

- 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.

- 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

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

MINUTES
MONDAY 28 MAY 2007
AUCKLAND REGIONAL COUNCIL

**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
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- 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.

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.

A42

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.

- 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.

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).*

A45

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;*

A46

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

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

A48

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:
1	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

	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

	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>

PAPAKURA DISTRICT COUNCIL – 28 MAY 2007

1. That the information be received.
2. That in respect of the Greater Auckland Council, the Papakura District Council's preference is for:
 - i) Chair appointed by the members of the GAC, on the basis that this supports a strong mandate for that member in all matters including regional advocacy;
 - ii) Membership determined on the basis of either parliamentary boundaries or some other method to increase the size of the GAC from the current Regional Council, to recognise the increased responsibilities backed with more funding tools and the expectation that there will be much more visible regional leadership across a broad range of functions.
3. That in respect of membership of the Regional Sustainable Development Forum, the Papakura District Council's preference is for:
 - i) Local Authority representation to be two members from each of the city Councils and one from each of the District Councils with each Council to decide its own representation, noting that this form of representation does provide some recognition of proportionality.
 - ii) Central Government to be represented but that a proposal for an appropriate representation approach should be made by Central Government as Councils are not well placed to understand the ramifications of such representation.
 - iii) That Mana Whenua/Tangata Whenua representation be considered further once a definite proposal is received from Mana Whenua/Tangata Whenua
 - iv) That, the chair be appointed by the Greater Auckland Council and that membership be three members from the Greater Auckland Council, in keeping with the Forum's status as a standing committee of the Greater Auckland Council.
4. That in respect of the decision making and voting processes for the Regional Sustainable Development Forum Papakura District Council's preference is as follows:
 - i) That matters should be decided by consensus in the first instance, with a simple majority applying where consensus cannot be reached, noting that this approach may involve some loss of sovereignty by all although there remains checks and balances in the process with the GAC to approve the final Plan and the confirmation of specific obligations through separate contractual arrangements.
5. That in respect of the relationship of existing regional fora to the Regional Sustainable Development Forum Papakura District Council's preference is for:
 - i) abolishing existing fora with their functions being undertaken by RSDF with advisory fora or sub-committees to be convened by RSDF as required; noting that keeping current fora in place has the potential to be either unnecessarily bureaucratic or confuse the roles of each fora with the role of the RSDF and that there may be need for additional

PAPAKURA DISTRICT COUNCIL – 28 MAY 2007

stakeholder engagement or specialist expertise to be input through new fora

6 That in respect of the "One Plan" and its component strategies Papakura District Council's preference is for:

i) The breadth of the Plan to encompass regionally significant issues across the four wellbeings with the content to increase over time; the depth of the Plan must include the vision, key strategic directions, actions (projects/programmes of regional scale) and funding parameters;

ii) The plan to be binding but action cannot be compelled through the Plan alone e.g. major initiatives may require separate agreements; mechanisms to ensure transparency by all parties; the role of representatives to the Forum to be made clear through legislation so that it is legitimate for trade-offs to be made by Forum members of regional vs local interests; that the GAC be enabled to either adopt the Plan or to refer it back to the Forum for reconsideration – not to be able to make change directly

7. That Papakura District Council's support for the proposals is contingent on certainty that central government is as committed to active integration of key national strategies with the regional planning and, even more importantly, aligning central government funding (whether delivered directly or through agents) to match agreed regional priorities

8. That Papakura District Council supports the overall package of proposals set out in the attached paper, with a strong preference for the options expressed through the foregoing resolutions as it is considered these proposals will strengthen the overall governance of the Auckland region through a combination of:

- the integration and alignment of central, regional and local government strategies, priorities and funding;
- the collective decision making model of the Regional Sustainable Development Forum, and
- the much broader leadership role proposed for a newly constituted Greater Auckland Council with the funding tools to match this role

TO Council
ON 24 May 2007
FROM Warren MacLennan – Director Strategy & Planning
APPROVED BY Vijaya Vaidyanath – Chief Executive Officer

SUBJECT **STRENGTHENING AUCKLAND REGIONAL GOVERNANCE: REPORT ON PROGRESS**

FILE REF AH/17/2: AE/6/1

RECOMMENDATION:

- (a) That the progress report entitled “Strengthening Auckland’s Regional Governance – Report on Progress” be received.
- (b) That in respect of the Greater Auckland Council, the Rodney District Council’s preference is for:
- i) Leadership
Chair appointed by the members of GAC
 - ii) Membership determined on the basis of Reduce Status Quo to 7 plus the appointment of one person by/from each territorial authority;
- (c) That in respect of membership of the Regional Sustainable Development Forum, the Rodney District Council’s preference subject to (e) is for:
- i) View on Local Authority representation
 - RSDF to comprise two representatives from each Council.
 - ii) View on Central Government representation and/or participation
 - Subsidiary membership (speaking but not voting rights).

AS4

iii) View on Mana Whenua/Tangata Whenua representation and/or participation

- Direct recognition as a key stakeholder with a separate consultation process

iv) View on the appointment of chair

- The membership of the RSDF appoints the Chair in accordance with the voting procedures established for the RSDF.

(d) That in respect of the decision making and voting processes for the Regional Sustainable Development Forum, Rodney District Council's preference is as follows:

i) View on weightings and thresholds

- 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 member having one vote).

And

- Whether no voting threshold should apply;

ii) View on who should undertake consultation

Recommendation by RSDF but GAC still consults

And

Local Community Outcomes

- All participating councils undertake their own consultation on their local issues and community outcomes

(e) That in respect of the relationship of existing regional fora to the Regional Sustainable Development Forum, Rodney District Council's preference is for:

Abolish existing fora with their functions being undertaken by RSDF

BUT

- fora and committees convened by RSDF as required.

ASS

(f) That in respect of the One Plan and its component strategies Rodney District Council's preference is for:

(i) Breadth

- Regionally significant issues

(ii) Depth

- Projects/programmes of regional scale only

AND

- Could include outcomes, objectives, strategic direction, priorities, actions, funding parameters

(iii) View on Enforceability, Sanctions and Levers

Enforceability of One Plan

- Not act inconsistently with

(iv) Sanctions and Levers to Encourage Implementation of One Plan

- Incentives

AND

- Strengthening the capacity of individual parties to fund and implement One Plan

AND

- Mechanisms to encourage buy-in to One Plan priorities

AND

Mechanisms to strengthen transparency and public accountability of parties to implement One Plan priorities

AND

- Mechanisms to improve alignment between all parties to the One Plan including areas outside the Auckland Metropolitan area.

AS6

**MINUTES OF A MEETING OF THE CITY DEVELOPMENT COMMITTEE
HELD AT WAITAKERE CENTRAL, 6 HENDERSON VALLEY ROAD,
HENDERSON,**

WAITAKERE, ON thursday, 7 june 2007,

COMMENCING AT 9.30 am.

2A STRENGTHENING AUCKLAND'S REGIONAL GOVERNANCE

10.17 am Crs Battersby and Lawley returned to the meeting.

10.47 am Cr Dallow entered the meeting.

977/2007

MOVED by Cr Clews, seconded Cr Battersby:

1. That Council adopt the amended workshop recommendations 1 and 2, 3 (a) -- (h), relating to the proposed package to strengthen Auckland's Regional Governance.
2. That Council forward a copy of the approved recommendations to the project team for incorporation into the final report.

CARRIED

STRENGTHENING AUCKLAND'S REGIONAL GOVERNANCE **Report on Councillor Workshop on Progress Report of 16 May**

PURPOSE OF THE REPORT

To adopt the recommendations of the Councillor Workshop on Strengthening Auckland's Regional Governance held on 5 June 2007.

BACKGROUND

Waitakere City Council has considered the latest report of the "Strengthening Auckland's Regional Governance Project – Report on Progress – for discussion and feedback", dated 16 May 2007, at its Council meeting on 30 May and again at a special Councillor Workshop on 5 June 2007.

WORKSHOP RECOMMENDATIONS

1. The Council acknowledges and confirms the essence of the problem statement agreed at the outset of the project, and in particular the need for improved arrangements for the region to effectively partner with and negotiate with central government in order to achieve international competitiveness as a city-region, and manage long-term development more sustainably.
2. The Council acknowledges that the proposals for reform constitute a start on a process of evolutionary (rather than sudden) change to address these issues, but notes that further and wider reforms may be desirable in the medium term.
3. Waitakere continues to support the proposals outlined in December 2006, and refined in the report of 16 May 2007. In order to advance and consolidate those proposals, Waitakere resolves to respond to the specific issues raised as follows:
 - (a) **GAC/ARC**
Recommend status quo
 - The **name** Auckland Regional Council should be retained
 - The **role** of the ARC should remain unchanged other than as a result of changes agreed in this process
 - The **leader** should continue to be appointed by members
 - The **membership** should remain as at present – 13 councillors elected across 6 constituencies aligned to TA boundaries.

AS8

(b) **Regional Sustainable Development Forum (RSDF)**

Recommend that the RSDF is the key new institutional mechanism for achieving agreement and collective responsibility at local, regional and national level for the development programme for the region.

- The RSDF should be constituted as a **standing committee** of the ARC, using the provisions of sections 37SE – 37SH of the LGA74 in the first instance, if appropriate.
- The key function of the RSDF should be to prepare and recommend to the ARC, for adoption, the **One Plan** as a means of co-ordinating and integrating regional strategies for landuse (lead) transport, other infrastructure, economic, social and cultural development, and environmental performance.
- The RSDF should be the mandated **primary point of contact** for the government in engaging with regional development and planning issues that affect the whole region.

RSDF Representation

- **Council Representation:**
 - ARC: 4 members (Committee Chairs?)
 - Cities: 2 members each appointed by each Council
 - Districts: 1 member each appointed by each council
- **Central Government representation:**
 - 3 – 5 ministers or delegates (recognising the importance of this relationship)
 - Mana Whenua representation
The reason for Mana Whenua representation appears to be founded on the exercise of the Crown's Treaty partnership obligations, which elevates this group above stakeholders. Difficulties might be anticipated in providing an adequate resourcing and backup for these representatives. Until Treaty settlements are concluded, WCC recommends that the Minister of Maori Affairs hold specific representation on the Forum with the ability to appoint Mana Whenua representative(s) as his delegates, and for his Ministry of Maori Development to provide consultation and back up support for those representatives.
- It is recommended that the maximum membership should be 20 representatives

RSDF Machinery of Government

- The **RSDF Chair** should be appointed by the ARC from amongst the Forum members on the recommendation of the RSDF.
- **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.

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- Each member should have **one vote**.
- **Existing fora** (such as RGF, RLTS, AREDF/Metro) should be abolished and their responsibilities transferred to the RSDF for incorporation into the One Plan. (Thus simplifying and streamlining regional governance.)

(c) **The One Plan**

Recommend the development of a single strategic document that expresses the agreed regional development programme and funding commitments.

One Plan Breadth

- One Plan should develop over time, starting with the content of the RGS, RLTS, REDS, but expanding over time to cover the 4 wellbeings.
- 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.

One Plan Depth

- 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.

Enforceability

- 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.

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- Capacity to enter into agreements with providers of infrastructure, including providers such as Watercare Services limited and energy companies .
- 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/ Levers

- Support for the range of incentives and sanctions including moral suasion. The sanction of exclusion from the benefits of participation should only be used after careful consideration.

Consultation

- 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.

Relationship with Community Outcomes Process

- RSDF should report to the ARC on the extent to which One Plan delivers on the Community Outcomes the ARC has recorded.

Ability of the (GAC) ARC to amend One Plan

- Follow the RGF provisions of Section 37SG (4) of the LGA74: "the function of the (RGSF) is to advise on and approve the (One Plan) and any amendment to that (One Plan) before any such amendment (or One Plan) is adopted by the Auckland Regional Council." ie the ARC can adopt a plan or amendment only on the recommendation of RGSF.

Transition

- The One Plan will evolve with experience and time. The target should be to complete the first iteration of the One Plan by the end of 2008 in order to inform the local government 2009 – 2012 LTCCP process, and 2009 – 2012 budgets, with a review by 2011, in time for the 2012 LTCCP review.

(d) Three Waters

Status quo

- WCC has signalled its intention to resolve that Watercare Services Ltd should not be able to pay a dividend. The status quo should continue with respect to

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Watercare Services Limited governance and legislative arrangements. This means that no proposals for Watercare Services Ltd to pay a dividend should be actioned at this time, and that there should be no change in the ownership by TAs. At some future date, it may be desirable to review whether the present arrangements are the best possible to ensure the sustainable development of the Auckland region. Work on the Three Waters Strategy should be reported to the RSDF.

(e) **Regional Facilities**

- Any regionally funded facility should be owned by a regional entity. If funding is to be shared across units of local government, the proportionality formula should reflect usage by communities. WCC considers the West Wave Pool in Henderson to be such a regional facility.

(f) **Economic Development**

- Waitakere has a very successful and cost-effective EDA. The Council supports the strengthening of a Regional EDA, and the incorporation within that of Tourism Auckland, on a basis that does not undermine the effectiveness, profile and engagement with government of Waitakere Enterprise. The Regional EDA has a critical role in coordinating local EDAs.

(g) **Transport**

- Need to engage with Government immediately to incorporate proposals from the Transport Workstream into government policy and legislation on the implementation of ATSAP, the government's reform of transport entities, the "Next Steps in the Land Transport Review, 30 April 2007, and the Cabinet decisions on this review [POL min (07) 9/5 refers].

(h) **Shared Services**

- Support for continued action on shared services, including, for example investigations into coordinated rating and valuation systems.

(i) **Funding**

- Acknowledge that existing funding mechanisms available to local and regional government are insufficient to meet the strategic and timely development needs of the region
- There is a need to consider the cost-effectiveness of the RSDF/OnePlan proposal, and the funding arrangements for its operation.

(j) **Land Use**

- There needs to be further efforts to ensure that transport and other infrastructure planning and services give effect to the growth concept of the RGS and the shifts of the LTSP.
- ARC needs to ensure that the landuse intent of the One Plan is reflected in timely revisions of the RPS prepared under the RMA.

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(k) Other

- CDEM should continue to be a joint regional and local undertaking to ensure the continued engagement of local communities and marshalling of volunteers
- Parks, RMA, Harbours responsibilities of ARC should remain unchanged.
- Support for further investigations into regional development corporation for major projects.
- Consultation with the public on the proposed package is essential. WCC considers that an eight week concerted process is the minimum required. Consultation should be a shared government/ local government undertaking.

RECOMMENDATIONS:

- 1 That Council adopt the workshop recommendations 1 and 2, 3 (a) – (h), relating to the proposed package to strengthen Auckland's Regional Governance.
2. That Council forward a copy of the approved recommendations to the project team for incorporation into the final report.

Report prepared by:

Graeme Campbell
Director: Strategic Planning
6 June 2007

Footnote: key to acronyms

AREDF: Auckland Region Economic Development Forum

ARC: Auckland Regional Council

ATSAP: Auckland Transport Alignment Project

EDA: Economic Development Agency

GAC: Greater Auckland Council

LGA 74: Local Government Act 1974

LTCCP: Long Term Council Community Plan

LTSF: Long Term Sustainability Framework (for the Auckland Region)

RGF: Auckland Regional Growth Forum

RGS: Auckland Regional Growth Strategy

RLTS: Auckland Region Land Transport Strategy

RMA: Resource Management Act

RPS: Auckland Regional Policy Statement

RSDF: Auckland Regional Sustainable Development Forum

TA: Territorial Authority

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Office of Hon Mark Burton, M.P. for Taupo
Minister of Justice
Minister of Local Government
Minister in Charge of Treaty of Waitangi Negotiations
Minister Responsible for the Law Commission
Deputy Leader of the House

- 7 JUN 2007

Mr Christopher Blake
Joint Chair
Joint Chief Executives' Steering Group on Auckland Governance
C/- Department of Internal Affairs
PO Box 805
WELLINGTON

Ms Vijaya Vaidyanath
Joint Chair
Joint Chief Executives' Steering Group on Auckland Governance
C/- Rodney District Council
Private Bag 500
OREWA

Dear Christopher and Vijaya

Strengthening Auckland Governance: Report on Progress

The document "*Strengthening Auckland Governance: Report on Progress*" was considered by Cabinet on Tuesday 5 June. I am writing to provide feedback on behalf of my Ministerial colleagues following that consideration. I have written to John Robertson, Chair of the Auckland Political Reference Group, and am writing to you so that this feedback may assist further joint work and the development of the final report.

At the outset, I want to reaffirm Ministers' commitment to the joint work to consider the potential of the December proposals. This work proceeds of course without committing councils or Government to recommendations in the final report. I believe that the joint work can be viewed as an example of the sort of innovative and positive collaboration that the proposal itself is seeking to facilitate for decisions affecting the future of the Auckland region.

In responding to the *Report on Progress*, Ministers have recognised the interdependence of many of the issues and options, and have elected not to discount or exclusively endorse specific options. The Government does, however, wish to emphasise our commitment to principles of accountability and good governance, including the principles in the Local Government Act 2002, and our expectation that these will be reflected in the further refinement

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and development of the proposal. In particular, Ministers wish further joint work to recognise:

- the importance of the direct accountability of elected representatives to their constituents for decisions made on their behalf, including expenditure of public funds and stewardship of public assets. This includes the need to preserve and strengthen the accountability of a directly elected regional council to its community for regional outcomes and decisions, and would include strategic decisions in the context of the One Plan;
- that Ministers prefer a strong regional council over a more autonomous Regional Sustainable Development Forum (RSDF) or mixed accountability model. Ministers acknowledge, however, that the RSDF would have an important role to play in the development of the One Plan;
- the option of consultation on the One Plan being undertaken by the Greater Auckland Council (GAC);
- consideration of the option of allowing the GAC to modify the recommended One Plan, subject to public consultation on any changes to the One Plan contemplated by the GAC;
- the desirability of providing flexibility to allow future community choices in relation to representation arrangements on the GAC, including the issue of elected or appointed leadership of that council, through processes that are the same or similar to those for reviewing representation/electoral arrangements under the Local Electoral Act;
- that consideration of RSDF membership and decision-making options should be concerned to promote the effective development of a broad strategic plan and prioritisation of strategies and key actions in the interests of the region, and should include consideration of the RSDF including members representative of non-governmental interests;
- that Ministers support rationalising existing regional forums in the context of the RSDF, subject to the need to preserve existing statutory roles and relationships;
- endorsement of the concept of an integrated One Plan that explicitly links pragmatic funding and delivery actions to high-level outcomes and values;
- Government support for the concept of separate public consultation on the content of the One Plan;
- that Ministers consider the range of sanctions and levers proposed in the *Report on Progress*, including specific public reporting requirements, to represent the appropriate approach to promoting the implementation of the One Plan;
- that the proposal to allow Watercare Services Limited to pay dividends to be used to fund stormwater infrastructure investment involves a number of

complex policy issues, and that the proposed outcome, of water and wastewater consumers paying for stormwater investment, does not appear to meet funding transparency principles;

- an expectation that major regional facilities in which there may be a significant national interest would be first identified and prioritised within the One Plan process, with funding arrangements to be subsequently negotiated between the parties determined on a case by case basis;
- that Ministers support the proposal for an expanded role for the GAC in regional economic development;
- that the Government recognises that funding is a significant regional issue and is committed to:
 - continuing dialogue seeking enduring solutions that are consistent with accountability arrangements and the financial management principles in the Local Government Act 2002;
 - considering the outcomes of the Rating Inquiry in relation to the particular needs and circumstances of the Auckland region;
 - considering any business case for new regional funding mechanisms;
- that Ministers expect that territorial authorities, as well as Government, will be willing to commit significant new and/or reprioritised funding to the significant regional projects prioritised through the One Plan process; and
- that the Government considers that, while the timing and process for implementing new governance arrangements are important, these are secondary issues to be addressed after the key governance changes to be implemented have all been determined

Ministers have also considered how Government might participate in regional strategic planning in Auckland in the context of the One Plan proposal. Subject, of course, to that proposal or something similar proceeding Ministers have indicated:

- their support for central Government actively contributing to, and supporting, the development of the One Plan. Ministers also noted that the nature of that contribution would need to be further defined;
- that, while the Government must retain its autonomy and accountability for decisions that promote the national interest, it is willing to contribute to the process in good faith, and with an expectation that the content of the One Plan will be given careful consideration when Government makes significant decisions impacting on the region;
- that the Government would be willing to engage in discussions with the GAC on how the priorities in the One Plan might be achieved including possible alignment of strategies and/or delivery, and options for funding; and

- an intention to enhance central Government coordination and integration in future engagement with Auckland

I trust that these messages, together with feedback from the Auckland councils, will provide a constructive basis for joint officials to develop and shape the proposal further into the form of final recommendations. I look forward to receiving your final report.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Mark Burton'. The signature is stylized with a large, sweeping initial 'M' and a long, horizontal flourish at the end.

Hon Mark Burton
Minister of Local Government