

Leader – The elected members of *Greater Auckland* will appoint one of their number as chair.

Membership - Initial membership will, as determined for the 2007 ARC elections, consist of 13 elected representatives, elected from 6 constituencies, aligned with the territorial authority boundaries inside the Auckland region.

Given the divergence of views, it is proposed that, as part of the package, there be a review of existing constraints on regional council representation in Auckland. This would include examining what flexibility may be desirable to facilitate future representation choices, for example membership numbers, types of constituencies and the selection method for the leader. It is proposed that the Minister of Local Government refer this issue to the Local Government Commission to report and make recommendations.

Regional Sustainable Development Forum (RSDF)

Role - The role of the RSDF is to develop, and recommend the One Plan for adoption by *Greater Auckland*.

The role of the RSDF in achieving regional outcomes is intended to:

- improve collective decision making about matters of regional strategic importance (i.e. One Plan content);
- help facilitate a strengthened link to the implementation and funding of regionally agreed priorities; and
- develop the vision and outcomes sought for the region, including specifying the priorities and funding envelopes/parameters that parties are prepared to commit to the agreed priority regional strategies.

Status – the RSDF will be constituted as a standing committee of *Greater Auckland*.

Representation –

District Councils: 1 member each

City Councils: 2 members each

Regional Council: 4 members.

Councils will nominate their own RSDF members, and alternates for those members.

~~118~~ A98

Under these proposed numbers the city councils would have eight of the 15 votes.

Central Government – it is proposed that the Central Government will contribute to the RSDF. Representatives will have speaking rights but no voting rights. Central Government would have up to three representatives with the right to speak.

While Central Government officials will contribute directly to RSDF processes, it is also envisaged that Ministers would meet with the RSDF periodically. These meetings would allow discussion of the key issues and provide a framework for the ensuing work of the RSDF.

Mana Whenua – It is proposed that Mana Whenua representative(s) will be participants in the RSDF. The mechanism by which Mana Whenua participate and contribute to the RSDF will be developed in conjunction with them over the coming months.

Key Stakeholders - it is also envisaged that other key stakeholders may, from time to time, be invited to participate in the RSDF or the fora supporting the RSDF.

Decision Making – it is proposed that the RSDF will, in the first instance, seek to make decisions by consensus. If that is not possible, then decisions will be by simple majority vote of those present and voting, ie no proxies. Each member will have one vote.

Leader of RSDF – the Chair of the RSDF will be appointed by *Greater Auckland*. It is envisaged that the appointment will be made after consultation with the members of the RSDF.

Existing Fora –The need for forums on specific issues will be determined by the priorities in the One Plan. This will mean that issue specific forums are likely to form and dissolve as the priorities evolve except where such bodies are constituted through legislation. All fora will be required to “take account of” the One Plan.

One Plan

Purpose - The One Plan for Auckland will promote social, economic, cultural and environmental well-being through prioritised action plans. It will include a strategic vision for the region, a prioritised set of projects/programmes of regional significance and funding and implementation parameters. Negotiated multi-lateral and bi-lateral funding and implementation agreements between relevant parties will support its implementation, along with other measures.

The One Plan will encompass regionally significant issues covering the social, economic, cultural and environmental well-beings. The Vision and over-arching strategy will be planned for a 50 years+ time horizon. Implementation plans will however be of a shorter time frame.

The Plan will comprise a prioritised set of projects/programmes of regionally significant scale. It is likely that the projects and plans will cover a period of committed implementation of up to 10 years. The period of time will ultimately be determined by the nature of the issue to which the implementation applies.

In the first instance the Plan will commence by utilising existing regional strategies and plans such as the Long Term Sustainability Framework, Regional Growth Strategy, Regional Land Transport Strategy, and the Metro Project Action Plan.

Implementation – It is proposed that funding and implementation agreements to support the agreed decisions in the One Plan will be reflected in multi and bi-lateral contracts between relevant parties.

Greater Auckland, as guardian of the One Plan, will be responsible for facilitating contracts between other parties to the One Plan as necessary, and will negotiate funding and implementation agreements with central Government to support agreed decisions in the One Plan. It is anticipated that *Greater Auckland* will be party to many, but not all, of those contracts.

All councils will be required to take account of One Plan decisions in their own strategic planning documents and decision-making processes.

Any commitments entered into by the councils will be reflected in their individual long term council community plans (LTCCPs). Progress towards meeting these commitments will be included in councils' public reporting.

Implementation commitments will be reflected in Statement of Intent (SOIs) of relevant CCOs and Crown Agencies.

Greater Auckland will also monitor and report on progress towards meeting One Plan commitments.

Sanctions/Levers - One Plan commitments will be required to be shown in councils' LTCCPs, and councils will be required to publicly report progress towards meeting those commitments.

Incentives and sanctions could include moral persuasion; peer pressure, financial penalties; exclusion from benefits of participation in other regional programmes; mechanisms to ensure transparency and accountability.

Consultation - Consultation on the One Plan will be undertaken by the RSDF as a standing committee of *Greater Auckland*.

The One Plan, and the proposed funding and implementation commitments by the councils who are parties to it, will be consulted on as one document.

The consultation process will be of an equivalent standard to the consultation requirements for long term council community plans (LTCCPs) in the LGA02. Local authorities will consult, through their LTCCPs and annual plans, on their detailed proposals for meeting funding and implementation commitments proposed in the One Plan.

Relationship to Community Outcomes – The current obligations on councils to facilitate the development of community outcomes are retained. Engagement to develop regional community outcomes by *Greater Auckland*, in its role as the regional council, will be undertaken as part of the development of the One Plan. Territorial authorities would continue to engage with their communities to identify local community outcomes, which would also inform the One Plan process.

Ability of Greater Auckland Council to Amend One Plan – A two step approach is proposed. In the first instance *Greater Auckland* would have the choice to adopt the One Plan as recommended by the RSDF, or to refer it back (in full or part) to the RSDF for further work. If agreement is not reached on specific aspects at the second attempt, *Greater Auckland* can amend those aspects of the One Plan.

This approach will avoid a potentially circular process in a way that recognises the ultimate accountability of *Greater Auckland*. It also needs to be recognised that the binding agreements to fund and implement projects/programmes derive from a separate negotiated process.

Transition

Transition arrangements and processes to develop the first One Plan will be determined once the final proposal is agreed by central and local Government. It is anticipated that the transition arrangements will build on work already underway in the Auckland region including the Long Term Sustainability Framework; the Metro Project and other critical regional strategies and plans.

Work Streams

Three Waters

Current arrangements for water services will continue.

Strategy – the existing Three Waters strategy work be continued with a view to achieving a more optimal alignment between the planning of, funding for and delivery of water, wastewater and stormwater infrastructure and services. Work will continue over time to investigate the merits of legislative amendments relating to the ability of the owners of WSL to operate it within the general legislative model of a Council Controlled organisation (CCO).

Transport

Legislation – it is proposed that legislation be amended with a view to:

- the Auckland Regional Land Transport Strategy (RLTS) being enabled to include major projects and priorities;
- responsibility for the appointment of directors to the Auckland Regional Transport Authority being transferred to *Greater Auckland*.

Regional Facilities

Changed Responsibilities – it is proposed that *Greater Auckland* assume ownership and/or funding responsibility for existing facilities of a primarily regional nature, including the Auckland War Memorial and Transport Museums and those facilities and services requiring regional funding. The starting point for this process would be the proposed “Auckland Regional Amenities Bill” promoted by 11 regional organisations and supported by Auckland City Council.

The transfer will be contingent on:

- Identifying a transparent process for the identification of the reduced rating requirements by relevant territorial authorities as a result of the transfer of functions;
- Identification of additional regional funding sources to support both existing and new facilities and services;
- Establishing a process whereby assets and responsibilities are transferred by negotiation and agreement within a defined time limit; and
- Certainty (possibly through legislation) about the funding obligations and mechanisms that are to operate within the region.

Future needs - Agreement between Auckland Councils and Central Government is needed on a process and criteria for analysing the mix of local, regional and national benefits in respect of proposals for major new facilities within the region, and for developing the appropriate funding arrangements to

ensure the facilities are sustainable from both a capital and operating perspective.

Process - The process for reaching agreement in respect of existing facilities and services will primarily involve those councils within the Auckland region who currently fund, own and/or provide facilities or services. Agreement will need to be reached as soon as possible, and not later than 31 January 2008 to enable legislation, if required, to be enacted in time for transfers to take effect from 1 July 2008.

The development of a process and criteria for assessing future needs will need to involve Government officials as well, and the results will need to be agreed by both councils and Government.

Economic Development, Tourism, Major Events

Changed Responsibilities - It is proposed that Auckland Plus, the regional economic development agency assume a more active role in economic development initiatives within the region, as well as assuming responsibility for regional tourism and events management. The option of Auckland Plus also coordinating, and allocating Government funding to, local economic development agencies has been discussed and requires further investigation.

It is also proposed that *Greater Auckland*, in consultation with other parties as appropriate, investigate the feasibility of and need for a regional agency to undertake urban development or renewal projects required to advance One Plan objectives.

Funding – A process is to be undertaken with Central Government officials to investigate redirecting existing Government funding with respect to Economic Development, Tourism and Major Events to Auckland Plus.

Funding

In order to strengthen the regional council and enable it to take on the additional responsibilities outlined earlier in this section (particularly in relation to regional facilities and economic development), appropriate funding needs to be available. It is anticipated that existing funding will need to be supplemented.

Process - It is proposed that the Auckland councils, led by *Greater Auckland*, work together to:

- identify funding required for specific regional initiatives/services to meet the future needs of the region and achieve a step up in Auckland's performance;

- fully optimise their respective rating bases and other existing funding lines;
- identify any gap between current funding available and identified future needs; and
- explore options for additional funding and develop business cases to support any specific additional funding mechanisms necessary to meet requirements.

It is envisaged that the process will build on the work already undertaken.

In addition, it is proposed that this work not commence until after the report of the Rating Inquiry has been assessed in terms of how it addresses the characteristics of the Auckland region. The Government will engage with the Auckland councils in this assessment, including discussing how it will engage with the work outlined above.

It will be necessary for this work to coincide with the timing of work finalising the transfer of responsibilities to *Greater Auckland*.

The Government will work with Auckland councils to develop business cases for specific major regional projects that have been identified and prioritised in the development of the One Plan, and to develop funding proposals for such projects in this context. Detailed funding arrangements for specific priorities identified in the One Plan will form part of implementation discussions between relevant parties, which may include Government.

Shared Services

Process – It is proposed that the councils of the Auckland Region actively identify and pursue opportunities to secure efficiencies through a more integrated approach to service provision. The work would build upon that already underway in the region, and draw on the results of the study planned by Auckland and Manukau City Councils on this issue.

Other

Work on this proposal has identified other issues of regional significance, including issues about the regional governance of the Auckland Civil Defence and Emergency Management group, and the relationship between regional and local land use policy.

The One Plan and RSDF processes, together with the investigation of shared services, envisaged by this proposal create an opportunity for these issues to be explored further and resolved within the context of long term regional strategic planning.

How To Get There

Strengthened Regional Council

Name – ARC can adopt “trading name” itself by resolution. Change to legal name would require amendments to LGA02. This could be secured either by way of Government legislation or a Local Bill.

Role – the implementation of the council's proposed new roles are described below in relation the One Plan, RSDF, economic development and regional development.

Leadership/membership – Local Government Commission advice on the desirability of greater flexibility for future reviews of regional representation arrangements within Auckland should be sought as a matter of priority. Any change to legislation identified as desirable to apply to future representation reviews would need to be enacted by early 2009 to allow a full review process before the 2010 elections.

Regional Sustainable Development Forum

Pending any future enactment of legislation, it is proposed that the Regional Sustainable Development Forum operate as a committee of the ARC under the generic committee provisions in the Local Government Act 2002, with a specific agreement between all the councils prescribing details concerning the membership and operation of the Forum.

How the RSDF will operate in the first instance will be determined by a formal agreement concerning its membership and processes between all Auckland councils, building on the resolutions passed by the councils in respect of this report. That agreement will be required as soon as practicable, and no later than the end of August 2007. While it is unlikely that the Forum could begin to operate before the October 2007 elections, and possibly not become fully operational until February 2008, finalisation of the agreement before the end of August will enable candidates and electors to be clearer about future arrangements.

While they could be covered in the above agreement, it would also be possible for separate agreements to cover Central Government, Mana Whenua and any other non-council representation in Forum proceedings. While it is desirable these issues also be resolved as soon as possible, they do not have the election-driven urgency of the agreement between councils but would need to be in place by December 2007.

It is proposed that the RSDF will replace, and incorporate the responsibilities of the Regional Growth Forum (although care will be required to ensure statutory

obligations are met pending the repeal or amendment of the relevant provisions). It is proposed that all other regional strategies and plans will be aligned, and their contents integrated and prioritised, by the One Plan.

The extent to which the priorities in the One Plan require the retention of the separate forums and committees responsible for those documents will vary. Whether they can be dispensed with will, in the interim at least, also be subject to existing legislation constituting some bodies, and the extent to which all the responsibilities of each body could be undertaken by the RSDF.

In the longer term, it is important that at least the core elements of the constitution of the RSDF are recognised and enshrined in legislation. When this should happen will require balancing the desirability of providing legislative certainty and stability as early as possible, and the desirability of allowing a realistic "trial period" before embedding arrangements in statute. This will also be influenced by the tension between certainty and allowing flexibility for arrangements and process to evolve over time.

Legislation could be either introduced by the Government, or introduced as a Local Bill by *Greater Auckland* with the support of all Auckland councils as well as Government.

One Plan

Much of the agreed detail concerning the content and effect of the One Plan will be covered in the agreement between councils described above. As in the case of RSDF processes, although progress can be made in the transition it will be desirable that core elements are recognised in legislation eventually. Care will need to be taken to preserve a desirable degree of flexibility.

It may be, however, that legislative recognition and status for the One Plan is necessary in order for it to have the desired alignment influence on existing statutory plans and strategies, such as those under resource management and transport legislation. To the extent that this is the case, it would either add additional urgency to the timetable for legislative recognition of the One Plan or impose an interim restriction on the breadth of effect of the One Plan. This should be further investigated by joint council and Government officials for report by October 2007.

Watercare Provisions

In the absence of an agreed position in respect of either the specific issue of dividends or the wider issue of Watercare ownership, no specific implementation actions are proposed at present.

These matters will be addressed in any future consideration of governance and dividend arrangements in the context of the Three Waters Strategy and its alignment with the One Plan.

Transport Legislation

The proposed changes in respect of the Regional Land Transport Strategy are consistent with the proposed direction of change in the 'Next Steps in the Land Transport Sector Review' and will be best implemented in that context.

Amendments to repeal the special ARTA appointment process should be enacted at the earliest opportunity.

Regional Facilities

The proposed transfers of responsibilities for existing facilities and funding of regional organisations can largely be given effect by agreement between the Auckland councils, and a time limited process to reach such agreement is proposed. Legislation would be needed to change responsibilities and funding arrangements in respect of the Auckland War Memorial and Transport Museums. The current legislation supported by Auckland City Council could be used as a starting point to give effect to a number of such proposals. It is desirable that transfers should take effect from 1 July 2008, and be reflected in council's annual plans for the ensuing financial year. This would require final agreement in respect of each proposed transfer by not later than the end of January 2008.

The development of a process and criteria for dealing with proposals for major new facilities within the region, which may contribute to national as well as regional outcomes, should be undertaken by joint officials for report by June 2008.

Economic Development, Tourism, Major Events Management

To be agreed and implemented by agreement between *Greater Auckland*, those councils currently involved in the operation and or funding of these activities, and Central Government. Agencies such as the Ministry of Economic Development, NZ Trade & Enterprise and Tourism NZ will need to be involved in the development of the agreement and associated funding arrangements. It is desirable that new arrangements should take effect from 1 July 2008, and be reflected in council's annual plans for the ensuing financial year. This would require final agreement before the end of 2007.

Funding

The Government will communicate early with Auckland councils in developing its response to the findings from the Local Authority Rating Inquiry, which is due to report by the end of July 2007. The Government engagement with the Auckland councils work on the funding issues outlined previously in this report will be discussed in this context.

The work associated with the funding issues outlined under the proposed model will commence by the end of September 2007 with an initial report to all the Auckland councils no later than June 2008.

Shared Services

The Auckland councils will establish a joint process for identifying, developing and implementing initiatives to secure efficiencies through a more integrated approach to service provision by March 2008.

Other Issues

Issues relating to regional regulation of local land use, and the possible transfer of regional civil defence responsibilities to the enhanced regional council, will be explored further and resolved within the context of long term regional strategic planning. This process will also involve the government agencies responsible for the respective legislation.

Consultation

The need to consult with local communities forms an important part of the Local Government Act. The issue with respect to this proposal comes down to when consultation should occur and on what.

At present all the Councils have identified in their annual plans that there are potential changes under consideration with respect to strengthening regional governance. The process to date has also identified that there would be considerable merit in the consultation being undertaken in a coordinated manner across the various local and regional authorities.

The current proposition is that as and when agreement emerges between central, local and regional Government as to what the likely shape of the proposal may be, a full assessment of the consultation processes required will be undertaken. At that point there will be sufficient substance to determine what consultation, if any, is required with a view to ensuring that there is an opportunity for communities and interested parties to engage and provide feedback.

That assessment will be undertaken after consideration of the proposed model by Councils and Ministers.

Implementation Responsibilities and Timing

Auckland Councils

- As early as possible but no later than 31 August 2007, reach and sign agreement, building on councils' resolutions, concerning:
 - the interim membership and operation of the Regional Sustainable Development Forum,
 - the scope and effect of the One Plan,
 - the process and timetable for development of the interim One Plan; and
 - how One Plan commitments will be reflected in council planning and accountability documents.
- By December 2007, reach agreement with the Mana Whenua Forum concerning how they will engage with and contribute to the development of the One Plan by the Regional Sustainable Development Forum.
- By December 2007, reach agreement (in consultation with Ministry of Economic Development, NZ Trade & Enterprise and Tourism NZ) concerning the enhanced responsibility of *Greater Auckland* including funding streams for economic development, tourism promotion and the promotion of major events. Implementation on 1 July 2008.
- In consultation with the promoting organisations, amend the draft "Auckland Regional Amenities Bill" supported by Auckland City Council to reflect the agreed transfer of responsibilities to *Greater Auckland*, and promote for enactment as early as possible.
- By March 2008, initiate an agreed joint process to identify, develop and implement initiatives to secure efficiencies through shared service provision.
- By 30 September 2007 agree to a terms of reference for the work to be undertaken concerning the funding issues identified earlier in this report.

Auckland Regional Council

- By 31 October 2007, investigate and determine in consultation with Government and other Auckland councils, the potential and desirability of promoting urgent legislative change to strengthen regional governance in the form of a Local Bill.
- No later than 31 January 2008, change the operating name of the council as agreed in the proposal and determine, in consultation with Government and

other Auckland councils, the desirability and urgency of changing the legal name of the regional council;

- No later than 31 January 2008, reach agreement, with all Auckland territorial authorities relating to the transfer of ownership and/or funding responsibilities for existing regional facilities and services, in a way that transparently transfers funding responsibility and capacity to the regional entity. Implementation on 1 July 2008.
- By 28 February 2008, appoint the RSDF as a committee of the council in line with the agreement with all councils, and convene the first meeting;

Joint Council/Govt officials

- By 31 October 2007, investigate and report on the consequences of delayed legislative recognition of the One Plan concept;
- By 30 June 2008, obtain council and Government agreement to a process and criteria for analysing proposals for major new facilities within the region that may contribute to national as well as regional outcomes;

Government

By 31 July confirm that Government will:

- actively contribute to the development of the One Plan, initially through:
 - periodic meetings between relevant Ministers and the Regional Sustainable Development Forum;
 - active attendance by up to three senior officials at meetings of the Regional Sustainable Development Forum;
 - active engagement by Government officials with Auckland council officials in supporting the development of the One Plan
- Recognise the significance of the One Plan and give it careful consideration when Government makes significant decisions impacting on the Auckland region;

- Be prepared to engage in discussions with *Greater Auckland* on how specific priorities in the One Plan might be achieved including possible alignment of strategies and/or delivery, and options for funding;
- Consider any business cases for new regional funding mechanisms submitted by *Greater Auckland*;
- Refer the issue of the desirability of greater flexibility for future reviews of regional representation arrangements within Auckland to the Local Government Commission to report and make recommendations, as a matter of priority;
- Utilise the RSDF as a mechanism for engagement between Ministers and the Auckland Region;
- Continue to improve the coordination and integration of Government interests in respect of Auckland as a basis for future engagement with the RSDF;
- Include in any legislation to implement decisions resulting from the 'Next Steps in the Land Transport Sector' Review authority for the Auckland Regional Land Transport Strategy to identify major projects and priorities;
- Enact legislation to repeal the special ARTA appointment process at the earliest opportunity.
- Initiate discussions with Auckland councils in developing a response to the findings from the Local Authority Rating Inquiry (Inquiry report due end July 2007).

FEEDBACK ON PROGRESS REPORT
COUNCIL RESOLUTIONS AND LETTER FROM MINISTER OF
LOCAL GOVERNMENT

AUCKLAND CITY COUNCIL

MINUTES 24 MAY 2007 COUNCIL

- A. That the report entitled *Strengthening Auckland's Regional Governance. Report on Progress*, dated 16 May 2007 be received.
- B. That Council reaffirm its support for the December proposal contained in the report entitled *Strengthening Auckland Regional Governance, December 2006* and that :
- i) it be noted that the proposal outlined in the 'Strengthening Regional Governance: Proposal' paper constitutes a package of reforms which are largely inter-dependent, particularly if broad agreement amongst the councils in the Auckland region is to be achieved. The package of reform consists of the following key elements: creation of a strengthened regional entity, with new elected representation arrangements; the establishment of a regional sustainable development forum that would develop the "One Plan"; the potential provision of new funding instruments to the regional entity; the expansion of regional economic development to include tourism and major events; legislative arrangements for Watercare to permit it to operate like any other CCO to enable dividend payments within existing ownership arrangements that would be used for storm water; for the regional land transport strategy to specify both major projects and areas for focus and activity, and the transfer of regional facilities and associated funding responsibility for these and other amenities to the regional entity.
 - ii) Auckland City Council's support is subject to the following conditions, as reflected in Councils resolution of December 2006 that:
 - New funding sources being made available to the regional entity including a regional fuel tax, for development levies and an international departure tax.
 - Transfer of functions to the regional entity including tourism, major events, major urban development projects and regional facilities subject to a process of negotiation and agreement
 - The current powers and roles of community boards being retained

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- Work continuing on shared service arrangements and on investigating ways for the councils in the Auckland Region to fully optimise their respective rating and revenue bases including the possibilities of shared regulatory framework, and shared rating collection, while retaining autonomy for local council rate setting and rating allocation

- C That officers report back to councillors in June on the ramifications of different options for members elections and on the appointment of the chair

- D. That in respect of membership of the Regional Sustainable Development Forum, the Auckland City Council's preference is:
 - i) in respect of local authority representation that each council appoint representatives, who would normally include the Mayor, from among their elected members
 - ii) for central government representation on the RSDF to be on the basis of full membership with voting rights with representation by either one or more Ministers; or by one or more especially appointed persons, such representation to be no more than 20% of membership
 - iii) in relation to representation of Mana Whenua on the RSDF, Auckland City Council's preference is for:
 - Direct recognition as a key stakeholder with a separate consultation process.
 - iv) that the Chair of the Greater Auckland City also serve as Chair of the Regional Sustainable Development Forum.

- E That in respect of the decision making and voting processes for the Regional Sustainable development Forum Auckland City Council's preference is as follows:
 - i) Voting powers on the Regional Sustainable Development Forum being proportional to population and with majority representation for city and district councillors, and with a majority threshold required for decisions to be binding on members, as reflected in Council's December 2006 resolution
 - ii) Consultation on the draft One Plan should be undertaken by the Regional Sustainable Development Forum.

- F That in respect of the relationship of existing regional fora to the Regional Sustainable Development Forum, the Council seek an

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evaluation of the three options for the treatment of the regional fora, including civil defence, for inclusion in the June report.

- G. That in respect of the "One Plan" and its component strategies Auckland City Council's preference is for:
- i) the One Plan to cover the four aspects of regional well-being and that the ultimate scope of the One Plan will be influenced by the nature of the issues that develop/arise within the region and nationally. The One Plan also needs to include a clearly prioritised set of regional proposals and programmes.
 - ii) support the range of incentives and sanctions to support implementation of the One Plan including sanctions moral suasion, financial penalties and exclusion from benefits of participation in other regional programmes.
- H. That the establishment of the Regional Sustainable Development Forum and development of the One Plan should proceed in advance of any legislation, in the case where legislation is delayed or not does not proceed at all.
- I. That measures to address significant regional issues including three waters, transport, tourism, regional facilities, energy, economic development and shared services receive early attention and that any further resolutions in respect of the work streams, including funding noting the importance of the proposal being considered as a package.
- J. That Council confirm its commitment to work with central government as part of the development and operation of the proposal for strengthened regional governance.
- K. That Council note the need for and scope of any further consultation will be determined once the proposal becomes more definitive in June/July
- L. That the Political Reference Group be empowered to conduct ongoing discussions with government ministers as to the refinement and implementation of the proposal.

CARRIED

~~114~~ A114

**B.2 STRENGTHENING REGIONAL GOVERNANCE – ARC RESPONSE
TO DISCUSSION DOCUMENT**

*Peter Winder, Chief Executive and Sarah Johnstone-Smith, Strategic Policy
Advisor Chief Executives Office: 23 May 2007*

MOVE

Council Chairman, Councillor M E Lee

SECONDED

Councillor C Rose

- a) That the report be received
- b) That the Auckland Regional Council considers that the name Greater Auckland Council is inappropriate
- c) That in respect of the strengthened regional council, the Auckland Regional Council's position is that the current name "Auckland Regional Council" is retained and that the chair should be appointed by members of the strengthened regional council and that membership should be determined on the basis of the status quo (thirteen councillors elected across 6 constituencies, aligned to territorial authority boundaries) as recently determined by the Local Government Commission
- d) That in respect of the Regional Sustainable Development Forum, the Auckland Regional Council's position is that this operate as a renamed Regional Growth Forum under the existing provisions of the 1974 Local Government Act which mean that ordinary Standing Orders provisions apply, whereby:
 - i The Auckland Regional Council has three members and each Council has one representative and these representatives are appointed by Councils from their members
 - ii. Decisions are made by majority vote and each member has one vote
 - iii The Chair of the Forum is a member of the Auckland Regional Council
 - iv There is flexibility for the Auckland Regional Council to appoint other representatives as required, including Mana Whenua representation, and it can invite Central Government to participate in the Forum in whatever capacity it chooses
- e) That the function of the Regional Sustainable Development Forum is to integrate Land Use and Transport Strategies, to incorporate other regional infrastructure strategies (e.g. energy and water), and to lead the development of "One Plan" for implementation
- f) That in respect of the relationship of existing regional fora to the Regional Sustainable Development Forum, the Auckland Regional Council's position is that regional committees be retained with current membership arrangements, whereby each Committee including the Regional Sustainable Development Forum has equal accountability to the strengthened regional council

MINUTES
MONDAY 28 MAY 2007
AUCKLAND REGIONAL COUNCIL

- g) That in respect of the "One Plan" and its component strategies, the Auckland Regional Council seeks a plan which:
- i is developed under a progressive approach, whereby the breadth of actions is expanded over time and as capability improves
 - ii has an initial short term focus on recording regional decisions already largely agreed and funded (1--5 years) but with a view to positioning Auckland to better respond to the global challenges it will be facing in the longer term (5-20 years and beyond)
 - iii includes vision, goals and directional changes/shifts to guide the One Plan which are articulated in the Long Term Sustainability Framework.
 - iv has a limited set of prioritised projects/programmes of regionally significant scale
 - v aligns central government expenditure to regional priorities
- h) That in respect of the "One Plan" and its enforceability, the Auckland Regional Council's position is that the One Plan be implemented through a variety of mechanisms, including multi year funding agreements with central government, binding agreements between the parties for particular projects/programmes, reflection of One Plan commitments in Long Term Council Community Plans/Statements of Intent and other best endeavour mechanisms
- i) That Auckland Regional Council's endorsement of the proposal is subject to the positions set out in resolutions b to h and the following:
- i Return of Watercare Services Ltd to strengthened regional council ownership and governance to achieve clear, streamlined and democratic decision-making, stronger alignment and integration with other regional functions (urban form, transport, economic development, parks) and greater stewardship of public assets in the long-term interests of the region
 - ii Sources of new funding being made available to the strengthened regional council to fund regional facilities and economic development and the regional entity is given the power to levy regional development contributions to fund infrastructure/urban development.
 - iii The transfer of funding or ownership responsibilities for existing regional facilities occurring by agreement and in a time-limited process. Shifts in rating responsibilities between Councils would need to be fiscally neutral and transparent.
 - iv Changes to the Transport Services Licensing Act 1989 and Land Transport New Zealand passenger transport procurement rules (in progress)
 - v Changes to the Civil Defence Emergency Management Act 2002 to make the Civil Defence Emergency Management Group a standing Committee of the strengthened regional council.
 - vi Governance arrangements for parks remain as a responsibility of the strengthened regional council

CARRIED

NOTE: Councillor D Hay wished his vote against the above motions be recorded

FRANKLIN DISTRICT COUNCIL

Item 12 was considered at 1.25 pm.

Councillor Lynch moved
Councillor Morris seconded

- a. That the report be received.

2007/5/20

Carried.

Councillor Kay moved
Councillor Lynch seconded

- b. That the progress report entitled 'Strengthening Auckland's Regional Governance - Report on Progress 16 May 2007' be received.

2007/5/21

Carried.

Councillor Petersen moved
Councillor Kay seconded

- c. That in respect of the Greater Auckland Council (GAC), the Franklin District Council's preference is for:

- i. the Chairperson of the GAC to be appointed by the elected Territorial Authority members.
- ii. Membership of the GAC (with a total of 14 members) to be determined on the basis of:
50% additional members elected on the basis of parliamentary boundaries; and
50% status quo of regional councillors directly elected on a constituency basis (based on Territorial Authority Boundaries)

2007/5/22

Carried.

Councillor Morris moved
Councillor Lynch seconded
A procedural motion

That Item 12 -Auckland Governance Review be adjourned to later in the meeting.

2007/5/23

Carried.

Item 12 was further considered at 3.15 pm.

~~117~~ A117

Councillor Kay moved
Councillor Morrison seconded

d. That in respect of membership the Regional Sustainable Development Forum (RSDF), the Franklin District Council's preference is for:

- i. View on Local Authority representation that the RSDF Local Government membership comprise two representatives from each Council; and that the Council representative on the RSDF would be the Mayor and the Deputy Mayor
- ii. View on Central Government representation and/or participation; that there be full membership of the RSDF through representation by one or more Ministers
- iii. View on Mana Whenua/Tangata Whenua representation and/or participation; that there be full participation with voting rights for Mana Whenua/Tangata Whenua representatives.
- iv. View on the appointment of chairperson. That the membership of the RSDF appoints the Chair in accordance with the voting procedures established for the RSDF.

2007/5/24

Carried.

Councillor Rennie moved
Councillor Lynch seconded

e. That in respect of the decision-making and voting processes for the Regional Sustainable Development Forum (RSDF) Franklin District Council's preference is as follows:

- i. View on weightings and thresholds for voting
 - That an honest attempt is made to make decisions by consensus. However, if this fails, RSDF decisions are made by majority vote. Each agency represented on the RSDF has one vote (as opposed to each members having one vote).
 - all decisions should be binding on members of the RSDF without a voting threshold
- ii. View on who should undertake consultation.
 - That the RSDF should manage the consultation and engagement with key stakeholders, Mana Whenua and the general public on the One Plan prior to its recommendation to the GAC.

2007/5/25

Carried.

~~A118~~ A118

Councillor Kay moved
Councillor Petersen seconded

f. That in respect of the relationship of existing regional fora to the Regional Sustainable Development Forum (RSDF) Franklin District Council's preference is for:

- i. That the RSDF will convene additional fora and regional committees as required.

2007/5/26

Carried.

Councillor Morris moved
Councillor Lynch seconded

g. That in respect of the 'One Plan' and its component strategies Franklin District Council's preference is that:

- i. View on breadth and depth
 - "One Plan" will deal with regionally significant issues, infrastructure, policy and services;
 - Territorial authorities and other parties to "One Plan" will identify regionally significant issues, infrastructure, policy and services relevant to each area or constituency;
 - The ongoing scope of "One Plan" will be based on the nature of issues as they arise locally, regionally or nationally and defining the scope will be the responsibility of the Regional Sustainable Development Forum, not the Greater Auckland Council;
 - "One Plan" will contain the prioritised set of regional proposals and work programme for regionally significant issues, infrastructure, policy and services;
 - "One Plan" will guide regional council policies and work programmes, in the same way it will guide the policies and work programmes of each party;
 - "One Plan" will have a 20 year timeframe to enable time for alignment between "One Plan" actions and individual RSDF member actions;
 - "One Plan" actions will be focused on providing a 'step-change' in Auckland;
 - The Greater Auckland Council will be the implementer of the "One Plan" but this implementation will need to be regularly monitored and reviewed by the Regional Sustainable Development Forum.
- ii. View on enforceability/bindingness, sanctions and levers
 - All parties to "One Plan" will be legally required to act in a manner that 'gives effect to' specific delivery and funding components in the "One Plan". This framework is reflected in enforceable bilateral and multilateral contracts and funding agreements between the relevant parties.

~~1119~~ A119

- The sanctions and levers that may be applied depending on the issue are all of the suggested sanctions and levers set out in the Attachments 5.16 to 5.17, apart from *"Scope of One Plan focussed mainly on 'fundable' projects and programmes"*
- While recognising that legally binding all parties to "One Plan" commitments and using a range of sanctions and levers to implement "One Plan" in individual actions will provide greater certainty, Franklin District Council considers that for the "One Plan" to be a successful initiative an overarching ethic of cooperation between all parties must be achieved. Achieving this will require all parties to "One Plan" to work collaboratively and aim for consensus in decision making as the predominant decision making method.

2007/5/27

Carried.

~~11/11~~ A120

12. AUCKLAND REGIONAL GOVERNANCE

Purpose of Report :
Significance of Decision :
Reporting Unit : Strategy Directorate
Reporting Officer : Grant Taylor, Director Strategy
Ward / Community : City-wide

MINUTE NO. CL/MAY/782/07 – HIS WORSHIP THE MAYOR/CR BOB WICHMAN

That the supplementary report and recommendations be considered.

MINUTE NO. CL/MAY/783/07 – HIS WORSHIP THE MAYOR/CR COLLEEN BROWN

1. *That the report dated 16 May 2007 and entitled "Strengthening Auckland's Regional Governance - Report on Progress - For Discussion and Feedback" be received.*
2. *That the report attached as Appendix "B37-B38" responding to annual plan submissions on regional governance be received and taken into account when considering the following recommendations.*
3. *That in respect of the proposed Greater Auckland Council, Manukau City Council, for the reasons set out in part 2.1 of this report, confirms its preference as follows:*
 - (a) *That the name be Greater Auckland Council.*
 - (b) *That the leader of the Council be directly elected at large.*
 - (c) *That with exception that there should be a leader directly elected at large the existing basis of electing councillors to the Auckland Regional Council be retained.*
4. *That in respect of the Regional Sustainable Development Forum (RSDF) Manukau City Council's preferences are as follows:*
 - (a) *That each participating party nominate one representative (the principal) and an alternate, with:*
 - (i) *The voting being exercised by the principal unless he or she is absent in which case the alternate exercises the vote;*
and
 - (ii) *The alternate being encouraged to attend all meetings as a means of ensuring continuity and broadening the knowledge base.*
 - (b) *That each participating party determines who their representatives are (ie. not automatically the mayor and deputy mayor).*
 - (c) *That central government be strongly encouraged to have direct representation on the RSDF.*
 - (d) *That mana whenua/tangata whenua have direct representation as a participating party.*
 - (e) *That the Chair of the RSDF be appointed by the GAC (with consideration being given to that being on the basis of recommendation from the RSDF).*

~~112~~ A121

12 Continued

- (f) *That decision-making be on the basis of consensus being encouraged with voting on the basis of one vote per party (with the possibility of a higher threshold than a simple majority being required to encourage consensus).*
5. *That with respect to existing fora Manukau City Council's preference is for fora to be convened by the RSDF as specialist sector representative advisory committees, although it is acknowledged that in practical terms these may be formally established by the GAC on the recommendation of the RSDF.*
6. *That with respect to One Plan, Manukau City Council supports:*
- (a) *The plan developing over time to be sufficiently broad to capture those matters which are of significance to the success of the Auckland region;*
 - (b) *The plan incorporating prioritised projects and programmes of regional scale and significance;*
 - (c) *An appropriate range of mechanisms for enforceability and accountability which can be practically implemented to encourage implementation by all relevant parties of the priorities identified through the One Plan.*
7. *That with respect to the three waters work streams, Manukau City Council confirms:*
- (a) *its support for the continued development of three waters strategy;*
 - (b) *its support for amending the legislation applicable to Watercare Services Limited to more closely resemble standard council controlled organisation provisions thus giving the shareholders the ability to determine dividend policies which would be used to help fund future stormwater expenditure, which in turn would allow Auckland Regional Holdings (ARH) funds currently tagged for stormwater to be applied to transport;*
 - (c) *its very strongly held position that the existing ownership structure of Watercare Services Limited should remain.*
8. *That in respect to the regional facilities and economic development work streams, Manukau City Council confirms its support for:*
- (a) *The GAC assuming responsibility for regional facilities, regional economic development, tourism and events;*
 - (b) *The use of council controlled organisation structures for the management of these functions;*
 - (c) *The government committing to the need for additional sources of funding (while acknowledging the need for some further analysis);*
 - (d) *A defined, time-bound process for achieving this important component of the proposal to strengthen Auckland's regional governance.*
9. *That with respect to the transport work stream, Manukau City Council supports:*
- (a) *The continuing need for the development and alignment of national and regional strategies;*
 - (b) *Stronger obligations for national, regional and local agencies to give effect to the strategies;*

~~112~~
A122

12. Continued

- (c) *Amendment of legislation to allow the Regional Land Transport Strategy to specify major projects and to allow all ARH (previously Infrastructure Auckland) grants to be used for transport;*
 - (d) *Continuing the progress made through the Auckland Transport Strategic Alignment Project (ATSAP).*
- 10. *That with respect to shared services, Manukau City Council confirms its support for increased efforts to obtain efficiencies for shared services and note the Auckland and Manukau City Councils have jointly commissioned a feasibility study (to commence later in the year) which will examine shared services opportunities.*
- 11. *That Manukau City Council notes that its December 2006 resolution that "it wishes the role of the Greater Auckland Council to be clarified to ensure it does not exert undue influence in matters of local land use policy where district plans and sector agreements are consistent with the Regional Growth Strategy" has not been dealt with in the progress report and requests that this be addressed in the report to be presented to councils and the Minister of Local Government in June 2007.*
- 12. *That Manukau City Council:*
 - (a) *Notes the continuing importance of regarding the December 2006 proposal as an integrated package of reforms.*
 - (b) *Notes that while further consultation may be required and implementation of the package may be progressive, it is critical to clearly define and articulate the agreed end state and projected timeline for implementation from the outset.*
 - (c) *Supports, subject to identifying the end state as per (b) above, progressing at an early date with the implementation of those aspects of the proposal which can be achieved without legislative change.*

CARRIED

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A123

NORTH SHORE CITY COUNCIL

TOPIC: Auckland Regional Governance

Author: Governance Policy Advisor 16 May 2007

RESOLVED:

(Mayor/Hale)

1. That the report be received.

RESOLVED:

(Mayor/Hale)

2. That this matter be referred to the North Shore City Council representatives on the Political Reference Group for detailed consideration and report back to a re-convened Council meeting.

I am not in a position at this time to advise when the NSCC Political Reference Group representatives will meet or when the council will reconvene to consider the matter

Best regards

Ann Prendergast
General Manager - Strategy & Policy
North Shore City Council
DDI: 09 486 8439
Mobile: 027 473 7629

~~Ann Prendergast~~

Resolutions from the reconvened Ordinary Meeting of North Shore City Council (which adjourned on 23 May 2007) that was held on 15 June 2007.

The following was resolved:	
Regional Sustainable Development Forum (RSDF)	
Role	Operate as renamed Regional Growth Forum under existing Local Government Amendment Act 2004 provisions and Standing Orders. Function is to integrate Land Use and Transport strategies incorporating a strong environmental emphasis; incorporate other regional strategies and lead the development of the One plan for implementation. Would need statutory empowerment.
Representation	2 representatives from each city council; one from each district council; and 3 from the regional council. Councils to appoint representatives
Central Government representation	Central Government strongly encouraged to have direct representation. This includes full speaking rights but not voting rights
Mana Whenua/ Tangata Whenua representation	Recognition as a key Stakeholder. By invitation as appropriate. Like Central Government, Mana Whenua/ Tangata Whenua have no voting rights.
Chair	Elected by the Regional Sustainable Development Forum members.
Decision making	1 vote per member representative. RSDF decision-making should be consensus whenever possible. If that fails, decisions should be by majority decision, but when decisions are to be formally binding on all parties, a 75% majority should be required
Existing Fora	Convened by RSDF as specialist sector advisory committees, although may be formally established by ARC on recommendation of RSDF There would need to be a transition from the existing structure to that proposed with the RSDF as the lead committee, to ensure that work that is currently being actioned by existing fora is continued.

1 ~~1/15/07~~

A125

The following was resolved:	
2	One Plan
Breadth	<ul style="list-style-type: none"> • One Plan should develop over time, starting with the content of the RGS, RLTS, REDS, but expanding over time to cover the 4 wellbeing's. • Includes vision, goals, directional shifts and ethos of LTSP • Initially records existing strategic agreements and funding agreements. • Needs to urgently address regional responses to global forces of change • Focus on regional priority actions that will achieve "step change" in competitiveness, efficiency, well being • Records Auckland's place in the nation, relationship with adjoining regions and NZ, and expectations about engagement with central government. • Key function is horizontal and vertical integration of development programme <p>Caveat: The One Plan needs to recognise each Council's legal obligations to their own LTCCP</p> <p>NOT about planning and funding for new regional facilities</p>
Depth	<p>Set of prioritised projects/ programme of regional scale/ significance Aligns Central Government expenditure to regional priorities.</p> <ul style="list-style-type: none"> • Issues of regional significance. Focus on high-level, complex, difficult to solve issues. • Could include outcomes, objectives, strategic direction, priorities and funding parameters. • Prioritised projects to be agreed • 20 – 30 year time frame with a view to 50 year horizon.

2 ~~126~~
A126

The following was resolved:	
Enforceability	<p>An appropriate range of mechanisms for accountability to encourage implementation by all parties.</p> <ul style="list-style-type: none"> • A primary focus is engaging the Crown, so their representation is essential along with the use of multi-year-end bulk regional funding agreements, and performance contracts. • Until 2012, primary local government commitments should generally be limited to those in LTCCPs, but beyond 2012 LTCCP commitments may be revised to reflect One Plan funding needs • Ability to conclude binding agreements between/among parties • Generally parties should be required to give effect to decisions, and as a minimum to not act inconsistently with One Plan. The One Plan needs to be enforceable according to the needs of each policy, so that provisions should be able to range from advisory to mandatory • Generally, ARC should be the One Plan contract and funding agreement negotiating agent
Sanctions and levers	<p>Support for the range of incentives and sanctions including moral persuasion. The sanction of exclusion from the benefits of participation should only be used after careful consideration.</p>
Consultation	<p>RSDf should be responsible for public consultation on the One Plan, and in recommending the Plan to the ARC for approval should also comment on the consultation process and outcomes.</p> <p>Input should be sought from affected local communities/ including community boards prior to consultation occurring.</p>
Ability of ARC to amend	<p>Ability to amend only if ARC is the sole funding agency. Where other local authorities and other central government agencies are expected to contribute, the ARC can only adopt or refer back.</p>
Transition	<p>The One Plan will evolve with experience and time.</p>