen as giving greater weight to democratic

principles, by limiting councils in situations where the majority of ratepayers did not approve of particular activities. One submitter felt that local councils played a crucial role in the democratic process; however, a number of others were of the view that current arrangements did not function for their community in a satisfactory way. Others felt that territorial authorities were not good at making decisions. Traffic issues, for example, were left unresolved by existing councils. One submitter said that it was difficult to get action from territorial authorities; things took a long time to happen and it was hard to access the appropriate person for help.

21.32 Several saw duplication and waste in terms of provision of services. To improve efficiency one submitter suggested that councils could increase their shared services. The shared service arrangement of district health boards in the Auckland region was suggested as a good model to follow. Other submitters felt that there was too much outsourcing of projects.

21.33 Several submitters referred to lack of coordination between councils at present. One suggested that local councils should not be able to block plans that had been agreed at a regional level. Similarly, they should not be able to undertake projects that had regional implications, such as the North Shore Busway and Britomart. (See Chapter 9, “Consistency, Coordination, and Collaboration”.)

Community boards’ functions and powers

21.34 Over 200 submitters wrote about the functions and powers delegated to community boards. A consistent theme through a majority of these submissions was that the presently underfunded and unempowered community boards should be given greater resources, authority, and funding to take care of local issues. Typical comments were that community boards were currently hamstrung by limited powers and an inability to directly raise funds. This was seen as making the boards largely powerless and unaccountable to their communities. Common reasons advanced for increasing the powers of boards were to maintain and enhance grassroots democracy and strengthen local communities.

21.35 Many submitters made general statements about increasing the functions of boards, without specifying particular functions. These submitters typically called for boards to be given decision-making powers, rather than just advisory powers. Several submitters said that all community boards should have the same functions and powers.

21.36 A smaller group of submitters listed particular functions that they thought should be exercised by community boards. Functions most often mentioned were as follows, in order of popularity:

- deciding rates, spending, grants, budgets, and annual and long-term plans
- resource management decisions, planning or local consents
- roads and footpaths

21. Future Allocation of Local Authority Functions

- parks, pools
- local facilities, halls, community centres
- advocacy, consultation, communication
- environmental protection
- community services
- libraries
- design of local shopping centres.

21.37 Other functions proposed by a few submitters included building consents, community and strategic planning, management of dog exercise areas, crime prevention, education, housing, liquor licensing, local by-laws, and heritage.

21.38 Submissions from Great Barrier Island and Waiheke Island emphasised the need for them to have empowered community boards, with greater ability for planning and decision making in local hands. A few submitters suggested that these island community boards should make all local decisions. Others proposed that on the islands, water quality and wastewater decisions should be made by community boards. Some residents of Waiheke Island also advocated a Hauraki Gulf Community Council as part of any new system.

21.39 Other suggestions made about the running of boards included allocation of funding to community boards in proportion to population, and assigning specific council staff to communities. Several submitters suggested that community boards should have a local office, which would provide a focal point for the local community and provide better customer focus for service delivery.

21.40 Fewer than 10 submitters wanted to retain the status quo or to reduce powers of community boards; a few reasoned they should be abolished because of their lack of power.

21.41 One submitter commented that the community board model could work if the board were given meaningful work to do, such as second-tier resource consent application, and if their voice were listened to by having their meetings attended by a local council member.

21.42 The Local Government Centre spoke for many other submitters in its recognition of the “lack of success with Community boards generally since the 1989 reforms” [11078]. However, it felt this was

likely to change as local government becomes increasingly involved with promoting community well-being rather than its traditional roles of providing and maintaining community infrastructure and implementing local regulation. [11078]

21.43 Those who did not want to increase community board powers gave as reasons increased costs and bureaucracy.

21.44 The numbers of community boards that were recommended for Auckland varied from 20 to 80. The most commonly recommended number was 30 boards. Recommendations for the number of members on the boards ranged from four to 10. The number of people they would represent varied from 15,000 to 100,000. The median example would be 25 boards, with four to five members each, representing 15,000–30,000 people each.

21.45 Several thought that the roles of community boards should be established in legislation. The Birkenhead-Northcote Community Board said,

[Boards] are a valued conduit for the local community to access local government to raise issues of local concern. However the limited delegated authority and discretionary budgets that are currently available to Community Boards limits their effectiveness if they do not have the support of their Council. However if legislation were to empower Community Boards via funding and regulatory decision-making powers they would be very effective and efficient. [10963]

21.46 Several submitters suggested that territorial authorities should not have the power to reduce the functions or delegations of a community board. Against this, Franklin District Council said,

The decision as to whether community boards or some other form of citizen involvement is used should be up to the “local body” to ensure effective representation. We believe the provisions of LGA 2002 are strong enough to protect community engagement. [10315]

21.47 In a similar vein, Dr Michael Bassett (former Minister of Local Government, who oversaw the 1989 reforms) argued that territorial authorities should be given the power to abolish urban community boards if they concluded there was no longer a need for their services. Dr Bassett supported the retention of community boards in remote places. He suggested that ward councillors should hold monthly forums as a replacement for community boards. [3]

21.48 Auckland City Council advocated a new model of local governance with new agencies. These agencies included “neighbourhood boards”, which in many ways would be similar to current community boards. The functions that Auckland City Council proposed for neighbourhood boards included neighbourhood planning and

a Neighbourhood Board would make decisions on local asset decisions (e.g. traffic measures, local parking, local place initiatives i.e. design of park furniture, play equipment, landscaping). They would be given a budget from their Area Committee to complement their decision-making functions. [11181]

21.49 A common theme of many submissions that advocated restructured governance arrangements was that whatever body served at the community level was best defined by communities of interest, taking into account population and geographical boundaries, or defined by historical, geographical, and social considerations.

21. Future Allocation of Local Authority Functions

21.50 Submitters suggested a variety of forms for these reorganised community boards. Some wanted a return to the old boroughs or wards with the pre-1989 boundaries; others wanted wards to have the same boundaries as parliamentary electorates. A typical submission on this topic recommended having 20 local authorities based on wards: three in the current Rodney District, four in North Shore City, two in Waitakere City, six in Auckland City, three in Manukau City, and one each for Papakura and Franklin Districts.

21.51 Submitters had a variety of names for the strengthened community boards:

- neighbourhood councils
- borough councils
- community councils
- local councils
- local community councils
- community wards
- local area boards
- neighbourhood boards
- super community boards
- community area offices
- district councils.

21.52 Community boards making submissions generally supported the idea of having an increased role and defined powers. They suggested giving community boards more autonomy and input into town planning, commercial centre development, local parks and facilities, minor works, local grants, and community advocacy plans. Manukau Community Board wanted a reversal of the present power dynamic between councils and community boards:

We suggest that the role of a city council is to support the decisions and priorities made by boards and allocate resources accordingly (not as currently appears to occur, to use some overarching pomposity to deny communities opportunities for growth.) [11042]

22. Proposals for Modifications to Present System

22.1 This chapter summarises those ideas about arrangements for local bodies in the future which involve making only minor modifications to the present three-tier system of regional council, territorial authorities, and community boards.

22.2 A total 418 submitters expressed opinions on the merits of reorganising territorial authorities (city and district councils). Of these, 123 were in favour of keeping the status quo, 64 were in support of abolishing all territorial authorities, and others proposed various arrangements for amalgamation and abolition of councils.

22.3 Chapter 5, “Specific Councils”, summarised submissions that proposed minor boundary adjustments, for example those advocating that the suburb of Avondale be part of Waitakere City. Submissions that put forward radical restructuring models are referred to in Chapter 27, “Proposals for New Governance Structures”.

Keep the status quo

22.4 Although the overwhelming majority of submitters generally wanted to see significant change in local government, some people believed the present system worked well and thought things did not need to change. They expressed several reasons for this: retaining the present diversity of the councils and their communities, keeping existing democratic values and responsiveness, fitting in with geographic constraints and features, and retaining valuable or unique local functions. Many of these submitters also thought that there were few benefits in amalgamation of existing territorial authorities. In particular, many disputed the commonly made argument that economies of scale would result from amalgamation.

22.5 Many submitters from places such as Papakura and Franklin Districts and Waitakere City wanted to keep the present council system because they felt their council supported the identity and character of their city or district. Many of these submitters liked the access they had to council staff and feared the loss of such access and accountability under a new system. People thought diversity had benefits, and centralisation could bring problems. One said, “A single Auckland City would be too big to understand the needs and priorities of small communities.” [10260]

22.6 Submitters who saw value in the current councils because they reflected the geographical differences within the region suggested that the current four cities (Auckland, Manukau, North Shore, and Waitakere) were unique with different socio-economic and cultural needs. These submitters said that merging the councils would result in competition and blandness and loss of uniqueness. One submitter commented,

it is hard to see how a single authority for the whole Auckland region has advantages over a structure with separate regional and city authorities, and where there is a grounding in the different characteristics and needs of local communities. [10414]

22. Proposals for Modifications to Present System

22.7 It was said that local councils understood the needs of their communities and appreciated their local environment: “People live in areas that they have affinity to and have their own needs and wants.” [11109]

22.8 Submitters also referred to current local democracy and responsiveness as reasons for maintaining the status quo. They said that local projects required community buy-in and support. This was less likely to happen if the development was seen merely as a regional strategy.

22.9 Others believed that amalgamation would reduce their ability to obtain answers when approaching councils. These submitters thought that better representation was more likely under the current councils than if there were just one big council. Local involvement in decision making was regarded as the most important feature of territorial authorities.

22.10 Supporters of the status quo also said that the diversity of the geographical areas covered in Auckland meant effective governance required local knowledge. Submitters also referred to past amalgamation efforts, which had, in their view, increased rates and abuses of power by council management.

22.11 Many submitters expressed reservations about any possible benefits that might emerge from amalgamations. They said that there was no evidence of efficiencies from amalgamating cities, boroughs, or districts, but plenty of failed experiments. Some considered that the current councils would be more efficient because of friendly working relationships within them. Those who accepted that there was some inefficiency in the current system felt that this might be unavoidable:

the cause of some duplication and some inefficiency is due to competitive community of interest forces at play. I do not, for a moment, believe that restructuring governance will neutralise these community of interest forces. [10531]

22.12 Others saw significant costs associated with amalgamation, including costs of changing premises and creating new logos. Many felt that amalgamation generally would reduce the efficiency and responsiveness of local councils.

22.13 Concern was also expressed about the effects of amalgamation on existing ratepayers:

North Shore City ratepayers have invested heavily in their infrastructure whilst other Auckland Councils have not. They would not wish to pay again for other parts of Auckland to catch up on infrastructure upgrade requirements. Differential rating would need to be introduced, administered, managed to ensure this does not happen. [10102]

22.14 In general, those submitters who supported the status quo were not convinced that changes would be worthwhile. They suggested that city councils were capable of doing what was necessary at present and that the existing structure was known and understood. Changes to the existing regime would be disruptive and alienate the community.

22.15 One submitter said that existing territorial authorities had some existing good practice and innovation, noting that larger councils tended to adopt a more conservative approach. The submission warned,

Any alteration to governance arrangements must be careful not to lose the leadership and creativity that is evident in the small to medium-sized councils within the Auckland Region. [835]

22.16 The Auckland District Law Society referred to the Waitakere Ranges Heritage Act 2008. The society noted that the Act had been largely promoted by the Waitakere City Council, with support of the Auckland Regional Council (ARC) and Rodney District Council. The society said that this Act was an example of a council responding to the aspirations of its community and that a larger council might be less able or willing to respond in a similar way. [592]

22.17 Some submitters – particularly those from Papakura District and North Shore City – wanted to keep the present system because they were concerned about increased rates if there were amalgamation:

I was promised cheaper services and rates when the original amalgamation was done in 1989. There has been no savings at all and my rates have slowly increased in cost. ... I don't want to end up paying all the bills that other councils have run up in the name of their city. In particular Auckland City which has increased its debt substantially. [10501]

22.18 Several submitters were so concerned about the potential costs and chaos of change that they believed the best strategy was to do small incremental changes. One submitter warned of

the crisis that has beset Toronto's local government ever since commencement of a major amalgamation and re-organisation initiative there around three years ago. Auckland regional and local government needs reform, but years of transitional crisis should be avoided. [10098]

22.19 A few submitters expressed suspicion as to why there was such consistent call for change:

It is my view that much of the clamour for 'reform' is a move by business interests to gain control over the assets of local bodies and those controlled by the ARC in particular. My submission is that we need more, not less, democracy. Efforts to improve efficiencies are not incompatible with greater democracy. [11204]

22.20 Others were basically satisfied with the present system but felt it needed some modification. One suggested, "The present form of government in Auckland is satisfactory but requires modification to keep ahead of local and regional development needs." [10396] These submitters did not advocate radical change because of the potential for major upheaval.

22.21 Other supporters of the status quo expressed qualifications and suggested specific changes to the current regime. Changes suggested included renaming councils, more

22. Proposals for Modifications to Present System

involvement for territorial authorities in determining regional strategies, expanding the number and power of community boards and forums, various boundary adjustments, less self-promotion, increased shared services, standardised regulatory requirements (e.g. district plan rules and building consent processes), improved current effectiveness and efficiency, and an increased emphasis on local area planning and urban design.

Support for reorganisation

22.22 Supporters of reorganisation of territorial authorities were critical of the current system in several respects. They commonly pointed to the parochial nature of politics, which they thought was preventing Auckland from making critical regional-wide policy and decisions. Failure to make consensus decisions (for example on roading, public transport, Rugby World Cup stadium, and waterfront development) was said to be making Auckland a laughing stock and would prevent Auckland from getting the resources it needs. One said,

The existing 7 council structures are autocratic assemblages beholden to no one except the belief that “they know best” and then warring with each other, e.g. Waitakere v North Shore over the Whenuapai airport scheme. [1127]

Strengthened regional council

22.23 In terms of desired changes to the present system, there was significant support for a strong regional body with increased responsibilities and power. A persistent theme in these submissions was the need to unify planning and policy on major infrastructure and development for areas such as transport, water, energy, urban design, and heritage. A strengthened regional body was seen as improving governance, economic efficiency, and growth for the Auckland region, and giving economies of scale and consistency throughout the region. (See Chapter 21, “Future Allocation of Local Authority Functions”.)

22.24 The point was repeatedly made by submitters that despite local differences, Auckland operated as a single unit, and so should have cohesive, strong regional government:

- people live in one part of Auckland, work in another and seek entertainment and recreation across the city. [10838]
- We need a governance structure that reflects how residents use the Auckland region. For example, we may live on the North Shore, but work in Manukau, use the arts facilities in Auckland City and the regional parks in Waitakere. [10851]

22.25 While some people wanted a new “super city” arrangement (which is covered in Chapter 27, “Proposals for New Governance Structures”), others wanted a new regional body to be formed within a two-tier or three-tier structure. A sizeable minority wanted

this body to remain as the ARC, with more resources, funding, and executive powers. A typical comment was

keep the three tiers ... [but] reallocate more regional responsibilities to the Regional Council for more efficiency [285]

22.26 Waitakere City Council proposed having a regional body that would cover strategic planning for infrastructure, land use and regional development (including integrating the four well-beings into a regional plan), managing regional assets, the metropolitan urban limit, infrastructure such as transport (including rail), water, waste, information technology, tertiary education, health, regional economic development, regional amenities, coordinating social and cultural strategies, addressing regional interests of Māori, and coordination of emergency services. There would be three tiers in the organisation: the regional entity itself, a structure of policy committees and subcommittees to produce and coordinate strategies for the functions above, and a delivery structure. [11121]

22.27 North Shore City Council also supported a strengthened regional council, with 22 councillors. It recommended keeping the same number of territorial authorities, and a number of community boards. The regional council would extend its management to include strategies in the areas of arts, physical activity and sports, funding of the major Auckland museums, and engagement with central government on issues of power and telecommunications supply. [11074]

22.28 Rodney District Council wanted a new regional structure. It recommended disbanding the ARC and creating a regional forum (modelled on the present Regional Sustainable Development Forum) to deal with matters of regional significance, and a directly elected organisation to deal with the ARC's environmental responsibilities. The regional forum would consist of representatives from all Auckland councils, mana whenua⁵⁴, central government, and neighbouring regions. Current responsibilities of the ARC in relation to coast, water quality, and air quality would be managed by an environmental management authority. New, region-wide infrastructure organisations would be created to deal with transportation, sewage, water supply, and energy. [11022]

Split councils into smaller units

22.29 Some of the submitters suggested that some councils had reached their optimal size, and smaller organisations should be created, focused on local communities. This would result in more public input and better decision making.

22.30 Many submitters referred to territorial authorities' functions that would need to be continued after any amalgamation. These submitters felt that the local functions of territorial authorities could not be adequately administered by a regional body, for

54 Local Māori with ancestral ties to the land.

22. Proposals for Modifications to Present System

example decisions on urban design, main street development, local parks, and cycleways, which were outside the regional body's scope.

Proposed amendments to the three-tier structure

22.31 The most common amendment suggested for the three-tier model was more power for one or more of the three tiers, most commonly for community boards, or for a regional council.

22.32 Some submitters wanted to keep three tiers, but have fewer councils: for instance, have a regional body such as the proposed Greater Auckland Council (GAC), plus three, four, or five local councils, and community boards.

22.33 Manukau City Council was one of the submitters who proposed three city councils, with a strengthened regional authority and community boards, which would still operate under current legislation. It recommended that each of the cities would have a city mayor, elected at large, and councillors would be elected on a ward/constituency basis. Community boards would have increased power and responsibility, particularly those in rural areas and areas of unique diversity or local importance. Each community board would consist of five elected members and a ward councillor. The GAC would have a regional mayor elected at large, 12 regionally elected councillors (elected on a constituency basis), three appointed local councillors for each city, and three Māori councillors (one from each city). The GAC would focus on regional strategic planning, transport, infrastructure (including waters, amenities, and parks), and environmental protection. Regional economic development would be delivered through an economic development agency such as AucklandPlus. [11041]

22.34 Waitakere City Council proposed the four-council model. It suggested having a regional entity, four territorial authorities, and community boards. The regional entity would have 16 councillors; half the representatives would be elected from the territorial areas, and half would be appointed by the territorial authorities. The four territorial authorities would be Auckland City, North Shore City (including eastern Rodney District), Manukau City (including Papakura District), and Waitakere City (including the Avondale Ward of Auckland City and the Western Ward of Rodney District). [11121]

22.35 The most common suggestions for amalgamation of councils were in the following combinations:

- three councils: Northern (Rodney, North Shore, part of Waitakere), Central (Auckland and Waitakere), and Southern (Manukau, Papakura, Franklin)
- four councils: Northern (Rodney, North Shore), Western (Waitakere, often including Avondale), Central (Auckland City), and Southern (Manukau, Papakura, Franklin)
- five councils: Rodney, North Shore, Auckland-Waitakere, Manukau, and Papakura-Franklin.

22.36 Some people wanted to have boroughs back, and suggested changing the name and boundaries of community boards back to those of the previous local boroughs. There were many suggestions for the appropriate number of people in each borough; typical examples were a call for 24 boroughs, with 45,000–60,000 people in each; or another for 15–21 wards, based on population and land area.

22.37 Many people added qualifications to their support of the status quo, for instance, wanting to keep the present system as long as there were strengthened community boards. One submitter believed the tensions between the business focus of the city councils and the social focus of the ARC created a functional balance; he did not want any change until there was a more immediate way to obtain increased community input than through community boards. [10450]

22.38 The three-tier model typically had one or two councillors from each territorial authority or community board as representatives on the regional body. One submitter wanted three representatives from each of the seven current councils, plus three from the tangata whenua⁵⁵, with a rotating chair.

22.39 Others wanted to retain the present local body system but centralise certain services, such as water and transport.

22.40 A corporate structure was favoured by a number of submitters. Proposals included the following:

- having a regional head office, separate operating companies (four cities, two rural district councils), and branch officers (local community level)
- having four mayors as advisers to the regional board, a regional council, adequately resourced community boards, and – instead of territorial authorities – local administration centres that focused on local implementation of regional policy
- replacing ARC with an independent regional board, which would provide infrastructure but not planning, and having one large council (created by merging North Shore, Waitakere, Auckland, and Manukau Cities and Papakura District), and community boards. (Rodney and Franklin Districts would be retained as “buffer zones” between urban and wholly rural areas.)

22.41 Some submitters wanted a parliamentary-type system of representation; many wanted parliamentary boundaries for the local electoral system. One submitter gave a detailed model for regional senate, congress, and community councils. At the regional level, this proposal had a board of directors, with elected decision makers and senior representatives of central government working in a senate or rūnanga, along with two appointed ombudsmen: an “Ombudsman for the Future” (who had special responsibility for future generations), and an “Ombudsman for Finance” (to ensure transparency and lack of corruption). [10540] The submission went on to detail how the directors would be elected for a five-year term. The 100 members of congress would consist of 30–50 elected

55 People of the land, indigenous people.

22. Proposals for Modifications to Present System

chairpersons of the community councils, plus 50–70 representatives of different interest areas such as arts, science, sports, heritage, cultural, and social welfare.

22.42 The issue of names came up. One submitter believed that whatever the number of tiers, the name “Auckland” should be used only for the wider regional-level body to lessen any territorial tensions over regional events with the name “Auckland”, for example the Auckland Festival of the Arts. Auckland City Council, it was then suggested, could be renamed “Te Kaunihera o Tamaki Makarau”. [10987]

Size of councils

22.43 Many comments were made about the ideal population size a council would represent. A wide range was suggested, from 12,000 people up to 250,000 and various points in between. One submitter suggested that the appropriate size for councils would be determined by responsiveness to citizens, the cost of bureaucracy, and the influence of elected members. Another said that the ideal size of a council was one that enabled efficient processes and was responsive: “Size is not the issue here, ... governance is.” [10838]

22.44 One submitter felt that parochialism and disagreement amongst councils was a strength rather than a liability: “It provides checks and balances against excessive centralised power in the region ...”. [10881]

22.45 In regard to the efficiencies that might be derived from amalgamation, one submitter felt that existing councils had already reached a size where the benefits of amalgamation were outweighed by the disadvantages. An increase in size to any of the current bodies was unlikely to provide any real economic or social improvement. Others felt that size was not the only important factor. The Commission was urged to consider social and economic situations as well. Submitters acknowledged that it was important to ensure any future councils had a rating base that was able to finance their responsibilities.

22.46 Others felt that a larger council could sustain larger policy teams and build up the skills of staff. It was said that skills are not available in small centres such as Papakura. Against this, some submitters suggested that a smaller council with a flatter administration structure could coordinate its activities more easily. One submitter suggested that the North Shore City bureaucracy should be disbanded and the funding redistributed to community boards. One recalled that amalgamation in 1989 resulted in loss of knowledge by the administration and contractors. Poor decisions could occur when this situation existed and people become disenchanted with the political process.

22.47 Some felt that it would not be possible to ensure that a larger organisation would retain proper accountability:

The bigger the organisation gets, the less accountability there will be. Face up to it and be honest about it. [10816]

23. Proposals for Waiheke and Great Barrier Islands and Kaipara Harbour

23.1 This chapter summarises submissions about Waiheke Island, Great Barrier Island, and Kaipara Harbour, which were all seen as special cases, both by resident submitters and councils such as the Auckland Regional Council (ARC) and Auckland City.

Waiheke Island

23.2 The Commission received 737 submissions about Waiheke Island from 615 submitters. Non-standardised original submissions about Waiheke were received from 38 people. The remainder were pre-formatted submissions prepared by interest groups and circulated for others to sign and send in.

23.3 Most (527) were printed postcards. There were five variations in the text of the postcards. All asked for locally elected representatives to have more power. Other messages in the postcards are referred to below. In addition to the postcards, a submission coupon was published in the *Waiheke Marketplace* newspaper on 16 April 2008, 31 of which were sent to the Commission; and 95 other pre-formatted submissions (in three versions) were also received.

23.4 Almost all the submitters were dissatisfied with the current status of Waiheke Island in Auckland City. They perceived their ward councillor had insufficient power to influence the decision making of the city council on matters affecting Waiheke:

Our elected councillor is only allowed to vote on two council committees, neither of which are very relevant to Waiheke. This is an irrational waste of her local knowledge [10415]

Another submitter said Waiheke should have two councillors, not one.

23.5 Many submitters considered that Waiheke Community Board currently had no real authority to manage the affairs of the island and that Auckland City Council ignored community board recommendations. One said that management by the council had proved to be largely out of touch with the needs and desires of Waiheke residents. Another said that Auckland City's relationship with Waiheke was adversarial, and not a positive and productive relationship.

Although Waiheke is currently part of Auckland City Council, it is very different from any other ward. ... Gulf transport and roading issues are fundamentally different from those currently causing chaos in the city and water and wastewater management are based on different systems. On Waiheke each householder relies on catching rainwater and we do not have reticulated sewerage systems. All households have septic and/or on site waste water systems. ... [It] is hard for Council staff and even the city-side councillors to understand that one size does not fit all and that what

23. Proposals for Waiheke and Great Barrier Islands and Kaipara Harbour

works on the isthmus and in the CBD is not necessarily going to be successful in the Gulf. ... Our community is concerned that, should there be further amalgamation of city councils within the greater Auckland area, Waiheke will lose even those small elements of local decision-making and autonomy that we have retained so far. [10368]

23.6 In particular, submitters said the unique character of Waiheke was not recognised or understood by Auckland City Council. This character was described as including the environmental and natural characteristics of the gulf, and significant ecological and cultural values on Waiheke itself. One said Waiheke residents felt they “belong” there because the island’s many differences were acknowledged and celebrated.

23.7 There were three main proposals for change: increase the power of the Waiheke Community Board within Auckland City; create a separate Hauraki Gulf District Council for Waiheke and other islands; or place Waiheke into another council district (such as Thames-Coromandel or Rodney District). The common theme was to empower decision making on Waiheke Island. One said, “I want local control of planning and enhanced delegated powers for locally (Waiheke – not Auckland) elected officials.” [10784]

23.8 Increasing the power of the Waiheke Community Board within Auckland City was called for by 18 submitters who sent in standardised submissions, as well as many individual submitters. These submitters said that the community board needed to be empowered to protect the special community and environmental values of the island. There was a strong call for the Waiheke Community Board to have more autonomy and increased delegated powers over a number of areas, including long-term planning, control over its budget, staffing, planning, environmental matters, and airspace. (Control over trees was mentioned in Postcard 1 signed by 93 submitters.)

A broader authority is necessary because these communities have different needs and face different pressures to those which exist within metropolitan Auckland. Water resource use and waste treatment are prime examples of this on Great Barrier and Waiheke as local resources must be used and local solutions found. [10533]

23.9 There was some support for the two-tier governance model advocated by ARC in its submission, especially for a community council with increased powers for Waiheke.

23.10 The creation of a separate council for Waiheke and other islands was supported by over 140 submitters (many of whom sent postcard submissions). The main argument was that Waiheke should have its own council to reflect its unique needs. One submitter listed infrastructure, rates, reserves, and health regulations as needing to be handled by a separate Waiheke council.

- There are many in our community who would like to see Waiheke have local government independence, perhaps as part of a Hauraki Gulf District Council. [10368]
- I do not feel well represented by Auckland City and would rather support a Hauraki Gulf Council of locally elected representatives. [Postcard 5]

23. Proposals for Waiheke and Great Barrier Islands and Kaipara Harbour

23.11 The call for a separate council was amplified by individual submitters, some of whom recalled the county council that previously existed:

The community was self-sustaining and self-governing when it went into Auckland city in a forced marriage in 1989. Accountability and local decision making has been non-existent for 20 years. [10820]

23.12 A number of the submitters suggested that Waiheke would have a viable rating base for a separate council. It was said that rates were currently wasted on duplication of services and consultants. One thought that there should be lower rates on Waiheke commensurate with less service, for example, the lack of footpaths, reticulated water, and sewerage.

23.13 As to whether Waiheke currently paid its own way, one said,

The expenditures on Waiheke include vast amounts wasted, hundreds of thousands of dollars on consultations that produce outcomes that could have been secured for thousands. [11156]

23.14 Three submitters proposed attaching Waiheke Island to another district council. One suggested Rodney District, which Waiheke had briefly joined in the 1980s. A second suggested Waitakere City because of shared environmental attitudes. The third said that the Hauraki Gulf islands should be transferred to Thames-Coromandel District Council:

Only the marriage of the insular with the peninsular will free us from the clutches of the city. [9]

23.15 However, a few submitters saw the issue as being not about governance so much as planning and development. These submitters were happy for there still to be a three-tier structure, provided that Waiheke had strengthened local governance:

Retaining the integrity of the environmental and natural characteristics of the gulf and the islands should be of prime importance. Changing the governance structure for the region and removing local councils and community boards will not achieve this ... The regulations and processes between local councils must differ to reflect and accommodate the differing nature and diversity of the local areas and the demands of the local community. This is particularly true for Waiheke Island and the other Islands in the Hauraki Gulf. Our needs are different from the mainland. The Hauraki Gulf Islands must have its own District Plan, Councillor, Council and Community Board. ... Local governance is particularly important for Waiheke Island to maintain our unique characteristics. It will also ensure a higher level of accountability and community input in decision making. The community boards and all local councils must be retained. [10809]

Great Barrier Island

23.16 More than 10% of the island's permanent residents sent submissions, with a general call to protect their community board and give it more autonomy. A total of 131 submissions were received, with 75 common-format submissions, which asked for statutory changes to increase the authority of the board and to guarantee its future existence.

[We] would like to see our Great Barrier Community Board be given greater authority to manage and govern in areas of local concern, to enable increased decision making at a local community level, and its future existence guaranteed by implementing changes to the LGA 2002 [Local Government Act 2002] and the LEA 2001 [Local Electoral Act].

...

We are a remote, isolated, vulnerable island community that is controlled, dominated, and to a certain extent subjugated by a powerful urban City Council. [1516]

23.17 There were several individual submissions that supported the call for legislative changes to guarantee the community board's future existence, "so that we do not need to go through all this again in another twenty years' time." [597]

23.18 In terms of greater Auckland governance, many Great Barrier Island submitters supported the formation of a unitary authority with functions of both the ARC and the city councils.

23.19 Twenty-nine other submissions were made. Most of these advocated retention of elected representation for Great Barrier. The main reason given was to retain the special identity due to the island's unique environmental, ecological, and heritage values. The protection of similar values in the wider Hauraki Gulf was also mentioned.

Great Barrier Island is an absolutely unique part of Auckland that needs special treatment when decisions regarding governance are made. ... Decisions and policy that may work for the rest of the Auckland region, in almost every case will not work on the island. If you haven't been to the place then you need to visit to understand this. [10308]

23.20 Unlike most Waiheke submissions, many submitters from Great Barrier Island asked for representation to continue through the ward councillor and community board as part of a "greater Auckland" city. They were content to remain part of the current Auckland City Council, provided representation was assured and the community board was empowered and better funded.

Approximately 50% of our ratepayers live in Auckland; our major transport links are with Auckland; our business dealings are with Auckland; we shop in Auckland; we vote in Auckland; we are being swamped with holidaymakers from Auckland. We are too poor to keep the Island in a fit state for them. We need a form of local government which concentrates on our function as Auckland's major recreational resource, administering funds set up for the maintenance of that resource as well as

23. Proposals for Waiheke and Great Barrier Islands and Kaipara Harbour

managing the ordinary business of a community because the two things constantly overlap. [597]

23.21 While arguing for local democracy, some accepted that Great Barrier Island could not stand alone, because the transport system, schools, tourism office, and visitors were all based in Auckland, and relied on Auckland for infrastructure funding. One said that at present, for every \$1 of rates paid by Great Barrier ratepayers, Auckland City Council spent \$4 on the island. This subsidy might instead be paid by the Government (as occurred for the Chatham Islands). Noting that the Department of Conservation controlled 70% of the island yet paid no rates, it was suggested that 70% of local government costs should be met by the department. [412]

23.22 One submitter suggested an enhancement of the current system, whereby the elected Hauraki Gulf councillor would be given an identified separate budgetary provision. The common-format and a number of the other submissions referred favourably to the example of Stewart Island, which had a community board with six members and an elected councillor within Southland District.

23.23 Several who argued for a separate Great Barrier Island council also referred to the Chatham Islands Council as an appropriate governance model to follow.

23.24 One of the suggested alternative models involved setting up a separate Hauraki Gulf District Council, with service centres on Waiheke and Great Barrier. This was advocated as a way of giving a direct independent voice to Hauraki Gulf people, and to protect the values of the gulf (similar to the submissions made from Waiheke).

We ... want to be given the opportunity of taking part in developing the idea of a Hauraki Gulf District Council, even if our council is not interested in it. [597]

23.25 However, a number of other submitters clearly saw Great Barrier Island as very different from Waiheke, pointing out Great Barrier was mainly a conservation reserve, with only 18% of the island available for development; it would never be a commuter base to Auckland, and it had a distinct culture due to its isolation.

- Do not even mention Great Barrier in the same breath as Waiheke, they are universes apart. [10308]
- we still generate our own electricity. In adverse weather conditions, we are completely isolated. This island cannot be compared with Waiheke, where they have reticulated power, and [are] situated closer to Auckland. ... Many of the Auckland bureaucrats have no idea of our lifestyle. [1348]

23.26 Two submitters suggested that governance of Great Barrier should be transferred to Rodney District.

23. Proposals for Waiheke and Great Barrier Islands and Kaipara Harbour

Kaipara Harbour

23.27 A number of submitters commented specifically on the management of the Kaipara Harbour and west coast. These people noted that currently Kaipara Harbour was under the jurisdiction of two regional councils, two district councils, and two Department of Conservation conservancies.

It illustrates the parochial nature of local and central government – where statutory plans for the northern part of the harbour are different from the south. In the RMA context, there is minimal consistency between the 6 regional and district plans covering the harbour. Perhaps if the Commission addressed Governance from the outcome end of the current councils, rather than the power-broking plans from some of the larger TLAs, then the region may have a more secure future. [10990]

23.28 These submitters advocated changes to governance as a way of improving the outcomes for these marine areas. They proposed bringing the Kaipara catchment under single management either territorially or by a special coordinating agency.

23.29 The Environmental Defence Society saw a clear and compelling need for a more integrated approach to management of Kaipara Harbour. It argued for the harbour to be brought fully within the Auckland region to ensure fully integrated and consistent administration. [10788]

23.30 The Guardians of the Kaipara group said that the 1989 local government restructuring had resulted in the Kaipara Harbour and the Hauraki Gulf catchments being divided between regional councils. In the case of the Hauraki Gulf, the Hauraki Gulf Marine Park Act 2000 had picked up the responsibility for the catchment administration of the islands, but no similar measure had been taken for the Kaipara Harbour. The group noted,

the governance needs of the rurally based Kaipara catchment and the urban/city nature of the surrounding areas are and will be very different in nature and extent, both for the present time, and certainly more so in the future, as greater Auckland continues to grow. As an example, the supply of water, the treatment of waste water, and the control of stormwater, all require completely different handling in the two separate areas, will require different levels of funding, and have to be funded from demographically very different communities. [10792]

23.31 The submission went on to say that there should be a separate regional council created to manage Kaipara Harbour, accompanied by reorganisation of territorial authority boundaries in the vicinity.

23.32 Kaipara District Council said that the coordination of all the bodies who have jurisdiction over the harbour, including councils, the Department of Conservation, and the Royal Forest and Bird Protection Society, was difficult. The council suggested that all of Kaipara Harbour be included in Northland Region, and the rural northern and western parts of Rodney District be merged with Kaipara District. [8]

23. Proposals for Waiheke and Great Barrier Islands and Kaipara Harbour

23.33 Ngāti Whātua Nga Rima o Kaipara emphasised the significance of the Kaipara Harbour to Ngāti Whātua. It asked that the Commission establish a Kaipara Harbour Integrated Management Forum led by Ngāti Whātua, with local and central government representatives, to protect the mauri⁵⁶ quality and land use around the Kaipara shorelines. This forum would be administered similarly to the Hauraki Gulf Marine Park Forum. Ngāti Whātua Nga Rima o Kaipara pointed out that the natural geographic boundaries of their five marae⁵⁷ were crossed by different local government boundaries, and favoured all their rohe⁵⁸ being within a rural council, possibly Rodney but emphatically not included in Waitakere City. They also were reluctant to be involved with North Shore City. [1330]

23.34 However, it was argued by a few others that Waitakere City should have a role with this unique coastline, which

deserves to be protected which under Rodney Council it is not ... Waitakere Council is interested in protecting west coast beaches ... they have the systems in place to preserve this area which is unique and close to Auckland. [1118]

56 Essential life force.

57 Tribal meeting house(s) and buildings.

58 Tribal area.

24. Council-Controlled Organisations and Other Commercial Entities

24.1 A total of 63 submitters commented about council-controlled organisations (CCOs) and various other commercial entities of councils. Most submitters did not distinguish between council organisations, council-controlled organisations, and council-controlled trading organisations, which are defined separately in local government legislation (section 6 of the Local Government Act 2002). Therefore, for the purposes of the analysis of submissions, all of these different commercial structures, as well as some other uniquely constituted agencies, are grouped together and referred to in this chapter as CCOs.

24.2 Many submitters supported the use of CCOs by councils. Some called for more CCOs. A common theme was that the large infrastructural issues of transport, roading, and the three waters should be managed by experienced technical staff or business people in an administrative business unit. Other sectors such as planning, parks, and economic development were also suggested to be managed by CCOs:

[A regional body] should be responsible for setting policy and challenging council officers with the implementation of policy. ... councillors should not be part of the management of resource consents, building consents, for carrying out policy – that should be carried out by the experienced and talented council officers. [10838]

24.3 Submitters who supported the use of CCOs by councils also saw value in them to streamline bureaucracy and believed that, if held regionally, they had the potential to spread the benefit to the whole region. Some submitters predicted that these would achieve economies of scale and cost benefits.

24.4 Particular activities that submitters thought should be governed by CCOs included the current holdings of Auckland Regional Holdings, Watercare Services Ltd, Auckland International Airport, Vector, the railways, and telecommunications infrastructure. There was a suggestion that some city and district council units could be merged for greater efficiencies.

Accountability of CCOs

24.5 Many submitters, including some who were generally supportive of CCOs, expressed reservations about their level of accountability. There were suggestions that CCOs did not behave consistently and did not always take responsibility for their actions or inactions. Submitters thought that transparency and accountability were essential for all CCOs, and were often presently lacking. However, some considered that there were adequate measures in place to ensure that CCOs were accountable.

24. Council-Controlled Organisations and Other Commercial Entities

24.6 The Auckland Chamber of Commerce offered the following assessment of the statutory framework for arms-length entities such as CCOs:

This framework is widely regarded as failing to meet the requirements of good governance. The particular problem is the ability for councils, after consultation, to impose requirements in a statement of intent against the wishes of the entity's governing body. This is seen as inconsistent with the normal situation that directors or trustees have discretion to manage the entity, and are called to account for the quality of their management, rather than subjected to mid-course correction through intervention in their strategic and other planning and implementation. [10937]

This submission asked the Commission to recommend accountability provisions “consistent with good corporate governance”, so that the council had more ability to control the entity, its focus, and performance and had more oversight of its personnel to ensure those with the best skills were appointed to it.

24.7 Several submitters suggested that the State-owned enterprise (“SOE”) model should be adopted, including the idea of a responsible shareholding Minister, a role for a committee chair in a council context. Champions for Auckland strongly supported the SOE model:

Some of the features of the existing state enterprises companies and Crown organisational models represent world-class practice. They are compact, smart and innovative. They have demonstrably reduced conflicts of interest. There are no politicians managing state enterprises. The use of independent boards allows the state sector to access experts who are qualified in corporate governance. These roles complement the skills of officials and managers to deliver a very high quality of outcome. We see features of this model being used in Auckland with the regional bulk water and wastewater provider, Watercare Services. [10964]

24.8 Champions for Auckland also suggested some design principles for enterprising governance:

- Utilise the state-owned enterprise model to deliver regional services where it is appropriate to operate with public and commercial objectives i.e., where there is a high degree of funding self sufficiency
- Regional-owned enterprises should operate as successful “public good” businesses
- There may be a prohibition on privatisation to reinforce the “public good” objective
- Adopt a simple, transparent reporting line for these enterprises and use the expertise contained in professional and independent boards to provide expertise and insight
- Maintain a simple and clear line of accountability. Independent boards may report to the elected Greater Auckland leadership role as the representative shareholder in the same way SOE's report to a Minister of the Crown
- Where there is a significant reliance on funding from government sources, use a government agency model to coordinate transport, economic development, cultural infrastructure (such as the museum, orchestra etc) and land use

development. This approach will ensure the Authorities activities are consistent with the Greater Auckland vision and government funding requirements

- Remove conflicts of interest by separating business activities from regulatory activities. [10964]

Opposition to use of CCOs

24.9 Opponents of the use of CCOs suggested that councillors should not be allowed to devolve their jobs to independent CCO boards as this was undemocratic. It was said that CCOs strategised behind closed doors and lacked transparency. Strategically, they were too independent – and the public was powerless to influence them. Some submitters thought that CCOs with service delivery functions (for example, water supply, waste disposal, and public transport) should be fully controlled by regional governance authorities. A few who argued for discontinuance of CCOs suggested that all services should be provided by employees directly answerable to elected councils.

Regional CCOs also need to be normalised. The 1980s model of corporatisation has not worked in New Zealand. Arguably New Zealand’s market is so small that it has not produced efficiencies. The change of property valuations from government valuation to market valuation has significantly contributed to an over-inflated housing market and houses becoming unaffordable for middle-income New Zealand. [11025]

24.10 The Eastern Bays Community Board was concerned that CCOs did not aid transparency in local governance:

The 1989 amalgamation saw the creation of a number of offshoots from the various councils. These were, and are, usually 100% owned by the parent council. Most use initials to identify themselves or some anonymous-type name such as “Stargate” (a company bought out by staff in the early 1990s to run Auckland City Council’s fleet services); or Maxx or Veola to run Auckland’s rail transport network, which bear no resemblance to the function they are performing. The Board considers that this adds to the general confusion by the ordinary citizen as to who is responsible for what service, how to hold the providers to account, how the services are funded, and how they can influence and engage with different service providers. The Board considers that there is no transparency as to the public ownership of these types of units. [10372]

24.11 Opponents of CCOs commented that they removed an activity from political control, but the public still saw the council as responsible and treated the asset as theirs. This apparently artificial distinction between the CCO and the council was commented on by several submitters who suggested that elected members must be still accountable for decisions made by a CCO. To make the perception that there should be direct council control of CCOs more real, some felt that council and community board members should be appointed to CCO boards.

24. Council-Controlled Organisations and Other Commercial Entities

24.12 The Auckland Regional Public Health Service was concerned about the “arm’s length” aspect of CCOs, having reviewed water suppliers’ practices in 2007. Auckland Regional Public Health Service (ARPHS) called for a stronger scrutiny mechanism and performance measures that were non-financial where the CCO performance impacted on health, and noted,

the creation and use of council-controlled organisations (CCOs) has some advantages to local authorities in that it can allow access to alternative funding streams and improve ‘operational’ efficiency. From a health perspective any mechanism that reduces the link between councils’ decision-making activity, its wider statutory responsibilities and the four well-beings (in particular those relating to health) can potentially lead to commercial decisions undermining health outcomes. [11258]

ARPHS was also concerned about access to information on CCOs’ activities:

CCOs also are not subject to the requirements of the Local Government Official Information and Meetings Act which provides a vehicle for any individual to examine in detail local authority information and decision making around issues. There may be merit in considering the extension of that Act to cover information held by CCOs. [11258]

24.13 There was concern from some Māori that, as arms-length entities, CCOs further diminished obligations to Māori in terms of managing natural assets, and inhibited their ability to exercise kaitiakitanga⁵⁹ and rangatiratanga⁶⁰. An iwi⁶¹ submission from Ngati Paoa called for CCOs to act in accordance with the principles of the Treaty or for councils to

cease the creation of entities such as CCOs that dilute the obligations of local Government to Ngati Paoa as Tangata Whenua⁶². [11276]

24.14 A number of submitters were resentful that the establishment of organisations or companies to deal with former council services such as bus transport and water services was originally proposed as a way to reduce costs, but

The restructuring in 1989 has never demonstrated, or proven, that the slightest reduction in the cost of delivering city wide (regional) services resulted. [10603]

24.15 Special mention was made of water supply companies. Many submitters said that water should not be commercialised. They said that Metrowater and Manukau Water Ltd were run at a profit, with the objective of subsidising the rates take of their councils. There were calls for water rates to be reincorporated into local council structures. Using a CCO for water is a “dishonest and tax complication not needed.” [10202]

24.16 It was said that the complex service delivery of Metrowater obscured the true cost of providing water. Similarly, Manukau Water was criticised, with submitters saying that

59 Guardianship; the responsibility for caretaking.

60 Independence.

61 Tribal grouping.

62 People of the land, indigenous people.

24. Council-Controlled Organisations and Other Commercial Entities

the council would be better to do water delivery for itself. A contrary opinion was that it was appropriate for water supply to be a CCO with profits used to upgrade those services.

24.17 A group of submitters thought that CCOs should run on a purely commercial basis. Some suggested that CCOs were appropriate to be used only for business activities where there was competition, for example, car parks. However, others felt that a CCO would be more appropriate as a non-profit service delivery organisation such as for water. Submitters said that councils should establish trading entities only where there was a benefit to the ratepayers. It was suggested by some that CCOs should operate on a cost-recovery basis; however, many thought there should be a more commercial basis with CCOs operating at arm's length to focus on their commercial responsibilities.

24.18 One submitter said that CCOs were dangerous because they could gain an unfair competitive advantage by being part of a local body and party to information that private businesses could not access. Some thought that any organisation performing council functions should be non-profit, and were concerned about the fact that they were monopolistic in nature. Generally submitters thought that entities should be run on a commercial basis. Any subsidy should be transparent. The underlying philosophies should be user-pays and intergenerational equity.

24.19 The Auckland Chamber of Commerce said that members of governance bodies should be appointed through due process and on the basis of "fit for purpose" so the appropriate mix of skills and experience would be achieved. Accountability provisions should be consistent with good corporate governance so that the regional council could replace the body if not satisfied with its performance. There should also be a clear mandate for each entity. [10937]

Asset sales

24.20 A number of submitters were concerned about the prospect of asset sales and saw the creation of a CCO as a first step towards privatisation or sale of assets. Several argued that any new governance arrangements should provide for continuing democratic ownership and control of public assets and services. There was a suggestion that natural monopolies should always be publicly owned. One submitter said that the regional council should not have the power to sell off or prepare assets for sale. One said,

I am convinced senior council officers are creating CCOs in order to, eventually, privatise [them] to create funding to eliminate rising council debt. [611]

24.21 Particular concern was expressed about the prospect that the water assets of councils could be privatised. Apart from water assets, submitters mentioned Ports of Auckland Ltd (POAL), Vector, Wastecare, Westhaven Marina, Auckland International Airport, and "any essential infrastructure" as assets that should be retained by local authorities in their own ownership. This position was not uncontested, as there were a few suggestions from some submitters for particular enterprises and assets to be sold, for example, a suggestion that the Auckland Regional Council should sell its investment

24. Council-Controlled Organisations and Other Commercial Entities

in POAL because ports should be a private enterprise activity. Five submitters mentioned that Vector should be owned by the regions.

25. Māori Representation and Participation

25.1 The Commission’s terms of reference require it to consult and engage with Māori in a manner that specifically provides for their needs. As part of this consultation process, the Commission published a document entitled *Hei Whakapuaki i te Kōrero*, which focused on Māori issues of governance and supplemented the general *Call for Submissions* document. Submitters were asked to present their perspectives on issues such as Māori representation, election versus appointment of representatives, and the place of tribal organisations in local government.

25.2 Nearly 150 submitters answered these questions, some with a simple statement in a standardised submission that there should be provision for Māori representation, others in great detail about why and how. This chapter looks at the issues of representation and participation in local government; where submitters wrote of Māori concerns with other issues such as economic development or council-controlled organisations, those comments are included in the chapters appropriate to their subject. Māori terms are used throughout the chapter, often with a translation provided; a full glossary is provided in Appendix F. (See also “Note for Readers” in Chapter 1 on the varying use of macrons.)

25.3 Most submitters on this topic made a strong call for full participation of Māori in governance structures, either with guaranteed seats or mandatory and meaningful consultation. The Ngāti Whatua Nga Rima o Kaipara submission noted that this had been a historical request since 1860, and quoted Ngāti Whātua o Ōrākei leader Paora Tuhaere, 1860 (with the original spelling):

“let us be admitted into your councils. This would be the very best system. The pakeha have their councils, and the Maories have separate councils, but this is wrong. The evil results from these councils not being one. I therefore say, let Maori chiefs enter your councils. The Governor says that there is a difference of language. In my opinion this does not matter, inasmuch as there are plenty of European friends who would make matters clear to us, as they know our language. I am desirous that the minds of the Europeans and the Maories should be brought into unison with each other.” [1330]

25.4 They also urged the Commission to remember the rightful place of Māori in Auckland as *mana whenua*⁶³ *iwi*⁶⁴, and *tangata whenua*⁶⁵:

The local government shift to encourage population growth for the purposes of rateable constituents, developing economic development and a ‘world class’ city in a global setting is commendable, however it should not be at the expense of

63 Throughout this chapter the terms *mana whenua* and *taura here Māori* are used. *Mana whenua* means Māori with tribal affiliations and ancestral connections in the Auckland region; *taura here* refers to the urban non-*mana whenua* Māori, who have moved to live in the region but have no ancestral claim to the land.

64 Tribal grouping. A number of related hapū, or sub-tribes, make up an *iwi*, which has defined territorial boundaries. Belonging to an *iwi* is defined generally through *whakapapa* (family descent) from an important *tipuna* (ancestor).

65 Literally, the people of the land, the indigenous people who belong to the land by right of first discovery.

25. Māori Representation and Participation

Manawhenua iwi, hapu⁶⁶ being marginalised and/or becoming a minority within their own tribal area. [1330]

25.5 The Commission was also advised to make a clear distinction between the status of mana whenua iwi and hapū, and that of taura here Māori, for “effective local governance and legislative implementation purposes.” [1330]

Treaty of Waitangi

25.6 A significant proportion of submitters, including all the iwi submitters, mentioned the Treaty of Waitangi, saying that “there needs to be recognition of Te Tiriti o Waitangi in governance arrangements” [10787], “as a founding constitutional document that affirms the rights of Tangata Whenua as partners” [11276]. This was seen as ensuring Māori participation in local government decision making, including strategic and policy decisions. A few specified that this should be addressed by strengthening provisions around the treaty in the present legislation, and also recognising tangata whenua relationships within the region. The opinion of many submitters was that representation should occur as of right under article 1 of the Treaty of Waitangi⁶⁷.

The Royal Commission on Auckland Governance has a responsibility to New Zealand and to Maori to look outside the traditional interpretation of Governance and to step into a realm of difference, one that will provide Maori ownership of responsibility, the right to self-determination and genuine recognition of the Treaty of Waitangi and the rights of Indigenous people. [10609]

25.7 Article 2 of the Treaty of Waitangi⁶⁸ was referred to when submitters wrote of mana whenua rights, and of having iwi and hapū contribute to the decision-making processes. Ngati Whatua o Orakei Maori Trust Board’s submission noted that these rights include those of guardianship and hospitality:

the very exercise of Rangatiratanga [independence, right to self-determination] as protected in Article Two demands of us the exercise of manaakitanga [hospitality], welcoming and caring for all taura here who reside in our rohe [tribal area], and welcoming all visitors from around the world. [1664]

25.8 The Ngati Paoa submission said the right of mana whenua to exercise rangatiratanga was extended beyond councils to any Crown, regional, or local authority in the region.

66 Sub-tribe; extended family grouping linked through whakapapa to a common tipuna (ancestor). The hapū was the basic political unit within Māori society.

67 KO TE TUATAHI: Ko nga Rangatira o te wakaminenga me nga Rangatira katoa hoki ki hai i uru ki taua wakaminenga ka tuku rawa atu ki te Kuini o Ingarani ake tonu atu – te Kawanatanga katoa o o ratou wenua. [ARTICLE THE FIRST: The Chiefs of the Confederation and all the Chiefs who have not joined that Confederation give absolutely to the Queen of England for ever the complete government over their land.]

68 KO TE TUARUA: Ko te Kuini o Ingarani ka wakarite ka wakaae ki nga Rangatira ki nga hapu – ki nga tangata katoa o Nu Tirani te tino rangatiratanga o ratou wenua o ratou kainga me o ratou taonga katoa. ... [ARTICLE THE SECOND: The Queen of England agrees to protect the chiefs, the subtribes and all the people of New Zealand in the unqualified exercise of their chieftainship over their lands, villages and all their treasures. ...]

25.9 Submitters said that adherence to article 3 of the Treaty of Waitangi⁶⁹ applied to taura here Māori as well as mana whenua Māori, and would be demonstrated by “ensuring there are effective criteria and mechanism(s) with legislation” [1330] to ensure taura here Māori were included by mana whenua Māori and local government in consultation and decision-making processes. [1664]

25.10 Most submitters found the present system lacking in honouring the treaty and its principles. As the submission from North Shore City Council said,

If we review Auckland’s governance changes over the last 40 years you will find that Māori would see them as a breach of the principles of Te Tiriti o Waitangi as affirmed by Articles 1, 2 & 3. Local government bodies have failed to provide meaningful participation and representation by Māori in local governance. [11074]

25.11 A few submitters felt that the treaty had primacy in legislation, and that the local government system presently in place contravened that position:

The implementation of the Westminster system including transfer of governance to parliament is contrary to Te Tiriti and the principles of partnership and rangatiratanga that are embedded within its articles. These are not to be confused with the Treaty Principles created by the crown’s agent, the government, and are imposed on us without our consultation or our consent. ...

Quite clearly there needs to be dialogue between the partners to discuss how Te Tiriti, governance and tino rangatiratanga [self-determination] should be defined and implemented in a manner that is consistent and complementary with the principles of Partnership and Rangatiratanga. [11326]

25.12 Most submitters, however, accepted the present system and wanted improvements on it that recognised the Treaty of Waitangi and mana whenua rights. The Hauraki Maori Trust Board remarked on the difficulties presented by

councils’ variable commitments to the Treaty and their statutory responsibilities to Iwi along with policy approaches that can differ from council to council, region to region on the same issue. [777]

The board asked the Commission to recognise these challenges.

25.13 Many were hopeful of the change the Commission could bring:

The [Commission] Inquiry is ... an opportunity to create new ways of looking at governance that ... reflect a developing Treaty relationship. [10744]

69 KO TE TUATORU: Hei wakaritenga mai hoki tenei mo te wakaetanga ki te Kawanatanga o te Kuini – Ka tiakina e te Kuini o Ingarani nga tangata maori katoa o Nu Tirani ka tukua ki a ratou nga tikanga katoa rite tahi ki ana mea ki nga tangata o Ingarani. [ARTICLE THE THIRD: For this agreed arrangement therefore concerning the Government of the Queen, the Queen of England will protect all the ordinary people of New Zealand and will give them the same rights and duties of citizenship as the people of England.] (Translation of the three Articles above by Sir Hugh Kawharu; refer Report of the Royal Commission on Social Policy, 1988, Vol. II, *Future Directions*, pp. 87–88.)

25. Māori Representation and Participation

25.14 Recommendations for change included

- establishing a Treaty of Waitangi Standing Committee elected from the Māori roll for every territorial authority
- having specific numbers of seats for both mana whenua and non-mana whenua Māori on territorial authorities or a regional council
- Māori being represented within the governance structure as well as an autonomous forum outside the governance structure
- ensuring there were tribal representatives who oversaw kaitiakitanga (guardianship) of their respective taonga (natural and community treasures and resources)
- changes in the voting system.

25.15 A few submitters wanted an autonomous regional Māori authority that would sit alongside an Auckland regional authority; these bodies would abide by tikanga Māori (Māori custom and protocol) and be responsible for decisions relating to land and water use in the region. In recognition of Māori status as kaitiaki of the whenua (guardians of the land), one submitter called for Māori authority to be “recognised over and above all other.” [10609] Some recommendations stipulated having adequate resources to facilitate different representation.

25.16 One submitter outlined in detail a new governance system, both locally and nationally, with constitutional changes based on the Treaty of Waitangi, with equal partnership and voting rights of the two parties: Māori and Pākehā (non-Māori). They would each be represented by a council, as well as having a joint council. All proposals would be tested against the treaty. Under this model, Māori would, as of right, be part of the “public authorities” that administer the Resource Management Act (RMA). Reference was made to the bicultural education process of the Anglican Church, which resulted in profound change in terms of true partnership between Māori and Pākehā. [11326]

25.17 One submitter wanted an overhaul of the process for resolution of disputes relating to bicultural and treaty partner issues, because

The current clauses of the Local Government Act, Environment Court and Ombudsman [are] ... ineffective and disempowering for the promotion of Maori values and the retention of our heritage within the region. [11097]

25.18 Another submitter wanted the establishment of a “New Zealand Committee on performance of Central and Local Government in regard to Discrimination and the Unfair Practices toward Maori”, which would measure accountability against the Treaty of Waitangi. [10609]

25.19 Te Taumata Runanga, the Maori Standing Committee of Waitakere City Council, advocated action now to prevent issues in the future:

By 2016, approximately 40% of Waitakere’s population will be of Polynesian or Asian descent while Maori will comprise about 14%. ... Auckland’s increasingly

distinguishable identity ... as a multi-ethnic metropolitan area ... poses a significant communications challenge to the architects of Auckland's new governance, if arrangements made today are not to engender future rounds of grievance claims under Te Tiriti o Waitangi." [11255]

25.20 Several submissions mentioned outstanding Treaty of Waitangi claims by their iwi, which they wanted the Commission to be aware of as they made their decisions.

Other legislation

25.21 Other relevant legislation mentioned in submissions as outlining the rights and obligations of Māori included the Maori Community Development Act 1962; Local Government Act 2002 (LGA 2002), especially sections 4, 14, 40, and Part 6 sections 77(1) (c) and 81(1)(a) and (b); RMA 1991, sections 6, 7, 8, 33 (which, among other aspects, allows for the transfer of powers to iwi authorities), 74, and Schedule 1; the Treaty of Waitangi Act 1975; and Orakei Act 1991 (which provided for co-management of the Ngati Whatua o Orakei Reserves Board).

25.22 Submissions referred to the provisions of sections 81(1)(a) and (b) of the LGA 2002:

81 Contributions to decision-making processes by Maori

- (1) A local authority must—
 - (a) establish and maintain processes to provide opportunities for Maori to contribute to the decision-making processes of the local authority; and
 - (b) consider ways in which it may foster the development of Maori capacity to contribute to the decision-making processes of the local authority;

It was pointed out that Māori contribution to local governance was mostly as a presence on council committees whose power was only to make recommendations. Ngati Paoa noted,

This relationship works well for the administration of council decision making [but] does not fulfil the imperative of Maori participation and decision making at the governance level of council. [11276]

25.23 One issue that was highlighted was the interrelationship with cultural heritage and local authorities under section 77(1)(c) of the LGA 2002, which requires local authorities, when making decisions about land or a body of water, to take into account “the relationship of Maori and their culture and traditions with their ancestral land, water, sites, waahi tapu [sacred/spiritual places], valued flora and fauna and other taonga.” In order for Māori to participate effectively in this area of local government, it was recommended that a resourced, regionally represented body be established, consisting of mana whenua who would be actively involved in decision making. This would create consistency across the region.

25. Māori Representation and Participation

25.24 Another aspect of the LGA 2002, which was mentioned by Te Taumata Runanga, was its focus on providing for the well-being of communities.

There are many ways in which Maori communities can act strategically and in collaboration with Councils to leverage resources that will contribute to their well-being. These range from representation in decision making, to policy development, to utilising the services of Council to their greatest effect. [11255]

25.25 Te Taumata Runanga also asked the Royal Commission to recommend changes to the LGA 2002 to require territorial authorities to consult appropriately with their Māori communities, and also to provide “enduring” solutions to having Māori voices and representation within councils. Part of that solution was seen as permanently establishing standing bodies such as itself alongside councils, giving such bodies certain powers and organisational support, and requiring councils to involve Māori in community decision making. [11255]

25.26 A number of submitters noted that Environment Bay of Plenty was the only council that had established three Māori constituencies with guaranteed Māori representation since the Bay of Plenty Regional Council (Maori Constituency Empowering) Act 2001, an opportunity now open to all councils under the LGA 2002. They expressed disappointment that more councils had not followed this example.

25.27 One submitter mentioned that throughout New Zealand’s history since colonial settlement, town planning and the establishment of town councils, wards, community boards, and regional councils had occurred without reference to treaty principles, tangata whenua boundaries, or more recently, the Maori Community Development Act 1962 or the New Zealand Māori Council. [10744]

Separate seats

25.28 Most submitters considered that the level of Māori representation in local government was inadequate. A majority of them wanted separate seats for Māori representatives either at regional level, or at both regional and community levels, which would guarantee Māori representation. The most commonly suggested number of seats at regional level was three. The following expresses a typical sentiment:

within every level of decision making there should be at least one seat at the table of power for Māori ... as Maori are frequently consulted but I have concerns about whether they have been heard. [10605]

25.29 One iwi submission said that the decision of whether regional representatives should be appointed or elected is a matter to be decided by Pare Hauraki and other mana whenua iwi such as Waikato-Tainui, Ngāti Whātua, and Ngāti Wai. [777]

25.30 Some submitters thought Māori representatives should be elected on a parliamentary ward basis, or have constituencies or seats based on the Māori roll, or have Māori seats based on the proportion of Māori population within the Auckland

region. Other suggestions included having a regional body with 50% representation from territorial authorities and 50% elected from mana whenua; having representatives appointed from a regional mana whenua forum; or having four Māori seats (Ngati Whatua, Pare Waikato, Pare Hauraki, and Taurahere) in any future regional authority.

25.31 A number of submitters wanted a regional mana whenua forum or body that represented the various Auckland region iwi. Ngati Whatua o Orakei said such a committee should be composed of iwi/hapū representatives from the Auckland region. That committee would then appoint three mana whenua representatives and one taura here representative (the latter in consultation with, or nominated by, the Waipareira Trust and Manukau Urban Authority) to the regional authority, with a single member in each case assigned to represent the Māori voice on all principal committees, advisory boards, community boards, and area committees of the regional authority. [1664] The Ngati Te Ata submission wanted mana whenua representation on the regional council through the appointment of two representatives by a proposed Effective Mana Whenua Regional Forum. Urban Māori would have two seats on this body and one representative on the Auckland Regional Council. The functions of the proposed forum would be regional cultural sustainability, regional policy development, regional economic development, and facilitating resource consent applications. [11280] The two submissions representing the views of Ngāti Whātua insisted that an iwi forum, with appointments made by iwi, should be established no matter what other structure was decided on. [1330, 1664]

25.32 One submitter presented a detailed representation model based on a four-city concept with a Greater Metropolitan Council, and Māori representation at every level, including equal and separate Māori organisations such as a Mana Whenua Forum at the regional level and Taumata (standing bodies) at the council level. [11255] This submission also advocated the establishment of Māori wards, which would be determined on the basis of population; each ward would elect a representative to the local council.

25.33 Some submitters thought specific iwi or groups needed guaranteed representation (such as Ngāti Whātua, Pare Waikato, Pare Hauraki, and taura here), and were entitled to such because of their mana whenua (or tangata whenua) status – their ancestral ties to the land, and their imperative to be its guardians.

25.34 Precedents for Māori representation in local government were noted by several submitters. Examples given were Environment Bay of Plenty, which had three Māori members out of a total 13 councillors, the former Auckland Regional Authority, which had two seats for tangata whenua out of a total 28 seats, and the Ngati Whatua o Orakei Reserves Board, which had co-management provisions established with the Orakei Act 1991. [1664]

25.35 One submitter argued that the mandatory electoral system should be a single transferable vote model, arguing the first-past-the-post electoral system was outdated and inequitable, and did not provide the mechanisms to adequately reflect the cultural diversity of New Zealand society. [10142]

25.36 There was also a call for iwi themselves to decide how any future governance structure for regional Māori might be structured and operate.

25. Māori Representation and Participation

25.37 Beyond representation in councils, some submitters recommended having representation on other local body organisations as well. Ngati Whatua Nga Rima o Kaipara intended all future “local government and council-controlled organizational placements pertaining to representation [to] be tribally appointed after an internal and contestable process.” [1330]

No separate seats

25.38 There was also a group of submitters who felt strongly there should be “[no] special seats for Māori.” [10427] Among the reasons given were that councils should be representative of all Auckland citizens and Māori should not be granted additional rights, that it would be racist and divisive and cause resentment, that consultation with Māori should be sufficient, that their designated seats in Parliament were a more appropriate representation, and that if there were special seats for Māori, then there needed to be special seats for other ethnic groups.

25.39 One submitter put forward the idea of having a separate consultative committee rather than separate seats:

Maori representation should not be by separate wards, because in urban areas, the majority of those with Maori ancestry will opt to remain on the general roll, leaving too few Maori seats to affect policies. Bodies intended to represent Maori, that are nominated but not elected at large, inevitably end up dominated by a tiny self-interested elite of Nga Rangatira Ringa Roa. The best solution is that, in local body elections, any elector of Maori ancestry is also entitled to vote for a separate consultative committee. [10660]

25.40 One submitter was a councillor on Environment Bay of Plenty, which, as noted earlier, had three Māori elected representatives on a 13-person council. He said he was not in favour of separate Māori representation, but he did acknowledge,

experience has seen Councillors receiving a better understanding of iwi issues than would have been possible without separate Maori representation. This is the trade-off between a fair democratic process ... and the acknowledgment that Maoridom would have had a lesser voice without separate representation. [1518]

Boundaries

25.41 Several submitters mentioned that regional, council, and/or ward boundaries were often “contrary to the natural tribal boundaries of waterways, headlands and maunga [mountains]” [1330] and ideally should be consistent with tribal boundaries and natural

geographic boundaries. The artificial political boundaries that crossed tribal lands made representation and the ability to exercise kaitiakitanga challenging for them:

The Hauraki tribal region spans about 650,000 – 750,000 hectares ... over which 3 regional councils and 11 city/district councils traverse. 7 of the 14 councils come from within the Auckland region and within each council are multiple levels and departments that Hauraki iwi are required to interact with. These factors alone pose serious challenges to Hauraki Iwi who seek to have their legitimate role as tangata whenua, as a Treaty partner and as kaitiaki recognised in local government frameworks. [777]

25.42 One submitter suggested that city boundaries could be reconfigured to tribal boundaries, rather than the other way round:

One could look at the tribal affiliations of the region and determine whether these might constitute the basis for the boundaries of the city. The city could extend to include all areas down to the Bombay Hills and round the west side of Manukau Harbour. That would be a very extensive area to exercise oversight for but could be considered. It would require an even more sophisticated structure and range of expertise than at present. [10089]

25.43 Some submissions were very specific about places and boundary issues, such as the management of the Kaipara Harbour or the management of the Firth of Thames by two different regional councils.

- [Ngati Whatua Nga Rima o Kaipara] would have extreme difficulties to accept another 'local government boundary split' between our five marae^[70] similar to that of our whanaunga hapu Te Uri o Hau with Oruawharo marae and the river waterways and/or the watery boundary line of the two regional councils splitting the Kaipara Harbour under two local government regulatory jurisdictions. [1330]
- The [Hauraki Maori Trust] Board has long been mistrustful of the Firth of Thames and its surrounding rural communities being run from Auckland. ... the Board is of the view that the Firth of Thames is best managed by the Waikato Regional Council. [777]

25.44 Ngati Whatua made the point that Auckland councils were “in our tribal area (not the other way round!) ...”. [1330] They wanted to be aligned with a council that had a mainly rural focus because of the geographical boundaries of their tribal area. They were concerned at the prospect of council boundaries changing in the future, and wanted to stay with Rodney District rather than become part of Waitakere City:

[Ngati Whatua Nga Rima o Kaipara] would be vehemently against our nga marae e rima [five marae] being split up. We have no working relationship with Waitakere City Council because of the situation of this council usurping Ngati Whatua mana whenua status. [1330]

25.45 The importance of the Kaipara Harbour to Ngati Whatua was symbolised by the use of the quotation “I am the Kaipara and the Kaipara is me” in their submission. They asked

70 Tribal meeting house(s) and buildings.

25. Māori Representation and Participation

the Commission to use its powers to establish a Kaipara Harbour Integrated Management Forum, whose foremost goal would be to protect the mauri⁷¹ quality and land use around the Kaipara shorelines.

25.46 Ngati Paoa asked the Commission to ensure that, if council boundaries were to be changed, consideration be given to iwi rohe boundaries. In an effort to cut down on the number of councils they have to deal with, they supported having fewer councils in the Auckland region, particularly in the southern area. [11276]

Liaison and consultation

25.47 Submitters noted that there was a wide variation in the relationship of councils and local bodies with Māori, ranging from no formal relationship, to not recognising certain iwi as having mana whenua status, to ad hoc consultation, to having established memoranda of understanding and directorate agreements.

The GIRA, Getting It Right Accidentally, principle of management is operative when the people of one culture make decisions for people of another. ... it continues unabated at national and local levels of Government and it is not unusual for the client to be blamed for ineffectual policies and implementation practices. The MMMM, Māori Management of Matters Māori, principle is the alternative. [11326]

25.48 As both an alternative and an adjunct to separate Māori seats, many submitters wrote about the need for liaison and consultation with Māori iwi so that “all major decisions of Councils have the value of a local Māori perspective.” [10414] One submitter stated support for the principles of whānau (family), hapū, and iwi as a basis of consultation. [11150]

25.49 For Ngati Whatua, the “nil consistency” of local government in acknowledging or engaging with them as primary mana whenua in the region was the top priority area of concern. [11329]

25.50 Having Māori liaison officers on council staff was recommended by a number of submitters. The benefits were seen as enabling both mana whenua and council to have better understanding of each other’s protocols, and representing Māori considerations in a timely way for council decision making and policy. A few suggested both local and regional consultation, which would work both ways, so that Māori could also call meetings to discuss “matters of concern”. [11276]

25.51 Other submitters acknowledged that there were some successful models of liaison and consultation existing within councils, such as with the North Shore City Council, which Māori would like to have continued. They asked that current relationship agreements and memoranda of understanding be acknowledged and retained. Te Taumata Runanga saw its model of working within Waitakere City as being valuable, although Ngati Whatua’s submission criticised Waitakere City Council for not formally recognising them

71 Essential life force.

as mana whenua, and allowing the taura here representatives to outvote mana whenua. North Shore City was also mentioned by them as having a “problematic” approach in terms of recognising and working with mana whenua. [11329]

25.52 A few submitters saw all consultation as reactive and profoundly lacking in understanding of the Treaty of Waitangi and Māori rights under it:

My impression is that local councils rely heavily on consultation – which is the direction given to them by the Resource Management Act and other legislation. They are a long way from contemplating the call for sovereignty heard in various Māori quarters and, I believe, do not know how to deal with sovereignty questions except to hide behind the statutes and declare that they are not the Crown. Adoption of the Raukawa-Mihinare model [which advocates equal partnership and voting between Maori and Pakeha] under appropriate enabling legislation, would go a long way toward dealing with these questions. For some Māori it would not be far enough. For many Māori it would be. [11326]

25.53 A couple of submitters mentioned Whaitiaki’s work in Papakura District as being exemplary. The organisation works to address Māori needs in relation to Papakura District’s long-term council community plan. The Whaitiaki Māori Outcomes Plan identifies outcomes for the Māori community in Papakura and how they can be achieved.

25.54 Other recommendations included liaison positions for resource consent work, the appointment of Māori technical specialists within councils to give strategic and policy advice, education policies and programmes for all local government staff to increase the awareness of the needs of Māori, development by councils of the capacity of Māori to participate in council processes, consultation on kaitiakitanga for the Hauraki Gulf, and full consultation with 12–15 tribes around the region to determine their governance for decisions on environment and heritage. One submitter called for

a culture where this practice of genuine partnership is championed at senior management level and enabled to permeate throughout all of the Council operations. [11276]

25.55 One submitter called for changes to the LGA 2002 to ensure territorial authorities consulted widely and appropriately with Māori communities.

25.56 Another submitter wanted an advisory board that would inform and advise the regional Auckland council on specific ward and regional issues.

25.57 One submitter called for mana whenua who have an affiliation to the Tāmaki-makaurau⁷² region to be given high priority for employment within councils, as they have specific ability to deal with mana whenua, and far greater awareness of relevant issues.

72 Auckland.

25. Māori Representation and Participation

Specific iwi

25.58 In general, iwi submissions were clear about their intention for collaboration with other regional iwi, particularly mana whenua, but also, to a lesser degree, taura here. Some iwi, such as Ngāti Whātua and Ngāti Paoa, wanted to affirm their mana whenua status to the Commission, their kaitiakitanga rights and obligations, and to ensure their interests were represented in any future governance arrangement.

25.59 Some submitters were very specific as to which tribe should get certain rights: Waikato-Tainui stated they should be given priority status for involvement in Auckland region decision making by providing for “permanent representation positions at all levels of Local Government decision-making.” [11288] Similarly, the Hauraki Maori Trust Board was clear that “at the forefront of the Commission’s thinking should be to enable Pare Hauraki representation and participation”:

representation ... needs to be by appointment not election because Pare Hauraki is a minority within the Auckland Regional population. [777]

25.60 One submission said firmly that any governance structure must ensure that Ngai Tai’s boundaries and kaitiaki status are taken into account as the mana whenua of Rangitoto, and that

Ngai Tai’s significant waahi tapu and cultural and heritage interests are sustained, treasured, redressed, restored and promoted. [11174]

25.61 Ngati Whatua submitted that only mana whenua iwi and hapū had the authority to speak and decide on issues concerning “water bodies, whenua and taonga tuku iho^[73]”; and only manawhenua iwi and hapū had the right to invite taura here Māori to the table with them for contributions to decision making. [1330]

25.62 The submission put forward a recommendation that in local government there be evidence and proof of who Māori representatives were, and to whom they were accountable, so that council staff could work with appropriate people (that is, primarily people from mana whenua iwi). [1330]

25.63 One submitter recommended that Auckland have four major rohe as part of an alternative governance model: Ngāti Whātua for the Eastern Rohe (including the central business district), Ngāti Paoa and Ngāti Whātua for the Northern Rohe (North Shore City), Te Kawerau-a-Maki for the Western Rohe (Waitakere City and West Auckland), and Te Wai-o-Hua for the Southern Rohe (Manukau City and South Auckland). [10744]

25.64 Ngati Paoa affirmed the intention that “sustainable and meaningful relationships” could be established with central and local government, and expressed the hope that this could deliver partnerships that would result in tangible economic benefits for the iwi. [11276]

73 Treasures handed down from the ancestors.

Regional leader

25.65 One submitter suggest the lead regional role be conceived as “Chair of Governors” or have an appropriate term from Māori language that included the concept of guardian or kaitiaki as leader:

for a new enterprise it would be great to select a new role label to allow a distinct and locally appropriate meaning to evolve. [10795]

Support for existing plans

25.66 A few iwi stated their support for Auckland’s Sustainability Framework and One Plan.

26. Pacific Peoples' and Other Ethnic Representation

26.1 Under its terms of reference, the Commission was bound to consider which governance and representation arrangements would best enable effective responses to Auckland's different communities of interest, and reflect and nurture the cultural diversity within the Auckland region.

26.2 The *Call for Submissions* document noted that Auckland is the most ethnically diverse region in New Zealand, with 18.9% of its population recorded as Asian, 14.4% as Pacific peoples, and 11.1% Māori.

26.3 Some 69 submitters made written submissions on the topic of Pacific and other ethnic representation. Many of the organisations that made submissions mentioned the Treaty of Waitangi and advocated the support and implementation of the treaty by local government.

26.4 Most submitters believed it was important for governance arrangements to encourage and enable increased participation, if not representation, of Pasifika⁷⁴ and other ethnic groups, although a significant proportion of submitters on this topic did not want special representation. Many submitters considered the present representation of ethnic communities on councils and community boards was inadequate.

26.5 Several submitters asked for other groups such as the elderly, the young and unemployed, or food-producing farmers to get special consultation rights or representation on councils.

Polynesian representation

26.6 Auckland is the city with the largest population of Pacific peoples in the world, and many submissions stated as a general principle that “whatever the arrangement [of future Auckland governance models], Pacific representation must be included.” [11116]

26.7 There were several calls for more Pacific regional representation. Ideas included

- a Pacific Island representative on a Greater Auckland Council
- Pacific peoples representatives at all levels
- the establishment of an Auckland Regional Pacific Advisory Group that would be part of the regional structure

74 Pasifika refers to the people, cultures, and language of Pacific groups who are now living in New Zealand. It is often used in place of the term “Polynesian”, which does not distinguish sufficiently between Māori and Pacific groups in New Zealand, or between Pacific peoples living in New Zealand and those who still live in the Pacific Islands.

26. Pacific Peoples' and Other Ethnic Representation

- creating the whole of the Auckland region as a Pacific ward, with the number of the Pacific councillor positions proportional to the Pacific population
- establishing an Auckland Metropolitan Pacific Board that would be part of the regional body; its members would be elected by Pasifika voters.

26.8 One submitter said that the present first-past-the-post system worked best for the majority European culture, but that in terms of Pacific peoples, it was “a model of alienation, un-workable and massively inequitable.” [11273]

26.9 Two Pacific boards believed the Commission process was an opportune time to make legislative change, and asked that an enhanced proportional representation system be established.

26.10 There was a call for legislative changes to the Local Government Act 2002 (LGA 2002) to enable proportional representation of Pacific peoples in the Auckland region.

26.11 A number of submitters noted that current engagement from the Pasifika population in local governance fell short, and more participation and understanding needed to be promoted. As one submitter wrote, “There is a need for participatory governance as opposed to ‘consulting with its communities governance’.” [11292] To address this, submitters suggested a variety of solutions for more equitable representation: more resources for community groups, minority groups, and those with “quieter voices”; an accountability system that required regular reporting back, rather than accountability through three-yearly elections; and allocating regional resources to provide better information for Pacific communities about the electoral system.

Other ethnic representation

26.12 Most submissions on this topic believed there should be special provisions for engagement and representation of ethnic groups in local governance. However, the call for special seats for other ethnic groups was not as strong as that for Māori or Pasifika seats.

26.13 Some submissions mentioned the idea of an ethnic or cultural council that would represent all cultural minorities and be part of the regional body. Another idea was to have an ethnic ward with two or three representatives; and yet another was to have ethnic representatives including Māori, Samoan, Chinese, and Indian.

26.14 One submission called for more Asian representation, given that Asians make up nearly 20% of Auckland’s population.

26.15 Community boards were seen as an important first point of entry into local government for ethnic communities, and a stepping stone for achieving more diverse representation on councils. Some thought greater assistance should be provided to ethnic communities to assist them to organise in the same way some councils assisted Pacific peoples.

26.16 A few submissions made the point that the lack of ethnic council employees, or ethnic representatives, made it difficult for councils to have cross-cultural understanding. Ethnic communities had difficulty accessing council services because of language barriers.

26.17 Lack of ethnic representation affected the local government issues and level of advocacy in decision-making processes, said one submitter:

Lower socio-economic groups and some ethnic minorities are under-represented in the decision making process and therefore the interests that are of concern to them, for example housing, have often been undervalued. [11129]

No special seats

26.18 A small number of submissions were strong on their opposition to special seats, saying it was racist, or that ethnic peoples had opportunities to elect representatives generally. One submission stated that all who have migrated to New Zealand since Māori are covered by the Treaty as Pākehā, or non-Māori, so there should not be additional councils to represent these groups.

26.19 However, one of these same submitters also thought there should be increased opportunities for representation by ethnic communities.

Liaison and consultation

26.20 There are Pacific boards in four councils in the Auckland region, the members of which are elected by Pacific peoples in that ward. However, there were still concerns from submitters about the low representation of Pacific peoples' interests in the region and about the need to involve young people in governance issues.

26.21 The Waitakere Pacific Board has representatives from nine Pacific communities, a memorandum of understanding with the Waitakere City Council, and a Communities Partnership Agreement, with a service and funding agreement. It wanted the board's voice in council to be strengthened by the LGA 2002.

26.22 A recommendation from one submitter was to establish a regional Pacific body, the Auckland Metropolitan Pacific Board, which would

ensure that the needs and aspirations of Pacific communities at local council level are embraced and included in their systems. [11273]

26.23 Manukau City Council has a memorandum of understanding with the Ministry of Pacific Island Affairs. [10950] One submitter recommended that a similar agreement be developed at a regional level to allow for better coordination of issues such as youth development, housing, health, employment, and education.

26. Pacific Peoples' and Other Ethnic Representation

26.24 Some submissions talked generally about the need to reflect and nurture the cultural diversity of Auckland, and to honour its diverse ethnic groups.

26.25 Several submissions discussed the need for consideration and consultation of ethnic groups, acknowledging their contribution to the city.

26.26 One submitter was concerned that “refugees and migrants” needed special consideration, given that they did not understand political and governance structures.

27. Proposals for New Governance Structures

27.1 Some of the questions asked by the Commission in the *Call for Submissions* booklet were designed to find out what changes to governance structures submitters would like to see in the future for the Auckland region.

27.2 Most of the 3,564 submissions addressed these questions. In this chapter, the more radical ideas of submitters are summarised, from amalgamations to corporate models of governance. Minor modifications of the present system are covered in Chapter 22, “Proposals for Modifications to Present System”.

Approach to change

27.3 Almost all submitters wrote about changes they wanted to see occur, with the very clear message that they wanted reform of Auckland’s local government and governance arrangements. There was a widely held view that the region’s growth and environmental, economic, social, and cultural changes – regionally, nationally, and internationally – necessitated a serious review of governance structures.

- The case for reform of Auckland’s local body government is compelling. In fact, few question the need for reform, including the councils themselves. The debate is over just how much reform is required. [11259]
- As oil prices continue to rise, radical changes will become necessary in many aspects of life, and local government structures should be set up to be able to deal with these.
... As water resources continue to deplete in Australia, we can expect increased migration into New Zealand and the Auckland area in particular. This will put great pressure on housing and other resources here and our local government structures need to be able to cope. [10604]

27.4 Many ideas were presented on how to change structures and systems so they would function better:

There is a need for a complete reform of the electoral process in any new structure. The level of apathy expressed by voter turn-out is indicative of a general disappointment with the present situation. This could be, for example, the failure of the postal voting system (if it is so good, why not have it for national elections), the need for either considerable private resources to fund a campaign or the need to join a group ticket to cover the electorate, the issue-driven issues (such as a second airport) with misleading statements by the opposing factions, the narrow range of candidates that fail to represent the views of many groups in society, etc. The solution for the problems should be developed from a further study once the form of the governance structure is determined. [10830]

27. Proposals for New Governance Structures

27.5 The legislative context of the Local Government Act 2002 was mentioned by a number of submitters, one of whom thought that it created conflicted behaviour on the part of councils as they struggled to balance democratic function (facilitating decision making) and corporate imperatives. For this submitter, any reform should aim at separating these two functions:

councils are required to “promote” the diverse interests and well-being of all the various real communities, acting on views and preferences which they are obliged to listen to and act upon.

This culture of listening, facilitating and enabling is practically the antithesis of the corporate culture which depends on leadership, hierarchy, authority, efficiency, strength, flexibility, certainty, and all such organizational advantages to achieve the sort of material success sought by the Inquiry. [1457]

27.6 If there were to be any changes to the structure of local government, one submitter wanted the proposal to be put to a referendum.

27.7 Many submitters proposed alternative structures. While this chapter provides a summary of the range of recommended models, the specific structure and system of the models has not been written up in detail.

27.8 A number of submitters commented on the challenging task that faced the Commissioners as they considered all the facts, issues, and options:

With the greatest respect to the Commissioners, I believe it is your job, rather than ours, to find cohesion via a logical framework of governance. There are risks in doing nothing, there are risks also in ‘patching up’ some of the obvious problems; and there are certainly risks in proposing a radical change to the current system. However, it is not rocket science. Surely there is some spot in the world of a comparative nature, whose system of local government works more effectively than our current system? I believe it is fair to say that many citizens, who have some awareness of the Commission’s work, are fearful of change.... ‘better the devil you know’ has been said by many. [10119]

27.9 One submitter was honest about not knowing the answer, but hoping the Commission did:

I don’t know how you do this, but somehow, between this ‘one’ and ‘many’ you have to get rid of all the little councils, and their mayors and CEOs and duplicate administrators and managers and deputies and PR departments and advisors and consultants and just simplify the whole system. [10426]

Abolition of territorial authorities

27.10 Submitters who proposed abolition of territorial authorities felt that existing functions of territorial authorities could be taken over by regional councils or community boards. They

referred to some of the same themes of democracy, diversity, economies of scale, and local functions as the submitters who favoured the status quo, but drew different conclusions.

27.11 In terms of local democracy, it was asserted that the present cities were neither regional nor local and “largely responsible for the present dysfunctional state”. [10407] The diversity of councils was characterised by these submitters as parochialism, which they said stifled Auckland decision making. Several suggested that there would be improvement to infrastructure as a result of abolishing the territorial authorities, because large infrastructure projects had cross-boundary benefits. Getting agreement among councils was seen as difficult, and was a factor that would impede financing. These projects would be better dealt with at a regional level.

Our local government political system is parochial, fragmented, inefficient, unwieldy, and more costly than it needs to be. ...

The situation needs a thoroughgoing overhaul, ...

Auckland City is too big to have a multiplicity of people pushing their own limited, purely local and perhaps selfish interests to the detriment of overall planning. Parish pump politics have no place in a big city and have bedevilled Auckland for far too long. [10678]

27.12 One submitter said that the existing territorial authorities were too big to represent community views, but were too small to provide efficient services and infrastructure. Another said that current territorial authorities were too distant to be personally known yet not in a position to influence the wider region. They were said to be superfluous, confusing, and divisive.

27.13 Local authorities in their current form were said to increase costs that were not offset by community benefit; they did not necessarily have acceptable accountability. Other features of the current territorial authorities were perceived as greater bureaucracy, inefficiency, and alienation from the community.

27.14 Proponents of amalgamation said that it would produce a city that was united and spoke with one voice and pulled the region’s resources together to enable substantial projects to be carried out. This would ensure no part of the region was disadvantaged. It would improve the current situation where there was excessive bureaucracy and severely deficient infrastructure. Some submitters differed as to whether suburbs would lose their identity if there were a new single governance system.

Someone from Papakura will still be from Papakura no matter how Auckland is governed. Papakura as a suburb will not be removed, lose its culture or its identity. Devonport has not changed since it became part of North Shore City, despite its citizens being vocally opposed and continue to petition for a separate borough. [10854]

Amalgamation of councils and one-council model

27.15 One of the most common ideas for an alternative structure was that of one large council for the whole region, a “super city”. Submitters were polarised around the term “super city”, with greater numbers against the term and concept than those for it. However, some submitters thought the amalgamation of all councils into one was necessary and beneficial:

- The existing councils and community boards should all be abolished in favour of a compact Greater Auckland Metropolitan Council which alone would be responsible for decisions about overall administration, development and the provision of major public facilities. [10678]
- The arguments advanced regarding the special character of each existing district are nonsense. For instance, there is no difference between Franklin and Rodney or Manukau City and North Shore City. Amalgamate the lot. [10115]
- The current situation causes duplication in services and costs and the local bodies constantly fight amongst themselves, pausing only when uniting to criticise the ARC. [10427]

27.16 Several submitters mentioned other cities as models:

New York has one Authority and runs quite well and efficiently. We need one Council with authority over the City and region; so the development is consistent, efficient and coordinated. It will save costs, duplicity and confusion. It will unify the Region and enhance good will and stop dysfunctional competition. [10015]

27.17 Another international model that was mentioned several times was Brisbane, with the suggestions that the Auckland Regional Council (ARC) would be an ideal basis for a similar governance model, where there was one governing council, a powerful executive Lord Mayor, a parliamentary-style council of 26 community councillors representing single-member wards of approximately 23,000 votes, seven standing committees governing different aspects of infrastructure, and three business units.

27.18 Many submitters were wary of the potential costs of amalgamation, especially as it concerned their rates:

I do not mind having a super council as long as you can guarantee you will not put our rates up (from \$1000.00 a year [in Papakura] to \$2500.00 as in Manukau). If not, then I guess we'll sell our house, take our money offshore and make like 30,000 New Zealanders do every year and head to Australia. [10836]

27.19 Submitters frequently mentioned that an important benefit of amalgamation would be less competition for quality staff if the staff from all the councils were combined into one organisation:

A single world-class city would attract the best political and administrative talent. It would be able to pay councillors to be “full time” so that they could properly study and understand the complex issues requiring resolution. [10122]

27.20 The New Zealand Council for Infrastructure Development, along with several other large organisations such as the Employers’ and Manufacturers’ Association (EMA), and various businesses, supported the “One Auckland” proposal, which advocated a single unitary authority to replace the existing eight territorial authorities.

At the heart of the proposal is a unified structure that will provide the necessary leadership to lift Auckland from mediocrity to excellence. It will also ensure direct connection to the people of the region through local community councils. [11259]

27.21 This model had a mayor elected at large from the greater Auckland area; a role that had a range of executive powers including the appointment of boards and chief executives of council-controlled organisations, as well as having a deliberative and casting vote on council. Local representation would occur through the establishment of 23 community councils (including two for tangata whenua⁷⁵), which would be based on parliamentary electorate boundaries. Each community council would have one representative on the proposed One Auckland Council, which would oversee the strategic direction for the region.

27.22 Whatever the shape or model of a strengthened unitary body, the reasons given for its creation were consistent: to increase efficiency and consistency in planning and policy, to better manage infrastructure areas (such as the three waters, transport, roading, energy supply), to cut administration costs, to avoid duplication and the “constant parochial bickering” [10020] among the territorial local authorities, to maximise staff skills, to have regional funding for regional projects (such as Eden Park), to protect heritage and the environment, and to give one body the ability to create a big green belt around Auckland to limit city expansion.

27.23 The need for integrated regional planning was frequently mentioned, with a call from submitters for a regional body that would have clear leadership and plans ranging from five to 50 years.

27.24 Many submitters gave suggestions for new names for the new local authority. A few were of the opinion that “in making a new start, it would be desirable to abandon previous labels (council, community board) to avoid confusion of function.” [10678]

27.25 The range of names for the new single local body included

- Greater Auckland Council
- Regional Metropolitan Council
- Greater Metropolitan Council
- Auckland Metropolitan Council
- Auckland Metropolitan Authority
- Metro Auckland
- One Auckland Council

75 People of the land, indigenous people.

27. Proposals for New Governance Structures

- Regional Council Limited
- Tamaki Makarau City Council
- Greater Auckland Authority
- Greater Auckland Unitary Authority
- Greater Auckland Commission
- Greater Auckland Regional Council
- Greater Auckland Metropolitan Regional Council
- Auckland Unitary Authority
- Auckland Regional Governance Authority
- Auckland City Government
- New Auckland
- Auckland Assembly.

27.26 One submitter urged the Commission not to place the word “Auckland” in the middle of a title, but rather to lead with it. Another stated that names of new entities needed to be both specific and neutral as possible. Another disapproved of the term “Greater Auckland”:

This makes Auckland seem like a conglomeration of parts rather than being a unified locality. There is only one Auckland, the region. [11025]

27.27 In terms of boundaries, submitters mostly wanted the new regional body to encompass all the current local bodies and the ARC. One submitter wanted the ARC boundary to include all of Waiuku. Another wanted it to extend from Bombay to Waiwera.

27.28 In terms of numbers, it was variously suggested that the unitary regional body have

- one mayor and 20–25 councillors (including two Māori representatives)
- 30–35 councillors
- 25 councillors elected from ward plus three Māori councillors elected at large
- one mayor and 10 administrative councillors, all elected at large
- one member for every 50,000 people
- 280 councillors, each representing a “village” of 5,000 people
- 99 seats
- about 140 councillors to administer a city of over one million
- local community representation from 21 local councils along current electoral boundaries

- 30 wards with five or more elected representatives
- 16 councillors and five business units responsible for infrastructure
- 25–30 full-time councillors, with three councillor groups managing all council functions
- four commissioners who would handle the major portfolio areas of water, transport, public space, and economic development and events
- no more than 1,100 employees.

Opposition to “one city, one council” model

27.29 Nearly 200 people wrote opposing the concept of one council for the region. Many submitters were vehement in their opinions:

- A greater Auckland council? ABSOLUTELY NOT. [10599]
- we absolutely do not need to be linked to Auckland City, where good deals for Good Old Boys seems to have been the main objective of City Hall since time immemorial. [10065]
- Monolithic uber-Auckland, ¼ of the population of the entire country but with a fraction of the number of elected representatives we have now – and thus yet more power in the hands of a few faceless and unaccountable robber barons? No thank you. [10070]
- The bigger the council area, the bigger the mess. [10401]

27.30 One submitter questioned the concept of “one voice” for Auckland, and argued that diversity of perspective was fundamental to democratic expression:

I am not sure why we believe there should ever be one voice from Auckland. It may sound very compelling, but isn't that a bit simplistic? ... Having the many honestly held points of view fully represented, whether from Auckland or anywhere else seems to me to be quite important. Suggesting that we need a single voice for Auckland is like suggesting Maori need a single voice, or that women do. What is important is that we listen to the competing points of view at a place where they can all be heard and where they can be given appropriate weight. [10531]

27.31 Many submitters wrote in support of maintaining their community and council identity, fearing local character, diversity, and accessibility to councils would be swallowed up by a “super city” council. These submissions usually came from people

27. Proposals for New Governance Structures

living in Papakura and Rodney Districts, North Shore and Waitakere Cities, and Waiheke and Great Barrier Islands.

- To incorporate Waiheke as part of a super city would be to kill its lifeblood, its heart and soul, as well as its physical environment. It would also be an egregious act of ripping away its democratic voice.
... Making Auckland a supercity would be a bad step but including Waiheke in that tsunami-like act would be a grievous step. [10121]
- The attempt of a small cartel of unimaginative men to homogenise this profound diversity is truly frightening. [10358]
- Big is not necessarily better ... In England, there are already examples of reversion to smaller more manageable local government bodies. [10676]
- Centralised decisionmaking is the favoured tool of dictators. It does not make for vibrant, forward looking communities able to change and move with circumstances. [10820]

27.32 Rodney District Council was concerned that if its needs were not well understood now, there was an increased risk of its needs being ignored if it were absorbed into a larger entity. It also said that a more centralist approach to local government would create disillusionment, and disenfranchise community groups and individuals.

27.33 Others had no faith in the idea because of their experience of Auckland City Council:

the dysfunctionality and fragmentation of the current council makes such a proposal unthinkable. ...

... The attitude of Auckland City Council towards the current Community Council groups is an example of the arrogance and of the lack of consultation shown. [10335]

27.34 Many opposed the idea of a single council on the grounds that it was undemocratic, and would give citizens less representation. There was a generally expressed fear that it would remove decision making even further from “us ordinary Aucklanders” [10467], and would discourage people from voting [11269].

The “One Auckland” concept, sponsored by groups such as the Employers’ and Manufacturers’ Association, the NZ Council for Infrastructural Development and the Fix Auckland Trust appear to have removed a large segment of citizens from participation in the democratic process. This will result in decisions being made by a small group of appointees and elected representatives more distant from citizen/ratepayers than our present, more democratic system allows. [10422]

27.35 Another aspect of this was the concern that previous amalgamation had further removed council staff from the neighbourhoods they served:

It is becoming likely that the council officer not only does not live in the community board area but is probably living in another city or district in the region. It is probable that they have no knowledge of past history relating to the area or issue, or of the local personalities that they will need to work with or gain their confidence and trust.

This disconnectedness and lack of local knowledge can lead to inappropriate actions and solutions. For example, Devonport has a policy of restoring and reinstating the original blue stone curbing. Unfortunately this information is not always passed on to contractors who sometimes use concrete curbing unless it is noticed by a sharp eyed local. [11281]

27.36 Another submitter wanted the focus to be on what was most democratic:

Democracy can be both clumsy and expensive. That we could manage the decision making process more efficiently is not necessarily the core question. Whether we could do so and also improve the quality of our democracy would be more pertinent. So, in itself, the fact we have duplication of representation may be an essential cost of being democratic. [10531]

27.37 Many submitters were suspicious about the financial benefits of amalgamation, noting that there were no savings following the last amalgamation process in 1989, and instead a steady increase in rates. Some mentioned research that suggested larger councils were less efficient and cost more. Many were concerned about the potential growth in the size and power of the bureaucracy:

- We expect a Super City bureaucracy to require Super Rates to support it. [11269]
- 'ONE PLAN' for the Auckland Region, comes from business, by business for business and will effectively set up a 'bigger public trough for bigger private snouts'. [11300]
- Devonport's Borough Council had a budget surplus when merged into the North Shore City Council, yet rates were reasonable. Now they have soared to unaffordable levels, yet Devonport has not benefited, and North Shore City Council continue to pour money into non-essential projects. Merger with Auckland will exacerbate the situation without providing any advantages. [10676]

27.38 One councillor quoted his experience during the past three years of the political oversight of the transfer of assets to Auckland Regional Transport Authority (ARTA), following the breakup of the late Auckland Regional Transport Network Ltd. The cost of that relatively small transition was estimated at \$1 million so far, and caused concern about the prospect of a much greater change:

My experience suggests that any recommendation that requires the breakup of a Council and the re-distribution or re-allocation of its assets, staff and services to other institutions would be a nightmare scenario for Auckland. ... Auckland regional and local government needs reform, but years of transitional crisis should be avoided. [10098]

27.39 Several submitters mentioned overseas experience of amalgamation, particularly Toronto, which was widely considered to have been badly handled. The Local Government Centre also noted,

it should be kept in mind that a mega-city option for Auckland, as a means of providing metropolitan governance, would create a structure virtually unique in the developed "Westminster" world. There is no other example of a single urban authority for an

27. Proposals for New Governance Structures

entire metropolitan region being responsible both for the full range of core local authority (territorial) and metropolitan services. [11078]

27.40 While noting the expense and difficulties for businesses and residents in having seven territorial authorities in one city-region, the Auckland Chamber of Commerce pointed out

The Chamber is also aware of the quite extensive research evidence which:

- Casts doubt on the proposition that amalgamation of local authorities will necessarily result in cost and efficiency gains – with the weight of evidence preferring a shared services approach provided that is properly and effectively implemented.
- Suggests that beyond a certain size – the North American research suggests 250,000 residents – the per capita cost of running local authorities tends to increase. [10937]

Its recommendation was to look at shared services models.

27.41 The Local Government Centre also suggested the “Royal Commission should be asked to consider, seriously, the potential of shared services before turning its attention to possible amalgamations.” It noted,

The weight of research evidence is now strongly against the view that amalgamation of territorial local authorities is a useful means for improving efficiency and/or reducing costs. [11078]

27.42 A few submitters felt that amalgamation would be inequitable: ratepayers in one city or area that had worked on infrastructure would have to pay again to improve the infrastructure in other Auckland cities:

My biggest issue with the single city model is how to rationalise legacy works like the aging Auckland City Water System to a fair rating model so that a rate payer in Manukau does not pay for an upgrade that should have been performed decades ago. [10552]

27.43 Concern about the rural sections of the Auckland region under a one-council regime was voiced by a number of submitters, who believed they would be disenfranchised, and not well served by a single large council without a rural focus. One submitter wrote he would not support a structure where “city dwellers [have] a major sway over rural/semi-rural council policy ...”. [10090] Another pointed to the 1989 amalgamation experience as evidence:

It seems to this observer that clearly, rural citizens, at least on the southern flank of metropolitan Auckland are emphatically unhappy with the current form of government. The (largely) 1989 amalgamations of rural ‘counties’ with their adjacent urban ‘districts, boroughs or cities’ has been a signal failure. [10119]

27.44 Submitters were wary of increased bureaucracy, believing that a single council would result in further loss of accountability and accessibility on the part of council officers and councillors.

A Super City is an attractive idea – if you happen to be one of the bureaucrats who will work for the Super City.

...

A Super City bureaucracy will in effect be a large monopoly over services and the decision-making, making it completely self-interested with little chance of accountability or transparency. A super city requires bureaucratic leadership as opposed to political representation. [11269]

27.45 Concern was expressed by several submitters at a possible loss of transparency and lack of monitoring with a single regional council. One submitter was opposed to the super-council concept because a single unitary authority would not have adequate protection against corruption, poor management, and misuse of resources.

27.46 Another issue that was mentioned was the possible electoral arrangements with a single city; one option was to elect councillors on an “at large” franchise, or on a ward basis. It was noted that an “at large” franchise would dramatically increase the cost of campaigning, thereby risking having only well-off residents afford the cost of campaigning. The risk of the ward model was that “council decisions around the single city council table would still be dominated by geographic divisions ...”. [11078]

Two-tier structure: regional/local

27.47 Nearly 400 submitters wrote on this topic. Most were positive about the proposal for a two-tier structure, typically with a large regional governing body that could focus on infrastructure and regional development, and with representation at a more local level; the usual suggestion for this was smaller empowered community boards for local governance, although some submitters had other ideas, such as more smaller ward-based councils.

- Clearly we need one body that can address issues that span all of the Auckland region, allowing smart, timely solutions to be arrived at that benefit Auckland as a whole. On the other hand, we also need local representation so that local issues get a fair hearing. [10023]
- NZ as a whole has one Parliament, one common law, one tax code, one road code etc, to govern a small country of 4 million people. We do not need multiple governance for one (on a world scale) middling size town. ... In short order – follow the [two-tier] proposals as advanced by the ARC [1073]

27.48 Several of the standardised submission forms called for a two-tier system with a body such as a Greater Auckland Unitary Authority, which would include the functions of both the ARC and the territorial authorities, and locally elected community boards

27. Proposals for New Governance Structures

with more powers, which would be protected by changes in legislation. A number of submitters agreed with this model, saying there was no need for a middle tier if regional issues were dealt with regionally and local issues were dealt with locally. One community board suggested,

There could however, be an advantage of having groupings of community boards/ neighbourhood councils (or their chairs) meeting formally to look at area, but not region, wide issues, and to resolve and deal strategically with, any tensions of primarily local issues, covered by that area. [10372]

27.49 A common theme was that regional planning, policy, and implementation needed priority over local needs in order for Auckland to advance cohesively:

We need one big city, with smaller boroughs representing groups that choose to want to be together making local decisions but whose decisions can be overridden by the one city council for the good of all. [10738]

27.50 Submitters believed that the two-tier structure would facilitate strategic planning, stop duplication of major projects and decisions, reduce conflict, integrate regional and district plans, and reflect communities of interest.

27.51 The need for community boards to be better funded and resourced was a common theme, although the occasional submitter wanted community boards scrapped and their work subsumed into the work of smaller local councils. A recommendation was that community boards could receive funding allocation from the regional authority based on population ratios and recognised projects.

27.52 There was a lot of support for the two-tier structure outlined in Option 5 of the ARC submission [11250], and also some support for the EMA submission, which proposed having a Greater Auckland Council and a number of community boards, which would be upgraded to the level of local councils and empowered to do a variety of functions including rates setting. [10813]

27.53 The ARC submission recommended a structure with a strengthened regional body and stronger community councils, or wards. The proposed new regional body, the Greater Auckland Authority, would be composed of 24 councillors and a mayor. There would be 21 community wards, with parliamentary constituencies of around 60,000 residents each, plus three Māori constituencies. Community councillors would be elected at large within their district.

27.54 The Auckland City Council submission recommended a two-tier structure with a single unitary council called the “Greater Auckland Council” (GAC), and better resourced community boards. The GAC would replace all the local territorial authorities and the ARC, and be responsible for infrastructure governance and planning. It would also take responsibility for the assets and functions of organisations such as Metrowater, Auckland Regional Holdings, ARTA, Manukau Water, NSC Holdings, Waitakere City Holdings, and Watercare Services Ltd. The submission suggested two possible options for the structure of GAC: the first was having a mayor elected at large, eight area councillors, and 21 community councillors, to constitute the council. The region would be divided into four

areas: north, central, south, and west, and two area councillors would represent each area. There would be 21 wards representing a community of interest of approximately 60,000 people, with a neighbourhood board of five members and one elected community councillor. The second option was the same, except there would not be any area councillors. The council would be composed of the mayor and 29 community councillors. Under both options, there would be an executive committee composed of the mayor and the chairs of the standing committees; four area committees; the usual standing committees; and any advisory boards or committees it considered appropriate, including a Mana Whenua⁷⁶ Committee. [11181]

27.55 The New Zealand Council for Infrastructure Development proposal had two tiers, a regional “One Auckland Council”, and 23 community councils, which “lie at the heart of the One Auckland proposal.” [11259] Each community council would have five elected members; their role would be to develop a five-year community plan, and allocate their share of regional funding (to local parks and reserves, streetscapes, arts, culture, events, sports, and recreation) in accordance with the plan. Core service provision, such as street maintenance and rubbish collection, would be provided by the One Auckland Council. It would also have three council divisions (dealing with economic development, community culture and recreation, and sustainable development) and two council-controlled organisations (an integrated water services company and comprehensive transport agency). All five divisions would have 30-year plans. All planning would stem from a strategic Regional Spatial Plan, which would “guide regional land use and investment decisions, lead the direction of delivery agency programmes and set the context for the development of community council plans.” [11259]

27.56 The Papakura District Council proposal called for a strengthened regional council, and smaller autonomous territorial authorities based on the size and style of Papakura District. This would mean having about 30 territorial authorities. The regional council would have additional roles in delivery of all regional transport infrastructure, economic development, promotion and tourism, planning and delivery of water services, and funding of recreational and cultural amenities. [10537]

27.57 In terms of numbers, various two-tier options given by submitters included

- 50 regional councillors and community boards
- a regional council and 20 community boards, or boroughs
- 20–30 wards with one councillor per ward
- five sectors of Auckland (north, south, east, west, central) with 21 local wards
- 10–20 ARC members and 5–10 community boards, covering 100,000 to 200,000 people each
- a regional super-council composed of about 20 councillors, with community boards with 6–8 councillors each

76 Local Māori with ancestral ties to the land.

27. Proposals for New Governance Structures

- 24 councillors in the regional body; about 20 ward community boards to elect regional councillors
- one main council with 25–30 councillors, and community councils with five to six members
- one regional council and 20–30 strengthened community-based ward committees
- one regional council plus four or five territorial authorities; 110 territorial authority councillors, and 25 Greater Auckland Region councillors
- one regional council and three borough councils
- 26 regional councillors and up to 26 community boards with four members each
- 20–30 councillors on regional body, composed of representatives from 20–30 small local councils, which have four to six members each
- at least 30 local councils, representing no more than 100,000 people each
- one Greater Auckland Authority plus 30 community councils
- one Auckland Metro Council and five municipal districts, with five councillors from each municipal district to create a metro council of 25 members
- one regional council and three territorial authorities (North, South, Central)
- a Greater Auckland Council with 20–25 ward councillors and community councils with eight to 10 members each
- a Greater Auckland Council with 19 members (including one regional mayor, eight local mayors, and 10 regionally elected members) and eight community councils (Rodney, North Shore, West Auckland, East/Central, West/Central, East Auckland, South, Counties)
- a regional body and four territorial authorities (Auckland and North Shore; Auckland City; Waitakere City; and Manukau, Papakura, and Franklin)
- a regional council and 36 community boards
- a regional council and nine community councils
- a regional authority and 10–12 local area committees (which service a larger population than community boards)
- a regional council and up to 15 community boards
- ARC and 14 or so medium cities of 100,000 residents
- a regional body and up to 10 local councils serving 150,000–250,000 residents each
- a regional body and 32 community boards with four members each

- a Greater Auckland Council with 10–15 community councils and an ethnic board
- 20 full-time regional councillors, elected from the different territorial authorities
- a Greater Auckland Council with 21–30 local community councils and then three business units (building control authority, one transport agency, and one water authority)
- an overarching regional body or senate advised by a congress of 100 members, and community councils of 13 members, representing 30,000–40,000 people each
- a Greater Auckland Council with 19 members (including one regional mayor, eight local mayors, and 10 regionally elected members) and eight community councils as listed below, plus an ARTA board:
 - Rodney – status quo
 - North Shore – status quo
 - West Auckland – Waitakere status quo
 - East/Central: Eastern Bays, Hobson, Tamaki, Western Bays
 - West/Central: Avondale, Mt Roskill, Mt Eden, Mt Albert, Maungakiekie
 - East Auckland: Howick, Pakuranga, Botany/Clevedon, Flatbush
 - South: Papatoetoe, Mangere, Otara, Manurewa
 - Counties: Franklin, Papakura.

27.58 Many submissions gave a Māori perspective on options for an alternative structure. The Te Ha Leadership Group of Tamaki Makaurau suggested an interactive two-tiered political system of democratically elected government, accorded status and acknowledged through Te Tiriti o Waitangi. The structure would consist of a Greater Auckland Authority with 23 councillors, including three Māori regional councillors, three mana whenua councillors, and one Pacific councillor, plus 30 community councils with 210 councillors including 30 Māori councillors and 30 Pacific councillors throughout the region. As a focus for Māori involvement, at the regional level there would be a Runanga-a-Iwi comprising the mayor, the Māori and Pacific regional councillors, and a rangatira⁷⁷ elected by all the Māori and Pacific councillors. At the upper ceremonial level, under the Treaty of Waitangi, Te Ariki Nui Kiingi Tuheitia holds the position of custodial trustee, with the Governor-General in a similar position for the Crown. [11278]

27.59 Other suggestions for the structure included

- having a board of governors for the regional body, with input from local boards of management, which would be based on communities of interest

77 Chief.

27. Proposals for New Governance Structures

- winding up all territorial authorities and transferring all assets and staff to a regional body, and electing community boards on an single transferable vote basis
- running a regional body like a large efficient company with a board, and with community boards that are directly responsible to the board
- retaining ARC, including responsibility for Auckland City Council, plus having two district councils to cover rural areas in the north and south
- adopting the “village concept” that had proved very successful in France and Denmark, with a small central core council that oversees and administers essential services
- having a strategic board of councillors made up of councillors from the seven local councils
- one major city council and smaller community boroughs (no need for a regional body)
- a council of 10, with five appointed commissioners and five elected at large
- a system based on a single metropolitan unit of local government plus community councils (three levels of government being sufficient for Auckland – national, metropolitan, and community)
- having two regional bodies: Auckland City Council, consisting of North Shore, Auckland, and Manukau; and Auckland Rural Council, consisting of Waitakere and Rodney, including north and south to Pukekohe, plus community boards
- staggering terms, so that at the end of each term, half the elected representatives would resign, and a first-term ballot would be held to decide who would stand for re-election; the remaining half would stand down or run for re-election at the next election.

27.60 One submitter said that within the two-tier structure, the number of elected representatives should be cut by approximately 50%, and the salaries of the representatives should at least double.

This will attract the best quality candidates necessary for Auckland’s and our children’s future. The better governance provided will save far more than any increased costs. [11064]

27.61 Sometimes submitters wanted a two-tier structure, with all the territorial authorities incorporated into the regional body – except for their local council, which was usually Rodney, Papakura, or Franklin District.

27.62 Two submitters wanted to retain regional and city councils, but change all the cities to boroughs and rename the ARC as the Auckland City Council.

27.63 One submitter suggested dividing the Auckland region into two cities: Auckland City North, which would comprise Rodney District and North Shore and Waitakere Cities, and

Auckland City, which would comprise the present Auckland City, Manukau City, Papakura District, and part of Franklin District. Both cities would have a range of socio-economic areas, and both would contain rural areas. [10123]

New bodies for specialised purposes

27.64 A number of submitters wanted to see a regional environmental protection agency established, sometimes to replace the ARC. The proposed agency would execute all environmental programmes, research, consenting, monitoring, and compliance/enforcement. It would deal with issues such as water and air quality, biosecurity, coastal management, climate change, environmental protection, and sustainability. (See also Chapter 12, “Planning and Regulatory Functions”.)

27.65 There were several calls for a special Hauraki Gulf Council, to represent the Barrier Islands, Rangitoto, Waiheke, and other inhabited islands, and to protect the waters and islands of the Hauraki Gulf. A few submitters wanted this council to have autonomous authority, or to report directly to central government.

27.66 Two submitters wanted a new management structure within the region for the management of all volcanic cones.

27.67 One submission proposed the establishment of 12 Super Community Boards, which would provide only town planning and building-related services to their areas, each containing a community of 50,000–100,000 people. All other local government functions would be administered by five new regional organisations, each with a separate “network” function: water/sewers/stormwater; public transportation; roads; parks/open space/urban boundaries; water/air pollution/solid waste. [11269]

27.68 Other bodies proposed by submitters included the following:

- a regional planning group that focused on infrastructure
- a transport body (Greater Auckland or Metropolitan Transport Authority or Commission) to coordinate public transport and roading and rail development and upgrades
- a non-profit Auckland-wide transport company jointly owned by all councils for bus services and light rail
- a new Urban Development Authority, to bring about higher urban densities
- a Metropolitan Development Agency to facilitate a metro urban and economic development strategy across Auckland
- a development authority for the waterfront area
- a revamped Ports of Auckland Authority to manage the container terminals, ferry wharves, cruise ship wharf, and tank farm facilities

27. Proposals for New Governance Structures

- council-controlled organisations for service delivery of council activities such as water and roads
- a Regional Social Forum, which would have representatives from the community, philanthropic, and academic sectors and would provide expert advice and guidance on social issues; ad hoc committees for areas such as finance, transport, welfare education, and emergency planning
- citizens' groups
- a central coordinating business board
- a regional office for complaints
- a national/regional building consent authority
- regional agencies focused on urban, industrial and property development, economic development, three waters, regional facilities, and heritage
- a single holding company for managing Auckland's assets
- an Auckland Regional Maori Authority, which would govern beside an Auckland Regional Local Government Authority
- a Pacific Island regional forum – a multi-stakeholder leadership group that focuses on vision, goals, and performance for their area
- administrative disputes tribunal
- a coordinating body within the regional council to ensure consistency and workability of strategy and policy
- special bodies such as a Waterfront Commission to focus on strategic investment strategies
- a single water regulator to control prices
- a planning structure with four specialised offices that would develop expertise and consistency in inner city and management, suburban planning and management, rural planning and management, and coastal and harbour planning and management
- a forum to communicate between regional councils and community councils
- a separate body to represent the central business district on council
- an inter-regional growth forum to deal with strategic planning and development issues for the upper North Island
- citizens' juries or focus groups to advise planners
- the existing Mayoral Forum being ordained as a compulsory College, which would integrate the activities of authorities and government departments
- an independent RMA Management Authority

27. Proposals for New Governance Structures

- an economic development agency to increase the economic well-being of Māori in Auckland
- Te Tiriti o Waitangi Committee and Mana Whenua Forum for any councils
- an audit office to establish consistency of practice across local bodies
- different business units for the regional council (e.g. finance, economic development, transport, planning, and cultural/social).

27.69 Many submitters wanted an independent ombudsman appointed to ensure accountability and transparency, to investigate public concerns and complaints, and to mediate between councils and ratepayers, and councils and the ARC.

History and current practice remind us that there are many opportunities for dishonest, illegal and underhand ways of acting in local body administration. Constant pressure and vigilance are needed from citizens to ensure that city council organizations remain responsibly accountable in the administration of those matters that closely affects the lives of ordinary people. [10089]

28. Statutory Reforms

28.1 This chapter summarises the small number of submissions where specific legislation proposals or amendments were put forward. On the other hand, there were many submitters who suggested changes to governance structures that would necessitate statutory amendments but they did not explore the legal implications. For example, those submitters who suggested the establishment of a “Greater Auckland Authority” (see previous chapter) may have assumed that statutory amendment would be required, but few referred to legislation; these types of proposals are not summarised in this chapter. Legislative considerations relating to transition processes in any future local government reorganisation are included in the following chapter.

28.2 The submissions of the Auckland District Law Society (“the Society”), supplemented by its additional paper tabled with the Commission at the time of hearing, suggested changes to the Local Government Act 2002 (LGA 2002), the Hauraki Gulf Marine Park Act 2000, the Resource Management Act 1991, and the Local Government (Auckland) Amendment Act 2004. [592]

28.3 The amendments to the LGA 2002 suggested by the Society were to strengthen the role of community boards in a larger local government structure. The Society argued that this was in accordance with the principle of subsidiarity. It said at present, the sections of the Act relating to community boards left matters of the constitution and empowerment of community boards to the discretion of the local authority. The Society felt that subsidiarity would require a presumption in favour of decisions being made at the lowest appropriate level, unless there was good reason for the decision to be made at a higher level.

28.4 The Society noted that local bodies of the Auckland region had an important function in the implementation of the Hauraki Gulf Marine Park Act. The Society suggested that the Commission should ensure that whatever system of governance was chosen for the Auckland region, it would implement the purposes of the Act. The composition of the Hauraki Gulf Forum would also need to be addressed if the number of local authorities were to change.

28.5 The Society submitted that under the Local Government (Auckland) Amendment Act, Schedule 5 might be the subject of uncertainty and confusion resulting in consequent appeals and added costs to local authorities. The Society suggested that the Commission might appropriately recommend changes to the Act, but did not specify the details of what was envisaged.

28.6 Auckland City Council noted that, apart from changes to the LGA 2002 to cover its unitary authority model, some other Acts would also need changing to reflect changes in ownership or responsibilities, including the Auckland War Memorial Museum Act 1996, the Museum of Transport and Technology Act 2000, and the Auckland Domain Act 1987. [11181]

28.7 Another submitter asked for changes to be made to the Local Government (Auckland) Amendment Act. The particular provision was section 40(4)(a) which affords

28. Statutory Reforms

the Auckland Regional Council (ARC) a power of veto over changes to the metropolitan urban limits. The submitter said that the veto usurped the role of the Environment Court and prevented the proper consideration of any particular proposal on its merits before a court of law. This was suggested to be overly restrictive by one submitter.

28.8 The New Zealand Planning Institute in its submission suggested amendments to the Resource Management Act (RMA), the Public Works Act 1981, and the Land Transport Management Act 2003. [11112]

28.9 In respect of the RMA, the Planning Institute said that the Act needed to be amended to enable regional agencies to make regional policies and to ensure that local planning “gives effect” to that regional policy. This could be achieved by requiring all district plans to be approved by the regional governance agency to ensure they delivered or gave effect to the regional planning policy within their district or city.

28.10 In respect of the Public Works Act, the Planning Institute suggested that an amendment should be made to enable a development agency and possibly councils to acquire strategic sites in multiple ownership and develop project briefs that met urban design and other criteria; these could be tendered so that the market for alternative partnership arrangements could deliver effectively integrated outcomes. The institute saw this as critical to ensure the delivery of urban regeneration and other development projects required to give effect to the regional policy framework.

28.11 The Planning Institute suggested that the Land Transport Management Act and other transport legislation might need to be amended so as to ensure that the seat of national and regional funding was dependent on policy and implementation alignment by Auckland councils. Over time, this would reward those councils that actively implemented key regional strategies. Alternatively, separate legislation could ensure this occurred across key selected activities in the region.

28.12 The Local Government Centre suggested legislative changes, which could be specific to the Auckland region, to increase significantly the minimum delegations to community boards. This would make community boards responsible for those matters that had their principal impact within the area of the community board itself. The new minimum delegations should include the power to recommend a targeted community rate with the expectation that, other than in extraordinary circumstances, the parent council would adopt the recommendation. [11078]

28.13 The Forum for Auckland Sustainable Transport favoured three changes to legislation. The first was to the Land Transport Management Act which, it was suggested, should be altered to ensure that receiving national and regional funding was reliant on policy and implementation alignments by local councils. The second was a change to the Public Works Act so that councils could acquire key strategic sites. A particular issue was the re-amalgamation of sites in multiple titles. The third legislative change was to the RMA. This included having regional policy statements following the process used for establishing national policy statements, a power of veto by a regional body over district plans before they were notified, and removal of the further submission process. Standard definitions for resource management were also advocated. [10493]

28.14 One submitter called for changes to the LGA 2002 to ensure that territorial authorities consulted widely and appropriately with Māori communities.

28.15 Auckland International Airport Ltd made the point that the statutory framework around local government was established by central government and had been in a state of constant evolution over recent years. It noted that at present, the overlapping legislation currently in a state of amendment included 11 Acts or bills, including the Climate Change (Emissions Trading and Renewable Preference) Bill 2007, Climate Change (Transport Funding) Bill (180-1), Local Government (Auckland) Amendment Act 2004 (appeals to required changes to regional strategy and local plans are being processed by the Environment Court), Land Transport Amendment Bill 2006 (32-4H), and the RMA. The consequence was that

Auckland local governance tends to be in a constant state of reorganisation and planning, rather than implementation. [11266]

29. Transition Processes

29.1 While there was an overwhelming call for change, only a few dozen submitters stipulated *how* they wanted change to occur, and the transition issues that needed to be taken into account for the Commission’s potential recommendations.

29.2 Most of these submitters contemplated that there would be organisational changes, perhaps including amalgamation of councils. Even the more minimal reorganisation proposals, such as that of Franklin District Council in proposing a change to the regional boundary, recognised that transitional arrangements would be needed to cover electoral, governance, rating, and strategic and statutory planning matters.

Planning for change

29.3 There was a division between submitters about whether there should be radical reform or whether the change should be gradual and gentle. The majority of submissions on this topic appealed to the Commission to recommend careful incremental change, not to “change for change’s sake” [10957], and to learn from past experience:

- Too much change too fast has created a lot of the present mess. People and organisations are exhausted and confused by change. ... Better not to change at all unless there is very good reason – and then do it slowly, incrementally, carefully. [10108]
- It is not necessary to throw the baby out with the bathwater. I respectfully suggest that the Commission look at the drivers for each evolutionary change to regional bodies such as ARTA, and design any new authority to take into account the learnings that have come from the changes made. [10101]

29.4 Managing the process so that it was democratic, responsible, and included consultation was another major theme. Submitters warned that successful consultation and implementation would necessarily be a long process, and wanted changes to be “bite-size and achievable” [1330]. Some offered suggestions on the timing of change:

- Change must be managed through an evolutionary process. Revolutionary change must be avoided. ... The democratic process is evolutionary and tends to be expensive in funding and time. It is the cause of great frustration to those impatient for the authority to advance personal agendas. ... A major restructuring of the present governance structure would concentrate effort on the restructuring process and hide the causes of Auckland’s problems behind an expensive flurry of activity which will promise a great deal but guarantee nothing. It is time to pause, to “take a cup of tea” and avoid the trap of replacing progress with a smokescreen of action. [10396]
- Any change should not be radical. The continuous reorganisation of local and state organisations that we have seen for many years does not achieve the intended goal.

29. Transition Processes

If there was radical change then there would be the chaos of reorganisation, 18 months of building the new entities and handling demarcation disputes, and a hiatus while any new entities got up to speed. ... Change should be incremental and not revolutionary. [10724]

- It is suggested that, as with all good decision making (even telling children it's time to go to bed!) the merging of present bodies, in whatever form it takes, should be known, anticipated and fully canvassed. This might be a long-term project, but inevitable bugs will be reduced, by the "cup of tea" pause. [10276]

29.5 A few submitters wanted the Commission to focus on the means as well as the end of the process:

whatever the final Auckland Governance structural arrangements might look like, it is the essence of relationship and implementation that is more important. [1330, author's emphasis]

29.6 Some submitters were clear that the best route for reform was to keep the present structure, build on what was working, strengthen local community involvement, and make minor modifications as appropriate.

29.7 But many others were in favour of radical reform: "Anything less than a RADICAL CHANGE simply won't fix the present broken structure." [10250]

29.8 A few of those in the radical change camp cited the half-hearted changes from the previous restructuring in 1989 as an example of why minor modifications rarely work:

Community boards were created rather apologetically following the demolition of the more effective but numerous borough councils during the restructuring of the late 1980s which gave us seven cities and a regional council. This was not bold reform, rather tinkering at the edges giving us the worst of all possible worlds and constipation in decision making. It would have been better to have left the numerous borough councils in place but with reduced responsibilities and expanded the role of regional council to allow for the development of key regional infrastructure. ... I hope we may embrace this opportunity to get things right for Aucklanders and address our chronic weakness – which is our clumsy and muddled governance structure, replacing it with one that will allow a shared long term vision for our beautiful region, enabling us to be once again a proud window to our nation. [11306]

29.9 The Commission was given a number of suggestions on how to manage the transition process:

- Before any reorganization of governance or management is undertaken, the reasons for the changes must be clearly understood and expected outcomes accepted as necessary and appropriate by Auckland's ratepayers. [10396]
- I respectfully suggest we need to work through the issues, starting with broad principles and broad objectives. We then need to outline parallel examples of systems which offer a better chance of achieving the identified broad principles.

It seems to me that the final form of governance most suitable for the region, will develop naturally from the first two stages referred to above. [10119]

- Any new body or bodies should be an entirely new entity, with a new name, and new functions and powers. This will herald a break from the current governance arrangements, and signal a new, cohesive, Auckland-wide focus. A new 'brand' for Auckland is needed for it to become a successful world-class city. [11266]

Transition costs

29.10 The issue of the cost of amalgamation or reform was a major theme. One group of submitters was concerned about the possible costs and chaos of a major restructuring of the local bodies without guaranteed savings or benefits in terms of service. One said, "There is no evidence to suggest that radical change in the form of local government will produce better outcomes." [11204]

29.11 Many of these submitters cited examples from overseas where the costs of change exceeded the benefits (such as Toronto).

29.12 The Local Government Centre warned,

The transition costs associated with major organisational change in local government are traditionally underestimated for a variety of reasons including different and often incompatible IT and other systems, organisational cultures (which can be much more entrenched and organisation rather than industry specific than is the case in the private sector), the tendency of highly capable staff to leave in the course of long drawnout transitional processes and reconciling different rating, bylaws and other systems. This argues for recommending the least possible change to achieve the outcomes the Royal Commission believes are needed for Auckland. [11078]

29.13 Auckland Regional Council evaluated its proposals for reorganisation of local governance, by reference to the relative transition costs:

Option three requires shifting the ownership and financial responsibility for significant regional infrastructure from the [territorial authorities] to the ARC. This transition would be complex and difficult to legislate for. For instance, giving the ARC responsibility for wholesale water and wastewater infrastructure would require the separation of parts of the North Shore wastewater system. This would raise complex issues relating to allocation of staff, assets, debt, and system operation. These issues would become even more complex in relation to transfer of regional roads. ...

Of all of the options considered by the ARC, option five offers the greatest scope for achieving economies of scale in service delivery and for rationalising local authority activities. As is discussed above, whilst the costs of transition would be high, other options are likely to present more complex transition issues, in particular, options that require negotiated disposition of staff, assets, and debt. It would also be very

29. Transition Processes

important to ensure that local government institutional memory is not lost during the transition to any new governance structure. [11250]

29.14 However, a second, smaller, group of submitters accepted transition costs as inevitable and concentrated on ways they could be managed to improve economic and social outcomes.

29.15 A number of submitters considered that the transition costs should be considered as an important factor in deciding whether to adopt a particular restructuring proposal. They called for transitional costs to be evaluated before a decision was made to recommend a specific change to local governance. These submitters were often the same people who argued that changes to local governance should be evolutionary rather than revolutionary. They often argued that an evolutionary approach would minimise the transitional costs (financial and emotional) of change by building on previous strengths.

The cost of change needs to be incorporated into any cost/benefit analysis for decision making. The cost of change ought to include an assessment of the personal cost to territorial authority staff in managing and coping with change and the stress this generates (10957)

29.16 One submission came up with a way of funding “bite-size” change, and recommended,

any increased responsibilities designated and/or transferred over the local government should also carry its corresponding financial cost. This should be by way of a return of the Water Services Subsidy [of the Ministry of Health] or other relevant mechanisms [1330]

29.17 The perennially thorny issue of rates was mentioned as a key indicator of whether ratepayers would accept any changes:

- If change will not reduce rates then ratepayers are unlikely to support it – in reality they don’t care who delivers services just what it costs. [10957]
- Change which increases the distance between the ratepayer/elector and the decision-makers will alienate the citizens who are expected to pay the bills. [10396]

Transition process

29.18 Some submitters sought community input prior to changes being implemented. Several suggested that changes should be introduced only by way of a referendum. One said,

I suggest the final recommendation(s) of the Royal Commission be put to the citizens of Auckland in a referendum sometime in 2009. [10843]

29.19 Some submitters felt that transitional processes followed in other countries should be adopted here. For example, it was said that in Queensland significant local government

amalgamations took place in 2008, with a \$12 million staff support package for the transition process. There was employer/union engagement from the outset. [10787] Another submitter noted that In Victoria local authorities operated for three years without elected officials. A small number of appointed commissioners ran the communities and established new bureaucracies during that time. Elections were held when the process was complete. [2223] The model of Toronto was suggested as one not to follow, because it gave rise to years of transitional crisis. [10098] North Shore City Council noted,

When making international comparisons, it is important to note that the range of services and responsibilities undertaken by local government in New Zealand is narrower than many overseas jurisdictions – they do not bear significant responsibility for provision of services such as policing, education and the care/accommodation of older people. This may lead to slightly lower transition costs. Nevertheless, on balance, it appears it is unlikely that amalgamating Auckland’s territorial authorities would result in cost savings. [11074]

29.20 In its supplementary submission, Auckland City Council presented a copy of the final report of the Ottawa Transition Board, containing details of transitional processes adopted for the new City of Ottawa in 2000–2001. [11181]

29.21 Some submitters suggested that any changes should be introduced in stages. One suggested a two-step approach:

- a) Current [territorial authorities] to go down to 4 major Councils at the end of this current term in 2010.
- b) These 4 councils be merged to form one Auckland Region wide Council within one or maximum 2 terms by 2016. [10841]

29.22 Another submitter who advocated for a staged approach to local government reorganisation suggested that it should not be done in one change. The stages should be staggered over electoral years, and combine four cities first, then add the regional authority at the following election, and then at a later election give the rural areas the chance to join. It was suggested that the administration of each city should not be amalgamated. [2225] (This submission was in the context of a specific model for reorganisation advocated by the submitter.)

29.23 Another submitter outlined a detailed plan for the transition process with five steps: (1) develop public awareness of the upcoming process and need for consultation, while retaining present structures; (2) formulate a development and management plan for Auckland, involving all local bodies including community boards; (3) appoint a planning committee, which would include two representatives from the Auckland Regional Council, two from each local council, one specialist from each of the infrastructural and facility provider areas of councils, and a chair or commissioner (this committee’s role being to work with central government and work on planning for six months); (4) consult with the public and all elements of the present governance structure, including community boards; (5) the implementation phase. [10396]

29. Transition Processes

29.24 The issue of the rating systems that needed to be amalgamated was raised by one submitter, who suggested that changes to rates should be phased in over five years to avoid massive changes in any one year.

29.25 Some submitters suggested a need to consider transition management to minimise service interruption. One suggested that the Commission's recommendations should be accompanied by a timetable that was strictly adhered to, otherwise the long period of resulting indecision would be worse than the status quo. Another advocated that a commissioner should be appointed to manage the transition to the new governance structure. One submitter recommended there should be a moratorium set on pet local projects before the new structure began. Another idea was that any territorial authorities that were to be disbanded could be retained for a period as advisory councils before their disbandment.

29.26 Several submitters referred to the welfare of local authorities' staff during any transitional process. One urged the Commission to include best practice transitional provisions for staff in its report, for the benefit of staff and citizens. The New Zealand Council of Trade Unions said, "A key transition objective is to maximise job security for workers and assist in staff retention." [10787]

29.27 Several submitters noted that the consolidation of multiple staffing structures would be time consuming and costly. One of them predicted that organic attrition would happen to territorial authorities as more functions (such as water services and transport) were upgraded to a regional level; therefore further restructuring was unnecessary.

Because of the complexities of either merging or breaking up councils into smaller units, I wonder at the wisdom of doing so. Apart from minor boundary changes which may occur through this process, I fail to see the benefit of wholesale changes. [11032]

29.28 Auckland International Airport Ltd recommended,

any new leadership structure should not be built on existing governance structures. ... simply reforming existing governance arrangements will not provide the appropriate level of city-wide leadership and efficiency that is required, or deliver the fresh approach needed. ... any new body or bodies should be an entirely new entity, with a new name...[to] herald a break from the current governance arrangements and signal a new, cohesive, Auckland-wide focus. [11266]

This would mean holding city-wide elections, so that councillors would not focus just on ward-based issues but instead develop a more regional focus.

29.29 One submitter suggested that all current mayors and chief executives should be banned from holding any position in the new structure. Less personally, but still emphatically, Rodney Economic Development Trust said,

We can not rely on the existing political structure within Auckland to achieve the type of restructuring sought by the Commission or the public. [546]

Rodney Economic Development Trust suggested that a commissioner be appointed to oversee the introduction of any new governance structure. The commissioner would

be assisted by a small board of experts and be required to achieve a predetermined reduction in costs by reducing overheads and amalgamation of statutory documents.

Legislative considerations

29.30 The Commission was urged to take into account present arrangements and legislative considerations before recommending any changes. For instance, the Waitakere Ranges Protection Society was concerned about possible amendments to the existing district plan provisions for the Waitakere Heritage Areas in the event of any restructuring, pointing out that the Waitakere Heritage Area Act 2008 created special considerations for the Commission. [10957] “Change fatigue” on the part of the local community was also a factor to take into account.

- The Waitakere District Plan is only just settling down after many years of development and a “fresh start” is not warranted. To renegotiate and re-litigate the current plan would impose considerable chaos on the local community. The recently enacted Waitakere Area Heritage Act 2008 also mandates that the current plan be preserved rather than changed. [10724]
- The Act mandates that no environmentally adverse changes are made to the relevant provisions [of the] District plan. Regionalising District Plans and change processes can conceivably affect this. It is hoped that any reforms will not affect current provisions nor make future adverse changes easier. [10957]

The future of Auckland

29.31 Whatever the change, some submitters were adamant about the vital potential of this opportunity for change for Aucklanders now “and for generations to come.” [10486]

29.32 The Commission was repeatedly urged to take advantage of this opportunity for change, and to ensure that its recommendations were acted upon:

- It is time for a big shake-up. If we miss this chance we won’t catch up to our competing cities in Australia and Asia and will become a regional backwater. I look forward to your recommendations which need to be binding and actioned. [10062]
- It is put to the Royal Commission that they need boldness in vision to create a system of governance for Auckland and not be influenced too heavily by those with vested interest, despite the power they have and influence with the media. This recommendation should not be influenced by politics, but by common sense and what is good for all of Auckland. This is not a popularity contest, but an opportunity to make an enduring recommendation without compromise. [10854]
- This is an opportunity to advance the social and economic interests of Auckland. Be bold. The economy is nothing without the people. In the current model people

29. Transition Processes

have been left behind and business interests put forward. Let's address the problem not the symptoms and make Auckland into the world-class city it should be where Auckland's people and many diverse communities live healthy, safe, happy, and empowered in a compact city with great public infrastructure. [11025]