Devonport-Takapuna Local Board

OPEN MINUTE ITEM ATTACHMENTS

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A. 18 September 2018 - Devonport-Takapuna Local Board - Chairperson G Wood report | 3

Note: The attachments contained within this document are for consideration and should not be construed as Council policy unless and until adopted. Should Councillors require further information relating to any reports, please contact the relevant manager, Chairperson or Deputy Chairperson.
Report Name: Board Chairman George Wood

Report Period: From 22/Aug/2018 – To 18/Sep/2018

1. Local Board Chairs Forum – 10 September 2018. In the Governance Review there is a question as to how Sec 92 of the Local government (Auckland Council) Act 2009 should be interpreted.

- Substantive council-controlled organisations must give effect to LTP and act consistently with other specified plans and strategies of Council
  - Each substantive council-controlled organisation must give effect to the relevant aspects of the LTP.
  - Each substantive council-controlled organisation must act consistently with the relevant aspects of any other plan (including a local board plan) or strategy of the Council to the extent specified in writing by the governing body of the Council.

I asked that this matter be referred to all the 21 local boards for feedback. I’ve attached the report that went to the Governing Body back in September 2017. Could indicate how important local board plans will be in the future.

A copy of the agenda from the local board meeting on 10 Sep attached. Suggest that we should take up the offer of the new regional director for NZTA Mr Steve Mutton to visit our board.

2. Milford Estuary Bridge: This facility is experienced mechanical problems with the raising and lowering of the bridge. Community Facilities have recently had a meeting with ATOC to try and rectify the problems. CF is attempting to have Ventia replace the faulty electronic systems.

Signatories

| Author       | George Wood – Chairman, Devonport-Takapuna Local Board |

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Note:
Agenda

What: Local Board Chairs Forum
Where: Room 1, Level 26, 135 Albert Street
When: 10 September 2018, 12:00 – 2.45 pm
Who: All local board chairs (or their delegates)
Meeting chair: Shane Henderson, Chair Henderson-Massey Local Board
Apologies: Izzy Fordham

<table>
<thead>
<tr>
<th>Item</th>
<th>Title</th>
<th>Who</th>
<th>Time</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Welcome from the chair and previous action points</td>
<td>Shane Henderson, Chair Henderson-Massey Local Board</td>
<td>12.00 – 12.05</td>
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<tr>
<td>2</td>
<td>Introduction to new Director of Regional Relationships for the Upper North Island, NZTA</td>
<td>Steve Mutton, Director of Regional Relationships for the Upper North Island</td>
<td>12.05 – 12.25</td>
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<tr>
<td>3</td>
<td>Implementing and monitoring local spatial plans</td>
<td>John Duguid, General Manager - Plans &amp; Places Anna Jennings, Lead Planner</td>
<td>12.25 – 12.40</td>
</tr>
<tr>
<td>4</td>
<td>Update from ATEED</td>
<td>Nick Hill, Chief Executive Officer</td>
<td>12.40 – 1.10</td>
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<tr>
<td>5</td>
<td>Update on accommodation provider targeted rate, online providers</td>
<td>Andrew Duncan, Manager Financial Policy Deborah Acott, Head of Rates Valuations &amp; Data Mgmt Fran Maguire, Business Improvement &amp; Projects Manager</td>
<td>1.10 – 1.30</td>
</tr>
<tr>
<td>6</td>
<td>Community Facilities update, including land advisory application fees</td>
<td>Kim O'Neill, Head of Stakeholder &amp; Land Advisory Allan Christensen, Head of Stakeholder &amp; Land Advisory Rob Cairns, Head of Investigation &amp; Design John Schermbrucker, Head of Project Delivery Agnes McCormack, Head of Operational Mgmt &amp; Maintenance</td>
<td>1.30 – 2.10</td>
</tr>
<tr>
<td>7</td>
<td>Auckland Paths Update</td>
<td>Pippa Coom, Waitakura LB Chair Angela Fulljames, Franklin LB Chair</td>
<td>2.10 – 2.20</td>
</tr>
<tr>
<td>8</td>
<td>Local Government Auckland Council Act – Section 92</td>
<td>Alastair Cameron, Manager CCO/External Partnerships team</td>
<td>2.20 – 2.35</td>
</tr>
<tr>
<td>9</td>
<td>LGNZ update New Zealand Local Authority Traffic Institute (trafinz)</td>
<td>Pippa Coom, Waitakura LB Chair</td>
<td>2:35 – 2:45</td>
</tr>
</tbody>
</table>
Memo

To: Local Board Chairs
From: Louise Mason, General Manager, Local Board Services

Subject: Action Points from Local Board Chairs Forum on 13 August 2018

Item 1: Welcome from the Chair
Angela Fulljames, Franklin Local Board, welcomed everyone to the meeting.

Report on action points from previous meeting
Louise Mason, General Manager, Local Board Services gave a status update on the action points from the 10 July 2018 Chairs Forum.

Following the proposal from the previous Chairs’ Forum meeting, a joint political working party will be established to consider governance issues arising from divestment of council assets. There will be six governing body members and six local board members on the group. It was noted in discussion the importance of the work of the joint political working party being fed back to local boards.

Item 2: 10-year budget 2018-2028: acquisitions and disposals

Asset sales reduce the funding required from rates and debt for investment. Over the 10-year budget period assets are expected to grow from $51.3 billion to $77.2 billion. Asset sales will support funding this capital investment.

The majority of asset sales planned in the 10-year budget are to support transform and unlock regeneration projects. The sales from these assets are ring-fenced to the regional transform and unlock work programme.

Disposal of non-strategic assets makes up 26% ($212 million) of asset sales over the next 10-years. This is a reduction from $659 million in the previous 10-year budget. These asset sales are managed by Panuku with decisions made by the Finance and Performance Committee.

The following points were raised in discussion.

- How could a local board trigger an optimisation or rationalisation process? Could a local board move an asset from the rationalisation to optimisation process? There are certain criteria for optimisation including that the asset has a current service use.
- Are there opportunities to add new locations to the transform and unlock work programme? There are certain criteria for a location to meet a transform or unlock project including having a quantity of council land holdings and market potential for development. There are unlikely to be new transform or unlock locations for some time.
- Frustration was expressed over a lack of local board influence regarding where a transform or unlock location is.
Sales from an individual transform and unlock location are ring-fenced within the region-wide transform and unlock work programme. These sales are not ring-fenced to the specific local area.

Dissatisfaction was expressed with aspects of the asset sales process.
  - A desire was expressed for funds from asset sales to be ring-fenced in local board cluster areas.
  - Many of the assets sold are local and the responsibility of local boards.

Item 3: Regional Facilities Auckland update

Chris Brooks, Chief Executive Officer, Regional Facilities Auckland and Paul Brewer, Chief Operating Officer, Regional Facilities Auckland briefed the chairs on the business model and strategic focus of Regional Facilities Auckland (RFA).

RFA has recently had NZ Maritime Museum and Queens Wharf venues – the Cloud and Shed 10 – added to their portfolio. RFA’s business model is to deliver public good outcomes (community events etc) from a predominantly commercial basis (hire of venues). This model is effective. A key challenge is not knowing at the start of the year the commercial revenue the organisation will be able to raise e.g how many events will be secured at Mt Smart.

The RFA’s strategic focus is on:
  - customer experience
  - venue development strategy
  - capital programme: Auckland Zoo, Aotea Centre, Stadiums
  - Programming and event attraction
  - Iwi engagement.

The focus for the RFA’s venue development strategy is:
  - fit for purpose stadiums
  - high utilisation
  - optimal use of capital
  - lowering operating costs
  - reduced burden on ratepayers
  - high performance facilities
  - enhanced fan experience.

The following points were raised in discussion.

- The impact of Eden Park on RFA’s venue development strategy
- The operating costs for the Auckland Art Gallery, including the provisions that had been made through the 10-year budget.
- RFA and Auckland Transport are working effectively together to take a holistic view to transport for events.
- How can we help get people from outside of central Auckland to the city at an affordable price so they can take advantage of RFA facilities and events?
- It was noted that sometimes RFA is just a venue for hire while other times they bring events in. When the latter, the RFA does engage with the relevant local board about the event.

Item 4: Community Facilities update
Rob Cairns, Head of Investigation & Design Contractor and Agnes McCormack, Head of Operational Management and Maintenance gave the chairs an update on key areas of Community Facilities work.

**Contractor performance**

Audit scores of the performance of our contractors are now consistently high (91.5%). The wet mowing process is generally working well. The April storm clean-up is nearing its end. Due to traffic management requirements on some streets the timeliness of removing debris has been delayed.

The following point was raised in discussion.

- The fact that traffic management plans were needed when contractors are picking up green waste was challenged. Staff noted that the council has to provide a safe place for our contractors to work.

**Work programmes**

Community Facilities is working on how to get a coordinated view and presentation to local boards of their work programmes. The aim is to find a way that delivers a better set of outcomes both for the local boards and staff. Staff are aiming to have a proposal to share with the local boards shortly.

The following points raised in discussion.

- Local boards want to receive better communication on their work programmes.
- Work programmes should not be limited to LDI projects. Local boards want the wider picture of work taking place in their local area which they have decision-making responsibility for including renewals.
- Staff are aiming to come to local boards in October/November for a discussion on the boards’ asset portfolio and their current investment, less focused on specific projects. This should give staff the information they need to bring back project specific advice early next year. Chairs expressed concern on the timing of this approach, any later than October hinders their ability to make long-term decisions.
- Concern was expressed about poor quality advice that does not support local boards to make good work programming decisions. Staff are aware of the critical nature of their good advice and are working on improvements in this space.
- The current work programming process is very resource intensive. A better balance is needed for this process to be effective.
- Pleased to see Community Facilities is looking to improve their work programming practices.
- The Rodney Stakeholder Advisor was praised as working well for the local board.

**Project Streetscapes**

- Local board meetings are underway and input is being received regarding current Auckland Transport services so that a transition plan can be developed.
- Full Facilities suppliers have submitted their new pricing, which staff are reviewing.
- Negotiations commence 27 August, and budgets are a key focus.
- Audit process is being reviewed for improvements.
- Pest plant management is being worked through to integrate with the new Regional Pest Plant Management Plan.

The following points were raised in discussion.
There was some confusion as to what the local boards were being asked to do with the local maps they were being shown at their workshops. The intention is not for the local boards to identify and verify every asset on the maps, but to provide a high-level sense check that the majority of assets have been captured.

Local boards are also being asked at these workshops to identify the key sites ('top ten') where they see service delivery is not meeting the communities’ needs e.g. there has been a change in use, change in community, Auckland Transport is not currently delivering a sufficient service.

Project streetscapes is not looking to reduce service levels, but to do more with the same funding envelope.

Staff reassured the chairs that the contractor negotiations are evolving and local board feedback does not need to come in at the end of this month.

Concern was expressed that some of the assets being transferred by Auckland Transport to the council have not been maintained to a high standard.

<table>
<thead>
<tr>
<th>Action Points</th>
<th>Who</th>
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<tbody>
<tr>
<td>Provide clarity on what the traffic management plan requirements are for the work of Community Facilities.</td>
<td>Community Facilities</td>
</tr>
<tr>
<td>Confirm the exact date that local boards need to give Community Facilities their feedback on Project Streetscapes.</td>
<td>Community Facilities</td>
</tr>
<tr>
<td>Confirm the key timings around the implementation of the Regional Pest Management Plan.</td>
<td>Community Facilities</td>
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</tbody>
</table>

**Item 5: Sites of significance to Mana Whenua plan change**

As part of the Maori Cultural Heritage Programme, several sites and places of significance have been nominated by mana whenua for consideration to identify the best management plans that recognise and protect the cultural values of the site. As part of this project the council has undertaken to identify relevant sites of significance. A process has recently been undertaken which has identified 36 new sites of significance. The sites were nominated by iwi who articulated the values of significance. Thirty one of these sites are in public ownership, including some sites which are the responsibility of local boards.

In discussion it was noted that no sites of significance were brought in with the introduction of the Unitary Plan. Sites of value to Maori were proposed through the Unitary Plan, but these were not accepted by the hearings panel. The current sites of significance being proposed have been through a much more robust selection process including iwi nomination and site visits by staff.

**Item 6: Auckland Plan political advisory group, local board representation**

Carol Daji, Principal Strategic Advisor briefed the chairs about a new political working party being established to provide guidance on the development of core targets with central government for Auckland Plan 2050.

Up to four local board representatives for the group were sought. The aim is for the first of 3-4 meetings to take place in early September. The scope and purpose of the working group will be determined at the first meeting.

The following points were raised in discussion

- The chairs sought six local board representatives for the working group, in line with their agreed approach to local board representation on such groups.
• Clarity was sought on the role of the local board representatives. Is their role to represent local boards or their individual views? Staff will clarify this when seeking expressions of interest for representatives.

<table>
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<tr>
<th>Action Points</th>
<th>Who</th>
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<tbody>
<tr>
<td>• Explore the possibility of having six local board representatives on the Auckland Plan political advisory group.</td>
<td>Auckland Plan team</td>
</tr>
</tbody>
</table>

**Item 7: Update on bylaw decision-making processes**

Kataraina Maki, General Manager, Community and Social Policy and Mike Sinclair, Policy Manager, Community and Social Policy spoke to the chairs about the bylaw decision-making process. There has been some misunderstanding from the public as to when a bylaw is able to be commented on by them. It was confirmed that only the Governing Body, not the Regulatory Committee, can propose a bylaw for public consultation. This is followed by a hearing.

Katarina and her team are happy to provide information and support to local boards so they understand what stage of the process particular bylaws are at.

Louise Mason noted that Phil Wilson, Governance Director has now been confirmed as the Executive Leadership Team sponsor with regards to the work identified through the Governance Framework Review on improving regional policy processes.

The following points were raised in discussion.
• It was noted that bylaws are prescribed by legislation. Both the alcohol ban and freedom camping pieces of legislation are permissive.
• The public require better information on changes to bylaws and the rationale for them.
• The intent of the recent workshop on the dogs bylaw was not sufficiently clear to a number of local board members.
• Local boards are in a position to implement the bylaws i.e. through signage and communications. Local boards require funding to support this.
• It is useful to have the governance forward work programme in order to see an overview of the pipeline or regional policies and bylaws. However, the quality of advice local boards receive on this work can be lacking. Cluster workshops need to be used appropriately in this process, they are not a satisfactory option for seeking local board input on regional policies and bylaws.
• Dissatisfaction was expressed with a recent report to local boards which sought their views on a bylaw. Staff are working through what the best processes are and what appropriate advice is at different stages in the policy development cycle.
• The chairs on the Quality Advice Political Working Party requested their peers share this type of experience and comments with them so they can take it to the working party.

<table>
<thead>
<tr>
<th>Action Points</th>
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<tr>
<td>• Staff explore what the best processes are and what appropriate advice is at different stages in the policy development cycle</td>
<td>LBS, CSP</td>
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</table>
Memo

To: Local board chairs
From: John Duguid – General Manager, Plans and Places Department

Subject: Presentation on the monitoring of adopted local and area plans

3 September 2018

The Plans and Places Department is monitoring the progress of 879 actions across 18 adopted area and local spatial plans. We will be presenting to the local board chairs on 10 September and will provide an overview of the monitoring programme and what each local board can expect.

The plans we are focusing on are mainly those adopted post amalgamation in 2010. The full list of plans is located in Attachment 1. Anna Jennings, one of our Lead Planners, is coordinating this monitoring programme.

Each of the plans sets a long-term vision for the area and has captured views from your local board and elected members, mana whenua, communities, stakeholders, Auckland Council staff and Council Controlled Organisations. We trust that local boards will find this monitoring programme helps to ensure that the vision and actions captured in these plans are realised.

Workshops are being set up with the relevant local boards for October/November this year. Prior to the workshop staff will provide local board members with a memo summarising progress towards the actions in each plan and the full spreadsheet of actions. The purpose of the workshop will be to discuss progress with the relevant actions (focusing on the short-medium term actions).

We look forward to discussion with the local board chairs on the benefits of this monitoring programme and any feedback on the process and frequency of updates.
## Attachment 1: List of adopted spatial plans for monitoring

<table>
<thead>
<tr>
<th>Local Board(s)</th>
<th>Adopted Spatial Plan</th>
<th>Team Leader</th>
<th>Planner</th>
</tr>
</thead>
<tbody>
<tr>
<td>Rodney</td>
<td>Kumeu-Huapai Centre Plan</td>
<td>Peter Vari</td>
<td>Kimberley Edmonds</td>
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<tr>
<td>Hibiscus and Bays</td>
<td>Hibiscus and Bays Area Plan</td>
<td>Peter Vari</td>
<td>David Hookway</td>
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<tr>
<td>Hibiscus and Bays</td>
<td>Silverdale Centre Plan</td>
<td>Peter Vari</td>
<td>Austin Fox</td>
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<tr>
<td>Devonport-Takapuna</td>
<td>Devonport-Takapuna Area Plan</td>
<td>David Sanders</td>
<td>Ross Moffatt</td>
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<tr>
<td>Devonport-Takapuna</td>
<td>Milford Centre Plan</td>
<td>David Sanders</td>
<td>Ewen Patience</td>
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<tr>
<td>Devonport-Takapuna</td>
<td>Takapuna Centre Plan</td>
<td>David Sanders</td>
<td>David Sanders</td>
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<tr>
<td>Waitākere Ranges</td>
<td>Glen Eden Implementation Plan</td>
<td>Eryn Shields</td>
<td>David Hookway</td>
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<tr>
<td>Albert-Eden</td>
<td>Waterview Plan</td>
<td>Joao Machado</td>
<td>Lee-Ann Lucas</td>
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<tr>
<td>Waitemata</td>
<td>Ponsonby Road Plan</td>
<td>Joao Machado</td>
<td>Hamish Scott</td>
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<tr>
<td>Waitemata</td>
<td>Karangahape Road Plan</td>
<td>Joao Machado</td>
<td>Hamish Scott</td>
</tr>
<tr>
<td>Albert-Eden and Waitemata</td>
<td>Newton and Eden Terrace Plan</td>
<td>Joao Machado</td>
<td>Hamish Scott</td>
</tr>
<tr>
<td>Puketāpapa</td>
<td>Three Kings Plan</td>
<td>Marc Dendale</td>
<td>Rebecca Greaves</td>
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<tr>
<td>Māngere-Ōtāhuhu</td>
<td>Māngere-Ōtāhuhu Area Plan</td>
<td>Marc Dendale</td>
<td>Roger Eccles</td>
</tr>
<tr>
<td>Ōtara-Papatoetooe</td>
<td>Ōtara-Papatoetooe Area Plan</td>
<td>Marc Dendale</td>
<td>Siira Jayasinghe</td>
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<tr>
<td>Manurewa and Papakura</td>
<td>Manurewa-Takanini-Papakura Integrated Area Plan</td>
<td>Trevor Watson</td>
<td>Michael Luong</td>
</tr>
<tr>
<td>Howick</td>
<td>Pakuranga Town Centre Masterplan</td>
<td>Trevor Watson</td>
<td>Anna Jennings</td>
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<tr>
<td>Howick</td>
<td>Howick Village Centre Plan</td>
<td>Trevor Watson</td>
<td>Jimmy Zhang</td>
</tr>
<tr>
<td>Franklin</td>
<td>Pukekohe Area Plan</td>
<td>Trevor Watson</td>
<td>Jimmy Zhang</td>
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</table>
Governance Framework Review: Recommendations of the Political Working Party

File No.: CP2017/19833

Purpose
1. This paper seeks decisions from the Governing Body in response to the recommendations of the political working party that was established to consider the findings of the 2016 Governance Framework Review.

Executive summary
2. The 2010 Auckland governance reforms brought about significant change for local government in Auckland. The primary intent of these reforms was to provide stronger regional decision-making alongside greater community engagement and decision-making at the local level. The resulting governance model created a two-tier system of local government with strong regional consistency over regulatory and planning decision-making by the Governing Body, with local decision-making over local activities being allocated to local boards, unless there is a compelling reason not to.

3. In early 2016, an independent consultant was commissioned to carry out a review to look at whether the implementation of the model since 2010 has enabled Auckland Council to work optimally to meet the aim of the reforms. In December 2016, the governing body received the Governance Framework Review report and set up a political working party to further consider and work through the recommendations of that report.

4. The political working party has worked constructively to address a wide range of complex issues. It is now making 37 recommendations to the Governing Body in response to the review. They are set out below in three parts: policy issues, funding and finance, and governance and representation. The process of working together to develop a response to the Governance Framework Review has provided a model of how both arms of governance can work together to grapple with issues of mutual interest to achieve better outcomes for Aucklanders.

Recommendation/s
That the Governing Body:

a) endorse the work of the political working party in considering the recommendations of the Governance Framework Review

b) thank the members of the political working party for their work

Part 1: Policy issues

Regional policy and decision-making processes

c) approve the implementation of new mechanisms that ensure effective local board input to regional policy decisions, via a framework that sets out, at a minimum:

i) a process for involving local boards in the development of regional work programmes at the beginning of each term and in an annual refresh

ii) earlier, and more, joint engagement between local boards and the governing body in regional decision-making processes

iii) requirements for analysis of local impacts and local interest of regional decisions and options, and reporting of this to local boards and the governing body
iv) specified criteria for categorising the potential local impact and local board interest of regional decisions

v) processes and methods for tailoring local board engagement so it is consistent with the local impact and local interest of regional decisions

vi) specified methods for engagement and communication with local boards at all stages of the decision-making process

d) approve local boards being consulted on the details of these mechanisms prior to implementation

e) endorse organisational capacity to enable local boards to be provided with policy advice on issues of local significance being considered through the organisational support workstream of the Governance Framework Review

Local decisions that may have regional impacts (development of a ‘call-in’ right)

f) approve the requirement for the provision of formal regional impact advice to local boards, whenever a local board is to make a decision that has potential impacts beyond the immediate local board area

Allocations and delegations

g) approve the delegation of the following Reserves Act 1977 decision-making functions relating to local reserves from the governing body to local boards:

i) the decision to declare a reserve under section 14(1)

ii) the decision to classify a reserve under section 16(1), which has been delegated by the Minister of Conservation to Auckland Council

iii) the decision to classify a reserve under section 16(2A)

iv) the decision to reclassify a reserve under section 24(1)

v) the decision to propose to the Minister of Conservation that the status of a council-owned reserve should be revoked under section 24(1), but only where the reason for the request to revoke is because the local board wishes to manage the land under the Local Government Act 2002

h) approve the Minister of Conservation’s delegated supervisory powers remaining sub-delegated to staff

i) either:

   i) agree that, in line with officer advice and the majority of the political working party, the governing body retains decision-making over proposed reserve exchanges under section 15(1) Reserves Act 1977

   or:

   ii) agree, in line with the views of the majority of local boards, to delegate decision-making over proposed reserve exchanges under section 15(1) Reserves Act 1977 to local boards

The role of Auckland Transport and local boards in place-shaping

j) endorse the role of local boards’ critical role in local place-shaping and Auckland Transport’s need to be guided by, and responsive to, local boards to enable them to give effect to this role

k) direct Auckland Transport to meet all requirements for local board engagement as set out in the Governance Manual for Substantive council-controlled organisations

l) request that Auckland Council staff monitor Auckland Transport’s compliance with the requirements for local board engagement, as set out in the Governance Manual for Substantive council-controlled organisations, and to report back to the governing body at least annually
Attachment A

Item 17

m) direct Auckland Transport, in working with local boards, to:
   i) ensure that local boards have a strong governance role in determining the ‘look and feel’ of town centres and streetscapes, in line with their allocation of non-regulatory decision-making
   ii) improve co-ordination between local place-shaping projects, such as town centre upgrades, and its renewals programmes
   iii) provide more opportunities for local board direction on the prioritisation of minor traffic safety projects, with the exception of those which Auckland Transport considers are of critical safety importance
   iv) be more responsive to local place-shaping initiatives in non-transport parts of the road corridor, including reducing or removing barriers to community place-making initiatives
   v) take direction from local boards on how and where to implement community-focused programmes
   vi) provide a local work programme for each local board as soon as practicable each financial year

n) direct Auckland Transport to report to the governing body annually on how it is meeting the directions given under recommendation (m)

o) request that the review of accountability mechanisms for substantive council-controlled organisations, when considering direction under section 92(2) of the Local Government (Auckland Council) Act 2009, should include consideration of whether to direct substantive council-controlled organisations to act consistently with local board plans

p) request that officers report to the relevant governing body committee, through the 2018-2028 Long-term Plan process, on options for significantly increasing the Local Transport Capital Fund and the method of allocation of the fund

q) direct Auckland Transport to implement a more systematic work programme approach with respect to the Local Transport Capital Fund to assist local boards to identify potential projects and make decisions

r) direct Auckland Transport to actively engage with governing body members (ward councillors) on transport projects and issues within their ward areas

s) direct Auckland Transport to provide a formal response on the directives contained within these approved responses to the Governance Framework Review within three months

Waiheke Local Board pilot

t) approve the Waiheke Local Board pilot project as set out in the Waiheke Local Board pilot project plan in Attachment E

u) approve the Waiheke Local Board maintaining oversight of local implementation of the pilot and that regular updates of the pilot will be reported to all local boards

Part 2: funding and finance

Service property optimisation

v) approve the current ‘optimisation of service assets’ policy being strengthened by delegating the final decisions on local asset disposal and reinvestment to local boards, providing all policy criteria have been met

w) request that appropriate support be provided to local boards to enable them to utilise the policy

Renewals funding

x) approve renewals funding continuing to be managed at the regional level, but with
local boards being given flexibility to reallocate their renewals programme across all local asset categories noting that:

i) the process of review and reallocation will be annual, and timed to ensure that the delivery programme is as efficient and effective as possible

ii) management of the individual projects within the programme will continue to be delegated to staff

iii) management of the overall budget (including overs and unders) will be at a regional level

iv) there will be a short term cost associated with this option of approximately $850,000 per annum for between 12 and 18 months to improve data quality, and that the detailed approval of this be referred to the next Finance and Performance Committee for approval, as part of the monthly budget update

v) there may be a need to amend local board delegations to staff to reflect the additional flexibility to move funding between local activity classes

Operational funding and service levels

y) approve, in principle, that local boards will be given more flexibility of decision-making over operational funding and service levels and, that before final decisions on the degree of that flexibility are made, further work (including a more detailed timeframe) be reported back to the governing body on:

i) existing service levels

ii) options for equalising service levels between local boards

iii) options for minimum service levels and to which activities these may apply

iv) the impacts on organisational support

z) approve the additional work on service levels and organisational support, noting that it will take approximately 12 months and incur additional costs of $200,000 in the 2018/2019 year (to be considered as part of the 2018-2028 Long-term Plan process)

Local rates consideration

aa) approve local activities continuing to be funded through a general rate, and that further work on local rates funding of local activities for which local boards have decision-making responsibility be completed to:

i) review possible mitigation options to address any significant increases or decreases in rates at the local board level that might arise from a local rates model, in light of the 2017 revaluations

ii) initiate further discussions with local boards explaining the opportunities and impacts of the local rates model

bb) note that while a model of local rates for local activities, applied generally, is not supported or recommended by the majority of local boards or the political working party, four local boards requested that they participate in a pilot of the local rates model of decision-making

cc) request that officers report back to the governing body with further advice on the merits and implications of running an optional pilot for local rates through the 2018-2028 Long-term Plan process

Part 3: governance and representation

The optimum number of local boards

dd) approve the political working party’s recommendation that no further work be undertaken on changing the number of local boards until at least after the Governance Framework Review has been completed and implemented, and the outcomes of reorganisation proposals that are underway for North Rodney and...
Waiheke Island are known

Methods of electing governing body members

ee) endorse the continuation of the current system of electing governing body members from wards

ff) approve council continuing to advocate to central government for legislative amendments that would allow changes to the number of governing body members, and simplification of the process for changes to numbers and boundaries of local boards

Naming conventions

gg) either:

i) agree that the term ‘councillor’ is used to refer solely to members of the Auckland Council’s Governing Body, and that members of local boards are referred to as ‘local board members’

or:

ii) agree that all elected members of Auckland Council are referred to as ‘councillor’ with the term ‘local councillor’ being used for elected members of local boards

hh) require these conventions to be used consistently in Auckland Council communications and publications

Future political working party

ii) approve the establishment of a new political working party to consider ongoing joint governing body/local board governance issues

jj) request that officers report back to the Governing Body before the end of 2017 with recommendations on the terms of reference before the end of this year

kk) note that the process to form the political working party is addressed in the paper on the Process to Consider a Review of Representation Arrangements reported separately on this agenda.

Comments

Context

5. This paper provides a high level overview of the context and findings of the political working party’s response to the Governance Framework Review’s recommendations and has attachments that detail the policy analysis and options considered under each of the three work streams:

- Attachment A – Policy issues: covers a range of issues relevant to the policy development process, new delegations to local boards, the relationship between Auckland Transport and local boards and a proposed pilot of increased local decision-making with the Waiheke Local Board.

- Attachment B – funding and finance: provides the analysis in relation to recommendations on changes to local board financial decision-making and how local activities might be funded

- Attachment C – governance and representation: presents analysis and findings on matters relating to the governance model of Auckland Council and the ongoing political oversight of joint governance matters.

- Additional attachments (D, E and F) provide further details on the delegations test for Reserve Act 1977 decision-making, the detail of the proposed Waiheke Pilot Project and
a summary of local board feedback. A complete set of local board feedback and resolutions is provided under separate cover in Attachment G.

Background and high level findings

6. The 2010 Auckland governance reforms brought about significant change for local government in Auckland by:
   - disestablishing the seven legacy territorial local authorities and one regional authority
   - establishing Auckland Council as a unitary authority, and New Zealand’s largest local authority
   - introducing a new, shared decision-making structure with a governing body and 21 local boards supported by one council organisation
   - establishing seven (now six) substantive council-controlled organisations, which are governed at arm’s length.

7. The drivers of Auckland’s amalgamation were the need for stronger regional decision-making and greater community engagement and decision-making at the local level. Since 2010 there has been a strong focus on addressing important regional priorities, for example putting in place the Auckland Plan and the Unitary Plan, and addressing challenges in funding infrastructure for growth.

8. While this is important and many of these issues continue to require significant effort, a prolonged focus on regional priorities is not consistent with the policy intent of the governance reforms. In addition, it may risk the council being perceived as distant from and not responsive to the needs of local communities.

The Governance Framework Review

9. In early 2016, an independent consultant, Gareth Stiven, was commissioned to carry out a review which looked at the policies, processes, protocols and organisational support structures that had been put in place since 2010. The review considered whether what has been set up since 2010 is enabling the governance model to work optimally in terms of meeting the aim of the reforms and the policy intent of the legislation.

10. The scope of the report was largely confined to the relationship between the governing body and local boards, with some scope to look at the relationship between Auckland Transport and local boards (any fundamental changes to the governance structure or the structure of council-controlled organisations was out of scope).

11. This report resulted in 36 recommendations for change, under four key themes:
   - Organisational structures and culture have not adapted to the complexity of the model; the review found that the organisation has struggled to adapt to the unique and complex governance arrangements in Auckland, and that this has impacted on the quality of advice and support for elected members.
   - Complementary decision-making, but key aspects of overlap: the review touched on a number of decision-making functions where there is overlap between the governing body and local boards, or a lack of clarity about roles.
   - Lack of alignment of accountabilities with responsibilities: the review found that the system of decision-making creates incentives for elected members to act locally despite regional benefits.
   - Local boards are not sufficiently empowered: the review identified that there are some practices that are constraining local boards from carrying out their role, including the inflexibility of funding arrangements and the difficulties in feeding local input into regional decision-making. It also noted some local frustrations in relation to transport decision-making.

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1 Report of the Royal Commission on Auckland Governance March 2009
Political working party

12. In December 2016, the governing body received the report and established a political working party to further consider and work through the recommendations from the report (GB/2016/268). It was agreed that the working party would have seven members from the governing body and seven members from local boards, and would:
   - receive and consider the recommendations of the Governance Framework Review
   - provide oversight and direction for the development of a work programme to address the findings and recommendations of the report
   - report back to local boards and to the governing body for decisions on final recommendations.

13. The membership was agreed in December 2016 (governing body members) and February 2017 (local board members):

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<thead>
<tr>
<th>Local board members</th>
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<tbody>
<tr>
<td>Shale Chambers (Deputy Chair)</td>
<td>Bill Cashmore (Chair)</td>
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<tr>
<td>Angela Dalton</td>
<td>Cathy Casey</td>
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<tr>
<td>Peter Haynes</td>
<td>Fa'ana Efeso Collins</td>
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<td>Phelan Pirrie</td>
<td>Christine Fletcher</td>
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<td>Greg Presland</td>
<td>Richard Hills</td>
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<td>Paul Walden</td>
<td>Penny Hulse</td>
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<tr>
<td>Lisa Whyte</td>
<td>Denise Lee</td>
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14. Through the review, the political working party has traversed a wide range of issues under three workstreams: policy, finance and funding, and governance.

15. A fourth workstream on organisational support has been established to respond to the changes coming out of the review and will look at how the council organisation supports local boards as well as implementation of improvements required with current support provision. This workstream will be reporting back internally to the project’s executive steering group in November.

Options consideration process

16. Options for change across the different workstreams were presented to the political working party at a series of eight workshops between February and September. Officers used a standard set of criteria to assess options. The criteria that were informed by relevant statutory provisions and the key themes of the Governance Framework Review and were endorsed by the Governing Body in May 2017 (GB/2017/47). They were:
   - consistency with the statutory purpose of local government
   - provision for decision-making at the appropriate level, as set out in Section 17 of the Local Government (Auckland Council) Act 2009 and consistency with the subsidiarity principle
   - contribution to improving role clarity between the two arms of governance, both internally and for the public
   - provision for increased empowerment of local boards, especially in their place shaping role
   - ensuring appropriate accountability and incentives for political decisions
   - contribution to improved community engagement with and better services for Aucklanders
   - administrative feasibility, including efficiency and practicality of implementation.
17. The political working party and the project team have ensured that there is transparency around the options and advice developed; all elected members (outside of the political working party) have had access to all agendas, minutes and presentations considered by the political working party.

Political working party recommendations
18. The review has traversed a wide range of issues, with one of the key themes being that there needs to be more recognition, support and empowerment of local boards as governors of a discrete set of local services and activities. The political working party has agreed a set of recommendations to the governing body for its consideration. The recommendations have largely been agreed by consensus, apart from two issues where there are split recommendations to the governing body.

19. It was noted that Auckland Council’s focus has tended to be on the regional ahead of the local for the first six years. While this is understandable for the purposes of developing and harmonising a wide range of policies, plans and bylaws, it is not sustainable in the long term and is not consistent with the policy intent of the governance reforms.

20. For example, one of the key issues that working party has been grappling with in the funding and financial model that is currently in place and how that constrains local decision-making and local flexibility. In effect, the Auckland Transition Agency put in place a model that locked in legacy funding arrangements and service delivery models that are now seven years out of date.

21. The same is true of the role of local boards in relation to Auckland Transport – the policy intent of the legislation is clear about local boards’ role in place shaping and funding local transport projects, and the accountability framework for council-controlled organisations provides a clear framework for monitoring this. The recommendations of the political working party are intended to ensure these provisions are given full effect.

22. The working party has consistently challenged itself to address a wide range of complex issues. This process has provided a model of how both arms of governance can work together to grapple with issues of mutual interest.

Policy issues
23. The policy issues cover a broad range of matters relating to decision-making roles and policy development processes.

24. The initial 2016 review identified a number of issues about the way regional policy is developed, including low awareness by local boards of regional work programmes, the considerable time and resource required to seek local board input and variable advice to local boards. The political working party has recommended that a framework for local input into regional policies should be developed, including prioritisation and agreed mechanisms for seeking local board input.

25. The review concluded that are limited incentives for local boards to consider local assets in a regional context and this can lead to conflict between the governing body and local boards. It recommended a ‘call-in’ right was considered. The working party does not consider a call-in right is desirable, but instead has recommended that staff provide explicit regional impact advice where local decisions may have regional or sub-regional impacts.

26. The initial review identified a number of issues where the allocation of non-regulatory decision-making under Section 17 of the Local Government (Auckland Council) Act 2009 (LGACA) should be reviewed. All of these have been superseded through legislative change or are part of existing work programmes, for example reviewing dog access rules, reviewing the process for informing local boards about local resource consent applications.

27. The outstanding issue was the consideration of whether some decision-making functions under the Reserves Act 1977, which are regulatory and therefore default to the governing body, should be delegated to local boards. The political working party has recommended...
that decisions to declare, classify, reclassify and revoke reserve status (in limited circumstances) are delegated to local boards:

28. The working party did not resolve a formal position on whether the exchange of reserves should also be delegated to local boards, although this was a clear preference coming through from local board feedback. Officers, however, do not support this delegation.

29. In response to frustration among some local board members about transport decision-making and their ability to carry out their place-shaping roles, the political working party considers local boards have a critical role in local place-shaping and has recommended that:

- Auckland Transport should be more responsive to local boards in their place-shaping role
- there should be increased use of the existing accountability mechanisms available to the council to ensure that Auckland Transport complies with expectations on local board engagement
- there should be a significant increase to the Local Transport Capital Fund (currently set at $10.8 million) and the exact amount and allocation across local boards should be decided in the 2018-28 Long-term Plan
- the review of accountability mechanisms for council-controlled organisations should consider the use of section 92(2) of the Local Government Auckland Council Act 2009 for local board plans, which allows the governing body to direct council-controlled organisations to act consistently with plans and strategies of the council.

30. The political working party has also recommended that a three-year pilot project with the Waiheke Local Board is established to enable more local leadership and the development of policy for specific local issues. The pilot would be actively monitored and the findings considered for wider application. The detail of the project is provided in Attachment E.

Funding and finance

31. The 2016 Governance Framework Review report identified some issues related to funding and financing, in particular:

- local boards do not have to balance the trade-offs of financial decisions in the same way that the governing body needs to e.g. local boards can advocate for both additional investment in their own area and lower rates
- inflexibility of the current funding policies to empower local board decision-making. In particular local boards feel they have little or no control over the 90 per cent of their budget that is for ‘Asset Based Services’
- inflexibility of the current procurement processes and definition of when local boards or groups of local boards can undertake procurement of major contracts.

32. The funding and finance workstream has worked through a number of options to address these issues. Several different models of decision-making were considered by the political working party and narrowed down to two major options:

- **Option 1** - enhanced status quo: this option leaves the decision-making on overall budget envelopes for local activities, and the distribution of funding between local boards, with the governing body i.e. rate increases, efficiency targets and levels of service would be governing body decisions. Some additional flexibility is envisaged for local decision-making, primarily in the renewals area with the option of a bulk funding approach

- **Option 2** - local decision-making within parameters (local rate funded): this option envisages more decision-making for local boards, although some parameters were outlined. Local activities were envisaged to be funded (in full or in part) by a local targeted rate which would in turn reflect the level of local services provided.

33. Following workshops and formal feedback from local boards a third option emerged, i.e. local decision-making within a funding envelope. This sought to have similar levels of decision-making as Option 2 but based on general rates funding, and allocated funding envelopes as in Option 1.
34. Each of the options had some elements in common and others that were different. The political working party has made recommendations on each of the elements of financial decision-making and also recommended a phased approach to implementation:

- **Optimisation of service assets**: local boards should have final decision-making on the disposal of service assets and reinvestment in new assets, as long as it is within the parameters of the ‘optimisation of service assets’ policy adopted in March 2015.

- **Renewals**: local boards should be able to manage the renewals programme with greater flexibility i.e. funding can be moved between years and between asset classes, but the total renewals budget would still be set by the governing body and managed centrally by staff. This would allow ‘overs and unders’ and the programme delivery to be managed more effectively. This option is more cost effective than a full bulk funding approach but does have additional, unbudgeted cost to improve data quality, which will need to be provided for in the current year.

- **Operational funding and service levels**: in principle, local boards should have increased flexibility in the use of operational funding for local activities, but additional work on whether there should be minimum service levels, how existing services would be equalised and the impact on organisational support needs to be carried out first. This is expected to take about 12 months (from January 2018) and has some unbudgeted, additional cost to determine minimum service levels, which will need to be provided for in the current year.

- **Procurement**: while options for giving local boards greater control over the procurement of major contracts were explored, there are significant practical details of establishing parameters that would enable efficiencies of scale to be maintained. On that basis, the political working party has recommended that the ‘Project 17’ approach for local board input into specifications of major contracts for local activities is continued and expanded into other areas where appropriate.

- **Funding**: local activities would still be funded by general rates, although local rates will continue to be explored. Four local boards have also sought to participate in a pilot for the local rates model, and the political working party has recommended that staff should report back on this proposal in the 2018-2028 Long-term Plan.

**Governance and representation**

35. The 2016 Governance Framework Review concluded that the organisation had struggled to grapple with the complexity of servicing 21 local boards, and recommended that the council should form a position on the optimum number of local boards. The political working party has recommended that there should be no further work on changing the number of local boards until at least after the implementation of its other recommendations, and the outcomes of reorganisation proposals that are underway for North Rodney and Waiheke Island are known.

36. In response to the issue of tension between governing body members’ regional role and local electoral accountabilities, and role overlap between the two arms of governance, the review recommended that the council consider amending the size and number of wards. The political working party did not consider there was a sufficient case for such change, but has recommended that the council advocate to central government for legislative change to allow the council to review the number of governing body members.

37. The review also found that naming conventions contribute to role overlap and confusion. The political working party considered three options, and has made a split recommendation that the governing body:

- either
  - retain the status quo (political working party governing body members’ preference)
  - or
- adopt a convention where all elected members are referred to as 'councillor', and to avoid confusion the prefix 'local' added for members of local boards (political working party local board members' preference).

38. The political working party also considered an ongoing joint political working party. It considered that, while its own mandate was limited to this specific review, a new vehicle to consider ongoing governance issues that impact on local boards and the governing body would be useful. The political working party has recommended that a new political working party is formed. Its terms of reference should be confirmed before the end of this year.

Limitations and risks

39. This report contains recommendations that have been carefully considered and endorsed by a political working party. While most have been costed and analysed to understand at least the short term resourcing implications as well as process and/or systems changes, some further work will necessarily be included in the next steps outlined in Attachments A, B and C. It is important to note that there are likely to be longer term resourcing implications which will be further considered in the long-term plan process. Two examples of this are:

- resource implications arising from changed regional policy development processes and the need to better support some local policy priorities and enable local boards to effectively meet the needs and aspirations of their communities

- work on documenting service levels and costs as well as regional service level minima. In turn this work will allow us to define the extent of local board discretion and enable costs to be understood so that local trade-offs and reprioritisation can occur with proper regard to budget.

Local board impact

40. Local board views were thoroughly canvassed throughout the review in a number of ways. Local board members were interviewed in the development of the original report which led to a range of constructive feedback.

41. Five of the seven local board members of the political working party were appointed to specifically represent geographic areas of Auckland (central, south, north, west and rural) in their role as working party members.

42. Most significantly, the draft recommendations of the political working party were presented to each local board in workshops during June and July this year. Staff were present to answer questions from local board members, and a local board and governing body members of the political working party were present at most meetings.

43. Following these workshops, each local board provided a set of resolutions on the draft recommendations through a formal business meeting. This feedback was collated and presented to the political working party in its last meeting on 6 September 2017, which it took into account in making its final recommendations to the governing body. Reporting and analysis of local board views is incorporated throughout each of the three attached reports in response to specific proposals.

44. A summary of the feedback from local boards on each set of issues is contained in Attachment F with further detailed feedback and local board resolutions attached under separate cover in Attachment G.

Māori impact statement

45. The 2016 Governance Framework Review did not specifically consider the governance or representation of Māori in Auckland. The relationship between the two political governance arms of Auckland Council and the Independent Māori Statutory Board (IMSB) was also out of scope.

46. The IMSB and Te Waka Angamua were consulted through this process. In response to the final Governance Framework Review report the IMSB secretariat provided a memorandum.
setting out its views on a number of the report’s recommendations. These views largely focused on ensuring that Auckland Council meets its existing statutory requirements for:

- enabling Māori to participate in decision-making in Auckland local government are met
- engaging and consulting Māori and considering the needs and views of Māori communities when making decisions
- recognising the need for greater involvement of Māori in local government employment.

47. These statutory requirements should be met as a matter of course and have been noted. No specific actions are recommended.

48. The secretariat also identified that there is:

- a lack of definition of the relationship between the governing body, local boards and the IMSB.
- a lack of acknowledgement of the IMSB as promoting issues for Māori.
- a lack of awareness of the governing body and local boards of their obligation to consult the IMSB on matters affecting mana whenua and mataawaka, the need to take into account the IMSB’s advice on ensuring that input of mana whenua groups and mataawaka is reflected in council strategies, policies, plans and other matters.

49. As stated above, the council-IMSB relationship was out of scope of the Governance Framework Review, so these issues are not being addressed through this work.

50. No specific Māori impacts have been identified.

Implementation

51. Some recommendations, if agreed to by the governing body, have implications for implementation. These are detailed in each of the substantive papers that are attached.

Please change Linda Taylor’s title to Programme Manager Governance Framework Review

Attachments

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<td>C</td>
<td>Governance and Representation</td>
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<td>D</td>
<td>Delegations test for Reserves Act decisions</td>
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<td>E</td>
<td>Waiheke Local Board Pilot Project proposal</td>
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<tr>
<td>F</td>
<td>Summary of local board feedback</td>
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<td>G</td>
<td>Complete feedback and resolutions of local boards (Under Separate Cover)</td>
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Signatories

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<tr>
<th>Authors</th>
<th>Linda Taylor - Manager Mayoral Programmes</th>
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<tbody>
<tr>
<td>Authorisers</td>
<td>Phil Wilson - Governance Director</td>
<td></td>
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<td></td>
<td>Stephen Town - Chief Executive</td>
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Governance Framework Review: Recommendations of the Political Working Party