

	JOINT BINDING DECISION MAKING & DELIVERY	STRONGER REGIONAL ENTITY
Funding	<p>Rates would continue to be struck independently but allocation to transport, regional facilities, economic development would be decided & committed jointly by Regional Assembly</p> <p>Long term central/local government funding agreements would be pursued for transport, regional facilities & economic development</p> <p>Regional Assembly would levy & allocate fuel tax, bed tax, departure tax subject to central government rules</p> <p>Regional Assembly decides regional urban form, directs councils to amend their regulatory documents & provide supporting transport & water infrastructure (including that provided by ARTA & Watercare)</p> <p>Regional Assembly advocates to central government & non-governmental agencies to provide other supporting infrastructure</p> <p>Club owned regional development agency could be established to implement planned urban form</p> <p>Central government produces national transport strategy which guides national funding & delivery & regional strategy</p> <p>Regional Land Transport Committee restricted to funders</p> <p>Regional Land Transport Strategy can specify projects and bind councils (at a level to be determined)</p> <p>ARTA is a CCO owned, governed & jointly funded (via a levy) by club of 8 councils from funds each separately raises</p>	<p>Rates would continue to be struck & allocated independently, with regional entity funding transport, regional facilities, economic development</p> <p>Long term central/local government funding agreements would be pursued for transport, regional facilities & economic development</p> <p>Regional entity would levy & allocate fuel tax, bed tax, departure tax subject to central government rules</p> <p>Regional entity sets Regional Policy Statement which requires councils to amend their District Plans, & directs ARTA & Watercare to provide supporting infrastructure</p> <p>Regional entity advocates to councils, central government & non-governmental agencies to provide other supporting infrastructure</p> <p>Regional entity could establish regional development agency to implement planned urban form</p> <p>Central government produces national transport strategy which guides national funding & delivery & regional strategy</p> <p>Regional Land Transport Committee restricted to funders</p> <p>Regional Land Transport Strategy can specify projects (at a level to be determined)</p> <p>ARTA is a CCO that is owned, appointed, governed and funded by regional entity</p>
Regional land use		
Transport		

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	JOINT BINDING DECISION MAKING & DELIVERY	STRONGER REGIONAL ENTITY
Regional Facilities	<p>Regional Assembly develops strategy defining which facilities are regional & of priority</p> <p>All councils would have to fund these facilities according to agreed formula based on factors such as population or area of benefit</p> <p>Central government would contribute funding to some facilities by agreement</p> <p>8 councils would club own a council controlled organisation holding facilities</p>	<p>Regional entity would define which facilities are regional & of priority</p> <p>Regional entity would fund these facilities on a basis that it would determine</p> <p>Central government would contribute funding to some facilities by agreement</p> <p>Regional entity would determine delivery form for regional facilities</p>
Water	<p>Regional Assembly would develop strategy for water services & bind Watercare, the councils & their water entities to it</p> <p>Auckland specific water legislation would be amended to make Watercare a CCO & allow it to pay a dividend that would be used to fund waters services expenditure.</p> <p>Watercare would be club owned by the councils including the ARC</p> <p>ARH grants for stormwater (including former IA commitments) would cease & be replaced by Watercare dividends instead</p> <p>8 councils would club own Enhanced Auckland Plus, with local delivery by TA controlled economic development agencies</p> <p>8 councils would club own tourism promotion function, either as part of Auckland Plus or standalone, and funded by industry and councils according to a formula to be determined</p> <p>Regional Assembly would advocate to central government on immigration, education, health, housing, safety etc</p> <p>Shared services model would be extended to a range of services</p>	<p>Regional Forum would develop strategy for water services</p> <p>Auckland specific water legislation would be amended to make Watercare a CCO & allow it to pay a dividend that would be used to fund waters services expenditure.</p> <p>Regional entity would own Watercare</p> <p>ARH grants for stormwater (including former IA commitments) would cease & be replaced by Watercare dividends instead</p> <p>Regional entity would own & fund enhanced Auckland Plus</p> <p>Regional entity would own & fund tourism promotion function, either as part of Auckland Plus or standalone</p> <p>Regional entity would advocate to central government on immigration, education, health, housing, safety etc; it would use its Regional Sustainability Development Forum as one vehicle to do so</p> <p>Shared services model would be extended to a range of services</p>
Economic Development & Tourism		
Social Issues		
Other services		

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PROPOSED PACKAGE OF REFORMS

Ultimately central government and the councils need to choose the reforms that will make the biggest difference with the least cost. These would be focused on creating the basis for a single vision, voice and mandated leadership for the region, and gains that could be made in transport, regional facilities and economic development, social issues and possibly shared services.

The need for a clear understanding of the direction and outcomes sought is important. That will provide the context in which change can occur. Given the nature of what is involved, and the need to ensure that business as usual functions occur, a realistic approach will need to be adopted to transition any change.

The challenge is to move from the two views of regionalism that emerged from the feedback and are presented in this paper, to a package of negotiated solutions that does strengthen regional governance and better equip the region for the future. This will probably require changes for central government, the ARC and the territorial authorities.

The likely way forward will involve a mix and match approach and will need to reflect the appropriate balance and tradeoffs to ensure that priorities and interests are recognised.

To assist with this process the chief executives of the local authorities have developed, for their councils consideration, a single package of reforms that:

- Would achieve improved integration and implementation of regional strategy, particularly delivering more certain improved transport, economic development and tourism promotion, and regional facilities and amenities
- Ensure that there would be minimum compulsory transfer of functions and or funding between the councils
- Create a forum for the development of key strategic plans and associated action plans that supported the four well beings and key infrastructure investment
- Allow for clear accountability for development, implementation and performance
- Make better use of existing revenue mechanisms and promotes opportunities for greater efficiencies
- Build on the existing mechanisms and involve minimum change to current delivery mechanisms such as Watercare and ARTA
- Create an entity with the mandate to act for and speak on behalf of the region with Central Government.

This package includes some components that differ from aspects of the current preferences expressed by each council. The package comprises:

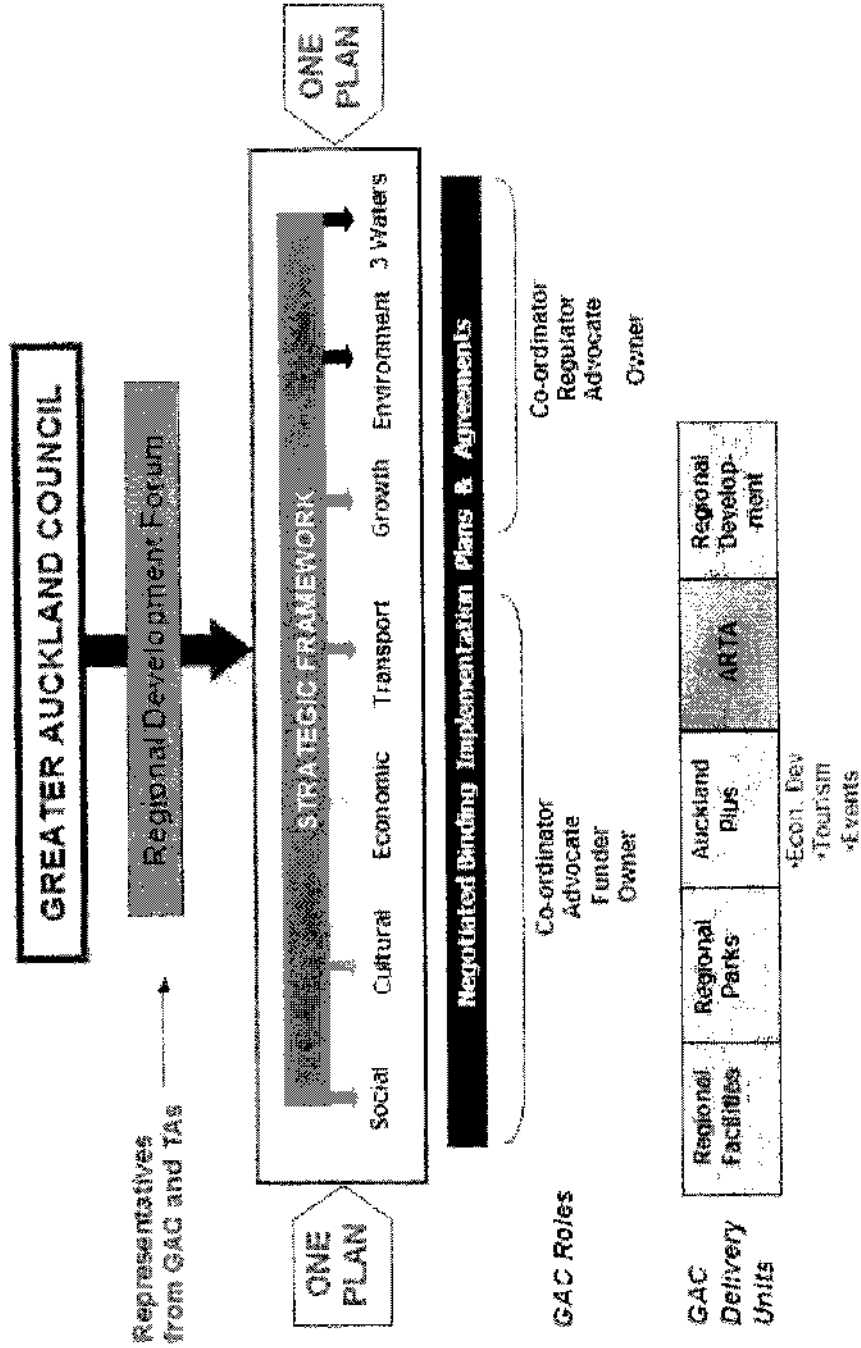
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- The creation of a new regional entity (a Greater Auckland Council or entity with some other appropriate new name) to replace the ARC. This entity would be a directly elected regional council, with a new name, new representation arrangements, a broader role and responsibilities, and access to new funding sources as well as regional rates.
- The establishment of a Regional Sustainable Development Forum, as a standing committee of the Greater Auckland Council, comprising elected representatives from all the councils of the Auckland region, plus central government and non-governmental representatives from time to time. This mechanism would allow for all councils to participate and contribute to the development of various strategies and their associated implementation plans. It is envisaged that the process would involve a series of negotiated multilateral and/or bilateral agreements with the objective of avoiding either unimplemented or unfunded strategies. The Forum would make recommendations to the Greater Auckland Council, as the lead council, and its other members. The concept is based on the current Regional Growth Forum, which is a multi-party standing committee of the ARC that develops strategy, and sector agreements between the parties.

Diagrammatically the proposal would be as follows.

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Proposal



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The proposal would involve the following elements and or attributes:

- **Representation** - There are a variety of models that could be adopted with respect to representation on the Greater Auckland Council ranging from the status quo (as utilised for the existing ARC) to some other form such as alignment with Parliamentary boundaries.

The Council could be led by either a chair elected by the Council or by a regional mayor elected at large by the Auckland region.

- **Regional Sustainable Development Forum and One Plan** -The Regional Sustainable Development Forum would develop, for the Greater Auckland Council, "One Plan" for the Auckland region. The scope of the "One Plan" would be the promotion of social, economic, cultural and environmental well being through prioritised action plans, with particular focus on infrastructure investments required for the region. It would build on, and integrate, current and new strategies for urban development, transport, economic development, the three water services, regional facilities, energy, telecommunications, broadband and social services (health, education, housing, immigration, justice, etc.). It would also provide a strong platform to advocate to central government on the key services required for the region.

- **Linkage to Central Government** -It would provide a mechanism whereby central government could develop new national strategies that link with and guide regional strategies, and importantly, guide central government funding and delivery. As part of this proposal central government would be invited to assess the merits of negotiating multi-year funding agreements with the region, guided by its national strategies, and by One Plan (particularly where national policy direction does not exist). The alignment of central and local government strategy, funding and delivery on transport is of particular priority.
- **Funding** -The activities of the Greater Auckland Council would be funded from regional rates, the investments currently managed by Auckland Regional Holdings including the Ports of Auckland shares, together with new funding instruments such as a regional fuel tax for transport, regional development levies for infrastructure and a departure tax for economic development, tourism and regional facilities.
- The councils of the Auckland region would also investigate ways of fully optimising their respective rating bases.
- **Delivery on One Plan** -The Greater Auckland Council would seek delivery on One Plan through:
 - the Regional Sustainable Development Forum, via binding implementation plans and agreements with councils and other agencies

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- The Greater Auckland Council's council controlled organisations would be normalised and governed according to the relevant provisions of the Local Government Act 2002.
- The Auckland Regional Land Transport Strategy would be able to specify major projects and areas for focus and activity (a practice consistent with all other regions). The Regional Land Transport Committee membership would comprise all interested stakeholders. Although membership would be broad voting would be restricted to those organisations responsible for funding the implementation of the strategy..
- **Watercare** - Auckland, Manukau, North Shore and Waitakere City Councils and Rodney and Papakura District Councils would continue to own Watercare Services Ltd and their own water operators as they do currently. The Greater Auckland Council would influence future three-water services related investment decisions via One Plan and its land use and environmental regulatory function. The Auckland specific waters legislation would be amended or repealed, including putting Watercare on the same footing as other council controlled organisations.
- This would enable Watercare to pay a dividend to its owners, which would be used for stormwater related expenditure. In the first instance the dividend would be used to replace the current stormwater grants commitments (including infrastructure Auckland grants commitments) being funded by the ARC from Auckland

- by delivering the services currently provided by the ARC (including regional parks, funding for passenger transport and environmental and land use regulation)
- and by taking on additional responsibilities.
- The Greater Auckland Council would take on the following additional responsibilities:
 - Funding and governing Auckland Plus with expanded functions, including regional tourism and events management
 - Funding regional facilities and amenities (the national, regional and local interest, funding and ownership of these to be agreed between the councils of the region and central government, via a time-bound process). Shifts in rating responsibilities between councils will be made transparent and may be transitioned over time.
 - Advocacy to central government on regional issues such as energy, telecommunications, broadband and social services (health, education, housing, immigration, justice, etc.).
 - Potentially at a later date (subject to further analysis) the establishment of a regional agency to undertake urban redevelopment initiatives in the region

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Regional Holdings revenue. The Greater Auckland Council would use the revenue freed up for transport.

- **Emergency Management** – The package does not propose any change to current arrangements, which are evolving of their own accord.
- **Shared Services** - The councils of the region would investigate the expansion of shared services into new areas to realise more consistent delivery of services and/or reduce costs.
- **Legislation** - A range of legislative amendments would be required to give effect to this proposal, including:
 - Amendment of the Local Government Electoral Act if the Greater Auckland Council has a different basis of representation than the ARC (for example, if it has more councillors)
 - The establishment under the Greater Auckland Council of a Regional Sustainable Development Forum to produce One Plan (replacing the current Regional Growth Strategy and Forum provisions of the LGA 1974)
 - The empowerment of the Greater Auckland Council to raise fuel tax, regional development levies and departure tax for specific uses
 - The transfer of specific regional facilities and/or funding responsibilities to the Greater Auckland

Council (subject to a time bound process to obtain agreement between the councils of the region and central government, as to the national, regional and local interest, funding and ownership of these). If, as part of this process, agreement is reached to transfer responsibilities for funding the Auckland Museum and/or MOTAT, this will require amendment to the specific legislation applying to these regional facilities. Legislation may also be necessary to require territorial authorities to show in their LTCCPs and on their rates demands, reduced rating for such facilities, while the GAC shows an increased regional rating requirement.

- A series of amendments to the LGA 1974 Watercare provisions, the Auckland Metropolitan Drainage Act and the North Shore Drainage Act
- Amendment of the Local Government Auckland Amendment Act 2004 to remove the obligation for Greater Auckland Council to fund stormwater, including old Infrastructure Auckland grant commitments, from ARH revenue
- Amendment of the legislation pertaining to Auckland Regional Holdings and ARTA to put these organisations on a standard CCO footing
- Amendment of the legislation relating to the Regional Land Transport Committee and Regional Land Transport Strategy.

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EVALUATION OF THE PROPOSED PACKAGE

Set out below is an evaluation of the proposal against the material identified earlier in this report. In particular the evaluation has been undertaken against the:

- Reasons identified for strengthening regional governance
- Perceived problems in the existing operating framework
- The principles to be used to assess the recommendation

The assessment has identified that the proposal successfully addresses the key elements required to deliver a strengthened governance model for operation within Auckland and in doing so provide the certainty and stability required to address the existing issues and provide the platform for the future development and operation of the region.

While the proposal has the potential to create a new operating framework within Auckland it is important to note that the ultimate success or otherwise of the proposal will be determined by a number of factors such as:

- Ensuring that there is realistic expectations in place with respect to how and over what timeframe change will occur (recognising the need to maintain business as usual)
- Attracting and retaining quality personnel at both the political and administrative levels within the region. While the proposal sets out a series of issues around roles, responsibilities and functions, experience would suggest that the quality of the people involved in its operation will be a key determinant of its overall success.
- The full and active engagement of central government including the introduction of additional funding sources. If the Government is seen to support the new arrangements then the likelihood of their success will improve.
- The commitment of all parties to making sure change is significant enough to create the basis for regional leadership, innovation and adaptability for the future.

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STRENGTHENING AUCKLAND'S REGIONAL GOVERNANCE PROPOSAL

Evaluation Against Problem Definition And Good Governance Principles

REASONS FOR STRENGTHENING REGIONAL GOVERNANCE	COMMENT ON PROPOSAL
Producing one vision for the future, unified leadership and one voice for discussions with central government on social, economic, environmental and cultural regional issues	The One Plan developed by the Regional Sustainable Development Forum is designed to produce one vision for the future and unify local authority, central government and non-governmental leadership in the region. The stronger Greater Auckland Council will have greater mandate and supporting revenue to engage with central government on regional issues.
Having more strategic and operational linkages to Central Government that allow for agreement on strategies and their associated delivery and funding within a framework of certainty	This will be achieved via: The stronger Greater Auckland Council The Regional Sustainable Development Forum and One Plan The proposal for central government to develop national strategies that guide regional strategies and national funding and delivery The proposal for central government to negotiate multi-year funding agreements with the region
Delivering on decisions once they are made, including providing more certainty about funding and service delivery	The Greater Auckland Council's new funding sources and responsibilities will produce more certainty over time about funding and delivery on decisions relating to transport, economic development, tourism promotion and regional facilities.
Delivering greater value for money for Aucklanders, through improving service standards, greater consistency and reducing costs through, amongst other things, shared services.	The One Plan provides a mechanism for other parties to agree on implementation of regional strategy. The proposals that central government develop national strategies and negotiate multi-year funding agreements will also provide more certainty about funding and service delivery.
Making decisions about interrelated issues in a more integrated way, more quickly and without re-litigation but without diluting community engagement.	The proposal provides a framework for ensuring that over time there will be improved decision making and resource allocation from amongst other things the development of the One Plan (including the associated action plans) and advancing the concept of shared services. The certainty and stability achieved from having consistency of strategic direction and more integrated decisions will create value.
Facilitating local democracy and diversity and helping to address emerging local social problems.	One Plan is designed to integrate the decisions of councils, central government and non-governmental agencies in the Auckland region. The Greater Auckland Council's broader responsibilities will also result in more integrated decision-making. The proposal maintains the current representation arrangements of territorial authorities and community boards. The Greater Auckland Council and One Plan are both mechanisms to significantly improve regional advocacy on local issues.

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PERCEIVED PROBLEMS	COMMENT ON PROPOSAL
<p>There is generally adequate strategy but this is not fully integrated or aligned fully into an overall direction that indicates the region's priorities</p> <p>The region fails to deliver on strategy because of fragmented powers and accountabilities for funding and service delivery and commitment to fund</p>	<p>The One Plan (and its associated action plans) are designed to integrate current and new regional strategies and articulate an overall direction and regional priorities.</p> <p>The proposal will facilitate greater delivery on strategy via: Providing the Greater Auckland Council with broader responsibilities and revenue (especially improving delivery on transport, economic development and tourism promotion and regional facilities) Establishing a high profile mechanism for getting a range of parties to agree to implement One Plan Central government developing national strategies and negotiating multiyear funding agreements</p>
<p>Some decisions appear to be "mis-located" (undertaken at the national or local sphere of government when the impacts are mostly regional)</p>	<p>The proposal goes some way towards re-locating decisions to the region level: The Greater Auckland Council would more clearly have responsibility for coordinating decisions relating to social, cultural, economic and environmental well being at the regional level (via the Regional Sustainable Development Forum), and expressing these in One Plan. Decisions about tourism promotion and regional facilities would be re-located with the Greater Auckland Council</p>
<p>There is heavy reliance on voluntary and statutory joint decision-making fora but these are not able to 'bind' or influence expenditure and other decisions of sovereign organisations. Non-funders also have significant influence on decision making particularly in the area of transport.</p>	<p>The proposal incorporates a degree of voluntary decision-making for a (the Regional Sustainable Development Forum and One Plan) but would improve on the current situation: By giving the Greater Auckland Council expenditure responsibilities (and supporting revenue) for economic development, tourism and regional facilities By creating the possibility of binding multilateral and/or bilateral agreements under the One Plan By introducing the mechanism of multi-year funding agreements</p>
<p>The result is a lack of certainty (especially in funding), clarity, understanding, mandate, leadership and single voice for Auckland with central government</p>	<p>The proposal improves on all of these things through the establishment of the Regional Sustainable Development Forum and a new regional entity (Greater Auckland Council)</p>
<p>There is insufficient revenue at the regional level</p>	<p>The proposal is designed to address this with new sources for specific expenditures (fuel tax, departure tax, regional development levies)</p>
<p>There are inefficiencies and inconsistent standards and financial impacts due to duplication and transaction costs.</p>	<p>The proposal provides a framework for ensuring that over time there will be improved decision making and resource allocation from amongst other things the development of the One Plan (including the associated action plans) and advancing the concept of shared services. The certainty and stability achieved from having consistency of strategic direction and more integrated decisions will create value. The proposal also encourages extension of the concept of shared services.</p>

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PRINCIPLE	COMMENT ON PROPOSAL
<p>Give effect to the purpose of local government to enable democratic local decision-making and action by, and on behalf of, communities; and promote the social, economic, environmental, and cultural well-being of communities in the present and for the future</p>	<p>The proposal improves this at the regional level by providing the Greater Auckland Council with clearer responsibility for coordinating decisions relating to social, cultural, economic and environmental well being at the regional level (via the Regional Sustainable Development Forum), and expressing these in One Plan.</p>
<p>Better enable the achievement of a unified vision and plan for the Auckland region to increase its international competitiveness and long term sustainability</p>	<p>The One Plan is designed to address this as does the establishment of the Greater Auckland Council with a broader mandate and access to additional funding tools.</p>
<p>Ensure that decisions are made at the sphere of governance closest to the impacts of decisions and where decision-makers are best placed to act and deal with the consequences of those decisions;</p>	<p>The proposal goes some way towards addressing this: The Greater Auckland Council would more clearly have responsibility for coordinating decisions relating to social, cultural, economic and environmental well being at the regional level (via the Regional Sustainable Development Forum), and expressing these in One Plan. Decisions about tourism promotion and regional facilities would be re-located with the Greater Auckland Council The One Plan would provide a broader and more high profile forum for coordination between the different spheres of government</p>
<p>Provide for clear accountability to the public for outcomes, use of public funds and stewardship of public assets – no taxation without representation</p>	<p>The proposal achieves this principle</p>
<p>Be cost efficient and effective</p>	<p>As a result of the improvement in the certainty of direction, alignment of various strategies and the involvement of Central Government there will be scope to improve the quality of decision making. This improvement together with advancing other initiatives such as shared services will, over time, deliver savings</p>
<p>Deliver equitable impacts across the region</p>	<p>The creation of a stronger regional entity and the establishment of a Regional Sustainable Development Forum will create a framework whereby more equitable impacts can be achieved especially with respect to Transport, Economic Development, Regional facilities and the coordination with central government.</p>
<p><i>Provide for the effective representation of the region's rural and urban communities in decision-making to reflect distinct needs of rural and urban areas;</i></p>	<p>The proposal provides for this through the establishment of a Regional Sustainable Development Forum involving all parties in the region. This matter will also, in part, be addressed through the decision taken on the representation model for the Greater Auckland Council.</p>
<p>Be resilient into the future, and be able to deal with increasing uncertainty, complexity, diversity and change</p>	<p>The proposal is the logical first step to strengthen regional governance in Auckland, and could evolve further in response to future trends.</p>

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Position Paper Waitakere City Council

14 November 2006

A40



Waitakere City Council
Te Taihō o Waitakere

Executive Summary

Issues	Waitakere City Council's Position
<ul style="list-style-type: none"> ▪ Option 3 	<ul style="list-style-type: none"> ▪ Unanimous rejection.
<ul style="list-style-type: none"> ▪ Option 2 	<ul style="list-style-type: none"> ▪ Unanimous support for modified Option 2.
<ul style="list-style-type: none"> ▪ Funding 	<ul style="list-style-type: none"> ▪ Council supports flexibility for new funding mechanisms to fund regional issues, transport etc.
<ul style="list-style-type: none"> ▪ Regional facilities 	<ul style="list-style-type: none"> ▪ Council strongly considers that any regionally funded facilities must be owned by a separate entity such as a regional trust (i.e. not the individual TLAs if they are to be funded by ratepayers regionally). If they are to be funded regionally, those ratepayers must be able to exercise some sort of control over the entity, and in particular the key outcomes and deliverables.
<ul style="list-style-type: none"> ▪ Regional Assembly 	<ul style="list-style-type: none"> ▪ Council supports regional assembly subject to the direct appointment of elected representatives.
<ul style="list-style-type: none"> ▪ Shared Services 	<ul style="list-style-type: none"> ▪ Council supports the ongoing and enhancement of Shared Service models.
<ul style="list-style-type: none"> ▪ One Plan 	<ul style="list-style-type: none"> ▪ Council supports One Plan with binding decision making.
<ul style="list-style-type: none"> ▪ ARTA 	<ul style="list-style-type: none"> ▪ Council supports the enhancement of ARTA by the inclusion of State Highways, but strongly rejects the inclusion of local roads, regional holdings and WaterCare.
<ul style="list-style-type: none"> ▪ Water 	<ul style="list-style-type: none"> ▪ Vertical integration is unanimously rejected and there should be no further consideration of this.
<ul style="list-style-type: none"> ▪ WaterCare 	<ul style="list-style-type: none"> ▪ Council supports the continuance of WaterCare as a separate entity or CCO with a dividend of fund and mitigation on the environmental stormwater effects.

Issues	Waitakere City Council's Position
<ul style="list-style-type: none"> ▪ Regional Economic Agency 	<ul style="list-style-type: none"> ▪ Council unanimously supports Model 2 as presented in the Issues and Options paper. And notes that this was overwhelmingly supported by the economic development workstream. It is considered a natural evolution of the model that has evolved over the past 4 years since the publication of the Auckland Regional Economic Development Strategy. ▪ In no way does Waitakere City Council support the notion that a regional economic development agency could undertake the functions of local economic development agencies.
<ul style="list-style-type: none"> ▪ The ARC's right of veto on metropolitan urban limits 	<ul style="list-style-type: none"> ▪ Waitakere City wishes to see that power be reviewed to ensure that the sanctity of the MUL policy is supported by the appropriate balance of flexibility and common sense.
<ul style="list-style-type: none"> ▪ Tourism Auckland 	<ul style="list-style-type: none"> ▪ Waitakere City does not support guaranteed TLA funding, any long term funding should come from a mix of other mechanisms, e.g. bed tax and industry contribution.

WAITAKERE CITY COUNCIL'S RESPONSE TO DRAFT REGIONAL GOVERNANCE PAPER

As at 14 November 2006

The following has been prepared by Waitakere City Council in response to release of the Regional Governance Discussion paper, dated 3 November 2006.

Input has been provided by way of two Council workshops, one held on 2 November 2006 and a further held on 13 November 2006.

The Council requires that this position be incorporated into the final report (which is then considered by the Political Reference Group and individual Councils).

As an opening statement Waitakere City wishes to register its on-going concern (particularly in the area of transport) that for publicly stated political reasons the ARC refuses to rate adequately.

This funding shortfall together with other regional funding constraints is at the heart of this regional review and must be addressed- by government decree if necessary.

Another key issue is the ARC's ability to "veto" any decision around MUL shifts or other significant economic development projects. In recognising the ARC's role as an environmental regulator, Waitakere City wishes to see that power be reviewed to ensure that the sanctity of the MUL policy is supported by the appropriate balance of flexibility and common sense.

Regional Development Forum

- The Council supports the establishment of a Regional Development Forum comprising central, regional and local government representatives which produces One Plan overseeing other regional fora and strategies. This would provide much needed alignment between those 3 tiers of government.
- Local representation is essential to ensure that local requirements are taken into account, including funding in LTCCPs, District Plan implications, local delivery, etc.

Transport Governance

- The Council prefers some sort of arrangement which, broadly, falls between Models 1 and 2 (modified Option 2). It considers that what follows would strengthen the regional strategy framework through the One Plan and Funding Agreement process. The model could be improved by requiring transport agencies to give effect to the approved RLTS and guidance from the National Transport Strategy to funders.

Council unanimously rejects Model 3 as this model would create significant disruption to delivery because of the transfer of functions to a regional entity. It would create tensions between national, regional and local interests.

- The Council supports limiting the membership of the Regional Land Transport Committee to funders only. This would ensure regional and central government buy-in to the Regional Land Transport Strategy.

A separate process would be required to obtain input from interest groups relating to the objectives noted in the Land Transport Management Act.

- The Council supports all agencies being required to give effect to an approved RLTS. This will provide the necessary mandate for Ontrack and Transit NZ to align with the Auckland region.
- The Council does support the proposal for local authorities to jointly own and govern ARTA. Although the Council does support state highways being transferred to ARTA it does not support railways, Auckland Regional Holdings or Watercare being transferred.
- The Council strongly does not support the proposal for ARTA to take over local roads. The proposal would create problems in aligning regional priorities and local requirements, including the regulatory control which would remain with the Councils.
- The Council does not support the rail infrastructure being transferred to ARTA. There would be a reduction in economies of scale and potential inconsistencies between the approach taken by ARTA and that required nationally or locally. It is not necessary for ARTA to directly control these delivery functions if the delivery agencies are required to give effect to the approved RLTS. Significant disruptions and duplication would arise from such significant structural changes.
- Funding Agreements between ARTA and local authorities would provide a better mechanism to ensure local authorities fund and deliver their contribution to the RLTS and Auckland Transport Plan.
- The imposition of a regional fuel tax should be in accordance with an agreement reached with ARTA about funding needs to ensure that it is able to give effect to the approved RLTS. Decisions regarding a regional fuel tax, a toll, or congestion charge should be made on a similar basis to ensure that the funding mechanism used is optimal in terms of the outcomes of the RLTS.
- The Council supports a regional body levying or collecting fuel tax, subject to this being the most efficient collection mechanism. The decision on how to allocate the funds is the key issue. The Council supports a regional body, such as ARTA, having the legislative power to raise such a tax and allocate it in accordance with an approved RLTS.

Water

- Waitakere City strongly opposes the vertical integration of water and any further consideration of the option. This has been Council policy for a number of years and is a non-negotiable "bottom line" as far as we are concerned.
- Best practice is now leaning towards a wholesale / retail split of water service providers (e.g. Sydney, which is one of the "word-class" cities the region is attempting to emulate). There are no unassailable proven benefits from vertical integration. Reports over the last decade supporting vertical integration have been challenged and the benefits found exaggerated or wanting.
- Council supports the six Councils continuance to jointly own WaterCare and, if it becomes a CCO, receive any dividends which could be used to fund environmental stormwater projects.

Urban Development

- While there may be merit in the notion of a jointly owned regional development agency sometime in the future, it is difficult to see at this stage how the vertical integration of current property companies will meaningfully contribute to this goal.
- It is also difficult to comment on the merits of such a proposal without some idea of the development projects under consideration.

Any indication of such projects in the discussion document seem to focus on the Rugby World Cup, the Auckland waterfront and the Auckland CBD. Territorial authority contribution to such projects (whether through vertical integration of existing property companies or other funding streams) would need to recognise areas of benefit.

Note: This is reinforced by the fact that the discussion document refers to "Urban Development" but seems to completely ignore the economic and social issues facing rural people in large parts of Waitakere, North Shore, Manukau, Rodney, Papakura and Franklin in particular.

Economic Development

- Central government's economic transformation agenda has five themes;
 - Development of globally competitive firms
 - World class infrastructure
 - Innovative and productive work places
 - Environmental sustainability
 - Auckland as a world class city

In order to deliver this agenda central, regional and local economic development must be connected and have the capacity and capability at all levels to deliver the respective roles.

- Model 2 presented in the Issues and Options paper best delivers on this. Key strengths of this model include;
 - A single point of connection between the region and central government
 - A cohesive, integrated regional strategy and delivery infrastructure
 - Regional governance that is connected locally
 - Regional co-ordination of projects of scale
 - Local delivery, knowledge, understanding, innovation and reach where such features are advantageous

- This option was overwhelmingly supported by the economic development workstream and is considered a natural evolution of the model that has evolved over the last 4 years since the publication of the Auckland Regional Economic Development Strategy.

- In no way does Waitakere City Council support the notion that a regional economic development agency could undertake the functions of local economic development agencies. In particular;

Local agencies are existing infrastructure that provide instant scale to projects. For example, the Metro Project identifies the case management of 20-30 businesses. While this is of value, it will not achieve economic transformation. - Enterprise Waitakere case manages 50; Some of these are nationally and regionally significant, others potentially nationally and regionally significant; all are locally significant. In addition, Enterprise Waitakere works in some way with over 1000 businesses per annum. This connection, dynamic and scale is a critical component to developing enough globally competitive firms and innovative and productive workplaces to effect economic transformation. Dismantling and attempting to replicate this infrastructure would be an extreme waste of investment already made.

Business support functions such as training, mentoring, information and advice require a clear channel to market that ensure the time cost of travel is not a barrier to participation. This is provided by local agencies. The demonstrated failure of attempts to run these programmes on a regional scale without local delivery connectivity illustrate this point.

Local identity is fundamental to the desire to leading business to contribute to their local community, including sharing knowledge and experience with other local businesses and young entrepreneurs and developing private land in a manner that contributes to local economic development objectives. A regional agency will not perform this function.

- Note that apart from Enterprise Waitakere no other local EDAs were involved in the development of the discussion paper.

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- The Council does not support guaranteed TLA funding for Tourism Auckland. This Council has had a number of reports over the years which show little or no benefit to Waitakere from the activities of Tourism Auckland. Waitakere has little tourism infrastructure (e.g. hotels) and therefore does not stand to benefit from on-going activity/funding in this area.
- If regional funding is applied to Tourism Auckland it should be raised through a mix of mechanisms e.g. through bed tax or industry contributions.

Regional Facilities

- Council strongly considers that any regionally funded facilities must be owned by a separate entity such as a regional trust (i.e. not the individual TLAs if they are to be funded by ratepayers regionally). If they are to be funded regionally, those ratepayers must be able to exercise some sort of control over the entity, and in particular the key outcomes and deliverables.
- Funding must also not be on a simple population formula, but rather taking into account the economic area of benefit and netting that off any operational or funding requirements with only the balance of the operating costs to be levied regionally. This was Waitakere's strong view in the working group which provided input to the discussion document.

Regional Services

- The Council supports further work on shared services models, particularly in the areas of solid waste (e.g. joint collection and disposal contracts) and Civil Defence.