

He pepa a te Poari / Board Paper

Ki a / To:	Chair and Board members
Nā wai / From:	Kerry Gregory, Chief Executive
Te Rā / Date:	31 March 2023
Kaupapa / Subject:	Establishment of remaining Local Advisory Committees

Kaupapa / Purpose

This paper is requesting the Board to discuss next steps in relation to the remaining nine Local Advisory Committees (LACs) and provide advice and recommendations on the way forward.

Ngā Tūtohunga / Recommendations

That the Board:

1. **notes** the Fire and Emergency Act 2017 requires the Board to establish LAC's across Aotearoa
2. **notes** the requirement for public consultation should the Board wish to change LAC boundaries
3. **notes** the four next steps options proposed with associated advantages and disadvantages
4. **approves** option one: to Standup the remaining nine LACs based on existing boundaries by December 2024.

Te Horopaki / Background

The Fire and Emergency New Zealand Act 2017 requires the Board to establish LACs across Aotearoa.

The statutory role of LACs is to undertake local engagement on behalf of the Board, to provide local advice on national strategy, local issues and local planning, to consider and promote the interests of our volunteers, to consider the interests of local industry brigades and the provisions of Memorandums of Understanding (MoUs) and Operational Service Agreements (OSAs) in their local area, and to provide regular advice on progress on local planning.

The appointment of members to an LAC is governed by regulations and the Evaluation and Appointments Committee, established by the Board, to oversee the appointments process, shortlisting and recommendations for appointment.

The Board established 16 LAC boundaries in 2019 and appointed members to the first seven LACs in 2020.

A Year one evaluation was completed in January 2022. The evaluation found that the LACs are generally well designed to meet their legislative function, were working as intended in their establishment phase and were well supported at a district and national level.

In May 2022, it was decided to wait until the new region and district leadership had been in place for at least a year before making further decisions about establishing the remaining LACs. The new region and district leadership team structure was established in September 2021.

Tātaritanga/Analysis

After public consultation in 2019, 16 LAC boundaries were adopted that align with Civil Defence Emergency Management (CDEM) boundaries, except for the inclusion of the Tararua District in the Hawke's Bay LAC local area.

When considering the establishment of the remaining LACs, we reviewed the role of LACs within the wider emergency management sector to assess whether LACs would create duplication of services or add pressure or risk to communities, including iwi. The role of LACs is to provide advice to Fire and Emergency from a community perspective and strengthen our engagement with communities. Coordination of planning across government and non-government agencies is the role of CDEM groups.

Sector advisory group functions are varied and focus on providing specialist advice. We have not seen evidence of duplication of services or added pressure on the community during the time that the first seven LACs have been in operation.

In determining the options for next steps for the remaining LACs we established a reference group of functional leaders and consulted with Service Delivery Leadership Team and ELT.

When reviewing options for the remaining LACs, current boundaries, regulatory settings, opportunities to rationalise the number of LACs were taken into consideration, along with maintaining the status quo and not establishing any further LACs.

Options

There are four options for the Board to consider:

Option one: Standing-up the remaining nine LACs based on existing boundaries by December 2024

There is merit in retaining boundaries that align with CDEM boundaries. The boundaries were set in 2019, following a public consultation process. The additional effort required to make changes to the boundaries including public consultation could potentially outweigh the benefits.

The advantage of using CDEM Group boundaries as LAC boundaries is, they are relatively stable and well understood by the public as they are based on regional council boundaries.

Option two: Stagger the stand-up of the remaining nine LACs based on existing boundaries over the next three years.

Staggering the roll out of the remaining nine LACs would result in spreading out costs (of establishing and supporting the remaining LACs) over three financial years. LAC boundaries would remain the same and there will be no requirement for consultation.

There is potential reputational risk involved with this option as there has already been political and media interest in the delay establishing the remaining nine LACs. This option could create the perception to both existing LAC members and the public that Fire and Emergency does not value community input.

Option three: Changes to LAC boundaries

There are opportunities to review the set-up of LACs within the legislative and regulatory settings. The Board could consider reviewing the LAC boundaries with a view to rationalising the number of LACs, taking a more targeted approach to the composition of the appointment of LAC members, and reviewing the LAC Terms of Reference.

Section 16(2) of the Fire and Emergency NZ Act 2017 (the Act) requires the Board to consult with the public on the boundaries for LACs. When setting boundaries, the Board is required to consider the size of the local area. Implementing larger LAC boundaries could be considered alongside a more targeted approach to representation on committees. The regulations specify the minimum number of members for an LAC (five) and the Board has latitude to determine the number of LAC members on a committee and the sector or geographical area they represent. This could ensure there are sufficient members to be able to provide a local voice and/or represent specific communities or sectors such as iwi.

The Act also requires the Board to set operating principles to guide the way LACs operate. These currently sit within the LACs Terms of Reference. There is an opportunity to update the LAC Operating Principles to support the operation of larger committees balancing the need to ensure the local intent of the legislation is retained.

Option four: Status quo - continue with existing seven LACs

This option refers to retaining the current seven LACs and not establishing the remaining nine LACs. This would mean establishing only seven LACs out of the 16 LAC boundaries approved by the Board. This approach would not be complaint with the legislation as the Act requires the Board to establish LACs across Aotearoa.

The current seven LACs are predominantly in rural locations and cover a small percentage of Aotearoa's population, limiting the opportunity to get insights into diverse urban and built environment populations.

There is significant reputational risk with this option. Fire and Emergency may be seen to not place value on community input into planning and engagement. Media and political interest may continue. There is

a risk of attracting and retaining members on the current seven LACs, as members may perceive that the remaining LACs are not being established because their role is not valued.

We would lose the opportunity to have LAC input into local planning across all our districts.

Options Analysis

Option		Advantages	Disadvantages
1	Stand up remaining LACs based on existing boundaries within 12 months	<ul style="list-style-type: none"> • Preferred option of ELT • Likely to be the most effective option to reduce reputational risk • LAC boundaries remain as they are • No further work or consultation required • Complete this rollout in 12 months (in three tranches) • Able to establish new LACs as soon as practicable 	<ul style="list-style-type: none"> • Ongoing costs for Fire and Emergency to support 16 LACs
2	Stand-up remaining LACs based on existing 16 boundaries from 2024-26 (3 per year)	<ul style="list-style-type: none"> • Potential to spread out the financial costs over three financial years • LAC boundaries remain as they are • No further work or consultation required 	<ul style="list-style-type: none"> • Reputational risk regarding delay • Current LAC members may not feel valued
3	Review boundaries	<ul style="list-style-type: none"> • This option could mean standing up less LACs (for example taking regional approach) • Creating a larger 'local area' could provide an opportunity to create a targeted membership approach to ensure representation (e.g. apportion membership numbers by district and by key stakeholders e.g. iwi/forestry) • Amending the Terms of Reference and Operating Principles can 	<ul style="list-style-type: none"> • Public consultation will be required to change boundaries: • This will create additional costs and delay • Retaining the 'local' voice of LACs • Ensuring that local risks are accounted for

		incorporate/reflect these changes	
4	Status quo - continue with existing seven LACs	<ul style="list-style-type: none"> • Cost-effective option, no requirement for Fire and Emergency to support an additional nine LACs 	<ul style="list-style-type: none"> • Fire and Emergency isn't meeting legislative requirements • Perception Fire and Emergency doesn't value community input into planning and engagement • Would require evidence that they are not operating as intended or not adding value • Current LAC members may feel that they are not valued/not a priority

Preferred option

ELTs preferred option is option one so that we can establish the remaining nine LACs as soon as practical, comply with legislation and realise the intended benefits of LACs.

More detail on why this is the preferred option, including the proposed sequencing and timelines is provided in Appendix one.

Ngā tūraru / Associated risks

Delaying or not establishing the remaining LACs until a later date may create a reputational risk. Media and political interest in late 2022 and early 2023 regarding the deferral in establishing the remaining LACs may continue. Current LAC members may not feel valued if there are further delays to establishing the remaining LACs. Communicating decisions regarding the establishment of the remaining LACs may mitigate these risks.

Ngā hua ka puta mai ki Te Tari / Implications to the business

Establishing the remaining LACs will ensure Fire and Emergency is compliant with the legislation and will enable the benefits from LACs to be realised across all districts.

Hīraunga a-Pūtea / Financial Implications

The financial implications are dependent on Board decisions. If the Board decides to progress with establishing the remaining LACs the estimated cost is \$725,000. This includes initial development,

recruitment, appointment and establishment processes and will be funded via Portfolio and Investment as a priority initiative.

Estimated additional BAU funding will be required if we stand up the remaining LACS. It is expected additional funding of approximately \$268,000 per annum will be required to support the additional nine LACs.



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Appendix one: Preferred option - stand up remaining LACs based on existing boundaries within 12 months

In determining the preferred options for the proposed rollout of the remaining LACs, consideration was given to establishing the remaining LACs in tranches, combining a mix of metropolitan and provincial locations in each tranche and internal capacity to support the roll out of additional LACs.

Consultation was undertaken with, District, Region, NHQ functional leaders and the Service Delivery Leadership Team, along with ELT, on the roll out plan. All are supportive of the proposed sequencing and timeframes for the establishment of the remaining LACs.

It is proposed to roll out the remaining LACs in three tranches (with some overlap in activity within tranches), with one tranche specifically devoted to establishing the Auckland LAC, a committee which will represent 1.7 million people and provide insights across three Fire and Emergency districts (Auckland City, Counties Manukau and Waitemata). In option 1 the rollout would commence in January 2024 and complete by December 2024.

The Auckland LAC model poses unique requirements. Work to develop an approach that balances the need for a diverse population of 1.7 million and a focus on local areas risks, priorities and engagement gaps is progressing well. This has been supported by the Te Hiku Region Leadership team. Lessons to be identified from the establishment of an Auckland LAC will inform the setup of the Wellington and Canterbury LACs which also include a mix of metropolitan and rural areas within their boundaries.

Table 1: Proposed sequencing to establish the remaining LACs

Tranche one	Tranche two	Tranche three
Southland	Auckland	Wellington
Taranaki		Bay of Plenty
Waikato		Whanganui/Manawatu
Nelson Tasman		Canterbury

Establishing an LAC from end-to-end takes approximately five months. Lessons learnt from previous appointment rounds will be taken in to account and will inform our approach. It is expected that the establishment of an Auckland LAC may require additional engagement and communications activity to ensure we are reaching across a broad range of stakeholders and communities of interest therefore we have allowed additional time for this tranche. Launching the remaining nine LACs is expected to take approximately 12 months.

More detail on the five key phases to set up an LAC is provided in the table below.

Table 2: LAC establishment phases

Phase	Actions	Timeframe
Initiation/analysis	<ul style="list-style-type: none"> Determining the optimum membership for each LAC based on local risks, communities of interest and district priorities Project and communications planning 	4-6 weeks
Nominations	<ul style="list-style-type: none"> Open, receive and close nominations Regulations require a public nominations process 	4 weeks
Evaluation of nominees	<ul style="list-style-type: none"> Shortlisting Interviewing Candidate vetting 	4 weeks
Appointment	<ul style="list-style-type: none"> Evaluation and Appointments Committee recommendations Board Approval Notifications Onboarding of appointees 	4 weeks
Induction	<ul style="list-style-type: none"> Virtual whakatau Online modules Kanohi ki te kanohi workshop 	4 weeks