

Submission

The Review into the Future for Local Government

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Introduction

1. Ashburton District Council (Council) welcomes the opportunity to submit feedback on the Draft Report for Review into the Future for Local Government. The submission has been prepared by Officers and adopted by Council at their meeting on the 1 March 2023.
2. Located an hour's drive south of Christchurch, more than 35,400 residents live in our district. Approximately 50% of our residents live in the main town of Ashburton, with the rest of our residents living rurally or in smaller towns or villages across the district.
3. Ashburton District (the District) has experienced moderate and sustained population increase since the mid-1990s, increasing by 23% between 2006 and 2013 (a 3.3% increase per year). This growth, however, has now slowed, with an average growth of 1.3% per year since 2013.

General Comments

4. Council appreciates the Panel's effort of undertaking the review and preparing the Draft Report for Review into the Future for Local Government.
5. Council acknowledges the Canterbury Mayoral Forum's (CMF) submission and would like to re-emphasise that in view of the significant reforms underway there is a need to clearly articulate what needs to change to ensure local governments and local governance is fit for purpose for the next 30 years.
6. Council's approach in this submission is not to provide response to each chapter of the Draft Report. Council provides comment where we strongly agree/disagree with a recommendation or would like to provide response on a question. This submission has Council's response on chapters 1, 2, 3, 6, 7 and 8.

Chapter 1: Thriving local government is vital for Aotearoa New Zealand – the key underpinnings.

7. Council acknowledges the significance of the key themes the Panel has focused on while preparing this report.
8. Council reasserts CMF's submission that the final report from the Panel must be precise, compelling, and prioritised so that it is clear to central government what is required to address key issues and what changes local and central government need to make in the short, medium, and long term to maximise the inter-generational well-being of communities.

Chapter 2: Revitalizing citizen-led democracy

That local government adopts greater use of deliberative and participatory democracy in local decision-making.

9. Agree

- Council notes that the greater use of deliberative and participatory democracy will take time to do well and should be approached as a gradual process.
- This is already a path that councils can choose to go down through our current Significance and Engagement Policies for almost every decision they make. However, it would, in some instances, be less efficient than normal decision-making by elected representatives and/or officers under delegated authority.
- The opportunity here is for Councils to get better at identifying and taking the opportunities where deliberative and participatory approaches will strengthen local democracy. Regular implementation (for example 1-2 opportunities in the first instance) would then lift capability and experience in this.

That local government, supported by central government, review the legislative provisions relating to engagement, consultation, and decision-making to ensure they provide a comprehensive, meaningful, and flexible platform for revitalising community participation and engagement.

10. Agree

- Council does not oppose the review of legislative provisions in this regard, as it may be the incentive to drive the change, however, we believe that there is nothing to stop Council's from undertaking participative engagement right now. There is more flexibility within the current legislative framework than many councils choose to use,

as the opportunity for engagement that precedes formal consultation, and formal consultation under Section 82 of the Local Government Act 2002 does not have to always be done in the same way.

- The advantage of doing this in the same way is that staff, elected members and the community become more familiar with the system and how it works. The cost-benefit equation of new and diverse approaches should be assessed to ensure that councils are having right conversations with the community at the right time.

That central government leads a comprehensive review of requirements for engaging with Māori across local government-related legislation, considering opportunities to streamline or align those requirements.

11. Agree

- Council agrees that opportunities for achieving better engagement with Māori must be explored.
- Council suggests central government needs to invest in Rūnanga capacity-building to meet the requirements of legislation as it is unlikely that the review will result in less engagement with iwi.

That councils develop and invest in their internal systems for managing and promoting good quality engagement with Māori.

12. Agree

Council believes that we are already on a journey to mature our relationships in this space. The current state of internal systems have provide sufficient opportunity to achieve this.

Following is a brief view of current state of Council's engagement with Māori;

- Environment Canterbury, Ashburton, Mackenzie, Timaru, and Waimate district councils all operate within Te Rūnanga o Arowhenua's takiwā.
- Arowhenua and Ashburton District Council have partnered on a range of projects over the years with Arowhenua's operational arm Aoraki Environmental Consultancy (AEC) in regular six-weekly hui with Council officers.
- All stockwater race closures receive a cultural assessment by AEC, as well as stormwater consent preparations, and other Council bylaws, plans, policies, and strategies.

- To improve sustainability for future generations, indigenous plantings for rain gardens were recommended by Arowhenua as a stormwater solution for the Ashburton CBD Streetscape Renewal project.
- Arowhenua have provided cultural narrative for projects such as the new Library and Civic Centre, of which they gifted the building names Te Pātaka o kā Tuhituhi (Storehouse of publications) and Te Waharoa a Hine Paaka (The gateway of Hine Paaka).
- The rūnanga also guide exhibitions at the Art Gallery and Museum and Welcoming Communities initiatives such as the Tūwhana language app.
- Mutual priorities across Councils include social wellbeing, improving economic wellbeing for whānau, and job creation alongside environment and water related kaupapa.

That central government provides a statutory obligation for councils to give due consideration to an agreed, local expression of tikanga whakahaere in their standing orders and engagement practices, and for chief executives to be required to promote the incorporation of tikanga in organisational systems.

13. Agree

- While Council agree with this recommendation, we do note that we have effective ways of achieving this already through adopting Standing Orders. We are currently reviewing our Standing Orders. The review will consider the inclusion of agreed and local expression of tikanga whakahaere in Councils' standing orders therefore, the work on achieving this is underway.

What might we do more of to increase community understanding about the role of local government, and therefore lead to greater civic participation?

14. Council believes that following can lead to greater civic participation;

- increasing role of civics education, both from an education-led perspective and within our communities.
- Councils can take initiative of running civics education for communities and having the conversations.
- Councils can encourage communities to start asking what they want to know about local government and commit to answering factually.
- Councils can commit to adopt participatory and deliberative approaches for at least one issue of significance annually.

Chapter 3: A Tiriti-based partnership between Māori and local government

That central government leads an inclusive process to develop a new legislative framework for Tiriti-related provisions in the Local Government Act 2002 that drives a genuine partnership in the exercise of kāwanatanga and rangatiratanga in a local context and explicitly recognises te ao Māori values and conceptions of wellbeing.

15. Agree

- Council is in support of developing a new legislative framework for Tiriti-related provisions in the Local Government Act. However, a new legislative framework must strengthen partnership by keeping local context in focus.

That councils develop with hapū/iwi and significant Māori organisations within a local authority area, a partnership framework that complements existing co-governance arrangements by ensuring all groups in a council area are involved in local governance in a meaningful way.

16. Agree

- We strongly support this recommendation. Please see the Council response in paragraph 10.
- However, we propose replacing the word “co-governance” with governance or partnership. Council believes that if we do this well, it will strengthen all governance/partnership relationships, including co-governance which is simply a subset of governance after all.

That central government provides a transitional fund to subsidise the cost of building both Māori and council capability and capacity for a Tiriti-based partnership in local governance.

17. Agree

- We believe that council capability should be funded by the councils. Central government should fully subsidise Māori capability building. There should be a mechanism in place for Māori to report annually on their engagement with local councils and suggest councils could be required to include the information in their Annual Reports.

Chapter 6: A stronger relationship between central and local government

Tell us your thoughts on building on current strengths and resources.

To create a collaborative relationship between central and local government that builds on current strengths and resources, what are:

- a) the conditions for success and the barriers that are preventing strong relationships.**
- b) the factors in place now that support genuine partnership.**
- c) the elements that are needed to build and support a new system?**
- d) the best options to get there?**
- e) potential pathways to move in that direction and where to start?**
- f) the opportunities to trial and innovate now?**

18. Agree

- Council notes that local governments seem to be well respected and thought of by central government when we are in a state of emergency or during times of localised events.
- These times of high stress are often an example of local and central government groups and agencies parking previous held issues to the side and truly focusing on the wellbeing of the local communities. Council considers that this can be taken as a signal that there is the potential for a strengthened, non-emergency partnership between local and central government.

Chapter 7: Replenishing and building on representative democracy.

That central government undertakes a review of the legislation to:

- a) adopt Single Transferrable Vote as the voting method in council elections.**
- b) lower the eligible voting age in local body elections to the age of 16.**
- c) provide for a 4-year local electoral term.**
- d) amend the employment provisions of chief executives to match those in the wider public sector and include mechanisms to assist in managing the employment relationship.**

19. Agree and Disagree

- Council does not support a mandatory shift to a Single Transferable Vote. We believe that STV is more complex in terms of explaining and administering to our local community. Moreover, we believe it is not suited for small wards that elect one or two members. We suggest that the FPP voting system works well for our community and would not like to see mandatory change to STV.

- We support the consideration of lowering voting age to 16, but that this change must be accompanied by civics education in secondary schools. Other opportunities to include youth voices into local government activities can be explored at a localised level.
- Council supports a 4-year local electoral term. However, we strongly believe that electoral term for central and local government must be the same, meaning 4-year electoral term must apply to central government as well.
- We also support amendment in the employment provisions of chief executives and agrees with the removal of five + two-year terms.

That central and local government, in conjunction with the Remuneration Authority, review the criteria for setting elected member remuneration to recognise the increasing complexity of the role and enable a more diverse range of people to consider standing for election.

20. Agree

- Council supports a review of the remuneration to encourage diverse representation of our communities to consider standing for local government elections. While some believe that being an elected member of Council is more about representing your community than being a job, some in our community simply cannot afford to stand for Council despite their passion to represent.
- Council believes that review of the criteria for setting elected member remuneration must also focus on encouraging capable and committed people to consider standing for elections.

That local government develops a mandatory professional development and support programme for elected members; and local and central government develop a shared executive professional development and secondment programme to achieve greater integration across the two sectors.

21. Agree

- We currently undertake regular workshops and training to familiarize elected members of the issues, expert assessments, and lawful options. The process enables Council to make well-informed and deliberate decision making. However, mandatory professional development for elected members would ensure that all have the same basis and level of knowledge from which to govern from. This thinking extends to supporting a shared executive professional development.

- Council believes that a secondment programme would provide a much-needed opportunity to understand the on-the-ground complexity of central and local government operations. The better each is able to understand the other can only benefit our local communities.

That central government retain the Māori wards and constituencies mechanism (subject to amendment in current policy processes) but consider additional options that provide for a Tiriti-based partnership at the council table.

22. Agree

- A ‘one-size fits all’ approach cannot be the solution to this issue. Our district population is estimated to be 35,400m with 8.2% Māori population. With this percentage of population, establishing a Māori ward is not likely to be a solution for us.
- Therefore, for council with smaller Māori populations, it is even more important to explore additional options to ensure Tiriti-based partnership at the council table.

How can local government enhance its capability to undertake representation reviews and, in particular, should the Local Government Commission play a more proactive role in leading or advising councils about representation reviews.

23. Disagree

- Council is of the view that the Local Government Commission provides comprehensive guidance and process advice in this regard. We consider that we are well prepared to continue to carry out representative reviews as per the LGC advice.
- Council suggests that if the Local Government Commission were to take a more proactive role that it should be based on the evidence of the supposed problem with the competence of local government in undertaking representation reviews.

To support a differentiated liberal citizenship what are the essential key steps, parameters, and considerations that would enable both Tiriti and capability-based appointments to be made to supplement elected members?

24. Council is not opposed to this suggestion, but caveats this with the following:

- The appointments should ensure representation and improve the skillsets around the council table. This may be in terms of the Resource Management Act, financial skills, legal skills, or knowledge of tikanga Māori.
- The number of appointees must always be less than the number of elected members and the Mayor/Chair must always be elected.

- Where such appointments are made, the Council must also implement a professional development plan for its members to lift their capability in the area of apparent deficit.

Chapter 8: Building an equitable, sustainable funding and financing system.

That central government expands its regulatory impact statement assessments to include the impacts on local government; and that it undertakes an assessment of regulation currently in force that is likely to have significant future funding impacts for local government and makes funding provision to reflect the national public-good benefits that accrue from those regulations.

25. Agree

- Council strongly supports that unfunded mandates should cease immediately.
- To ensure transparency, accountability and build mutual trust, assessments on the impact on local government should be included in central government regulatory impact statement.

That central and local government agree on arrangements and mechanisms for them to co-invest to meet community wellbeing priorities, and that central government makes funding provisions accordingly.

26. Agree

- Agree with the recommendation. However, co-investment must include co-decision making on funds utilization.

That central government develops an intergenerational fund for climate change, with the application of the fund requiring appropriate regional and local decision-making input.

27. Agree

- Council believes that this approach is inevitable for ensuring cohesive responses towards intergenerational issues.

That central government reviews relevant legislation to:

- a) enable councils to introduce new funding mechanisms.**
- b) retain rating as the principal mechanism for funding local government, while redesigning long-term planning and rating provisions to allow a more simplified and streamlined process.**

28. Agree

- We support the exploration of new or additional funding mechanisms.
- Council believes that change is required to the legislatively prescribed uniform annual general charge (UAGC) limit of 30% of annual rates.
- Council's UAGC is currently set very close to the 30% cap. Council believes the 30% limit does not go far enough to balance the ability of residents to pay and access services with property value as a rating tool. Council acknowledges solely using property value is a blunt measure for assessing ability to pay. However, Council contends there should be no limit on the UAGC. Electoral pressure will always ensure property value is part of the rating mix.
- Council recommends that rates should be GST exclusive.
- Council questions the value of preparing formal Long-term Plans (LTPs) every three years compared to the effort required to produce them. Council acknowledges the importance of future planning but contends that other than significant or planned projects, the LTP adds little benefit over and above the Annual Plan.
- The process for predicting the activities in future years inevitably needs to be revisited by councils, and therefore this type of planning creates significant duplication of effort for minimal gain (particularly beyond year three of the LTP). Councils can also find they are restricted or constrained by such documents if circumstances change, and projects are no longer able to be pursued.

That central government agencies pay local government rates and charges on all properties.

29. Agree

- Council believes that Crown-owned land should be rateable.
- Council supports the recommendation that central government agencies pay rates and charges on their properties.

What is the most appropriate basis and process for allocating central government funding to meet community priorities?

30. Council recommends that,

- Central and local government agree on a joint wellbeing strategy. Establishing a partnership between central and local government will help determine how best to manage the effects of central government's proposed wellbeing reforms.

- Council believes that it is important to consider the national good element of wellbeing in relation to criteria which is jointly agreed between central and local government.

Ashburton District Council thanks the Panel for the opportunity to submit on the Draft Report for Review into the Future for Local Government and looks forward to the final report due in mid-2023. Council is happy to provide further information if required.

Kā mihi



Neil Brown
Mayor



Hamish Riach
Chief Executive