

Future for Local Government Final Report and Recommendations

Council Briefing
25 July 2023

Purpose

- Provide councillors with basic information on the Future for Local Government report and recommendations.
- Support councillors to have initial conversations with sector colleagues – including at the LGNZ conference in Christchurch 27-28 July.
- Enable councillors to ask questions.

Important caveat - there is no requirement for the Government to take up all or any of the recommendations in the report.

Overview of the Panel's final report

Embedding local government's purpose and wellbeing focus

1. Entrench the purpose of local government in the LGA.
2. Give effect to the purpose of local government in the LGA by:
 - councils setting wellbeing goals and priorities each term - with community and hapū/iwi and Māori
 - central and local government prepare place-based investment plans.

Overview of the Panel's final report

Growing authentic Te Tiriti-based partnerships

3. LGA to recognise local government as a partner to Te Tiriti o Waitangi.
4. Councils to develop partnership frameworks with hapū/iwi and Māori to give effect to new Te Tiriti provisions in the LGA.
5. Central government lead comprehensive review of requirements for engaging with Māori.

Overview of the Panel's final report

System renewal

7. Reorganise local government to strengthen, support, and resource councils for a more complex future.
8. Establish Crown department to facilitate relationship between local and central government :
 - relational-based operating model to align priorities, roles, and funding
 - broker place-based approaches and agreements to address complex challenges and opportunities
 - research, development, and innovation capability.
9. Establish new local government stewardship institution:
 - care for and oversight of local government system, including health of local democracy and local government capability and capacity
 - foster common purpose and relationships
 - support and enable the health of the Māori–local government relationship
 - incorporate current roles and responsibilities of the LG Commission.

Overview of the Panel's final report

Strengthen local democracy and leadership

10. Develop and invest in democratic innovation, including participatory and deliberative democracy processes.
11. Enhance local democracy to increase access and representation:
 - 4-year term
 - ranked voting (aka single transferrable vote or STV)
 - lower threshold to establish Māori wards
 - enable Te Tiriti-based appointments to councils
 - lower voting age for local elections to 16.
12. Local and central government co-invest to build adaptive leadership capability:
 - leading change and system renewal
 - valuing civic leadership and public service
 - partnership and collaboration
 - innovation and experimentation.

Overview of the Panel's final report

Increase funding

13. Central government to make a greater investment in local government:
 - transfer revenue equivalent to GST charged on rates
 - significant funding to support local priorities, place-based agreements, and devolution of roles.

14. Central government to pay rates on Crown property.

15. Central government to develop an intergenerational fund for climate change.

Overview of the Panel's final report

Increase funding continued

16. Require Cabinet to consider funding impact on local government of proposed policy decisions.
17. Central government commits to enabling the future transition with funding to:
 - resource a transition unit
 - funding to enable hapū/iwi and Māori to partner with councils
 - support councils to:
 - build Te Tiriti and te ao Māori capability and grow relationships
 - lift capacity and capability to innovatively deliver wellbeing
 - trial and grow participatory and deliberative democracy practices.

Panel's recommended next steps

Change form and structure before changes to role and function.

Four steps to lead change and system renewal:

- establish steering group led by local government with central government and hapū and iwi representatives (mid 2023)
- establish a transition unit (starting early 2024)
- establish the two new Crown entities to support transition (mid 2024)
- council reorganisation and realignment process (starting late 2024)

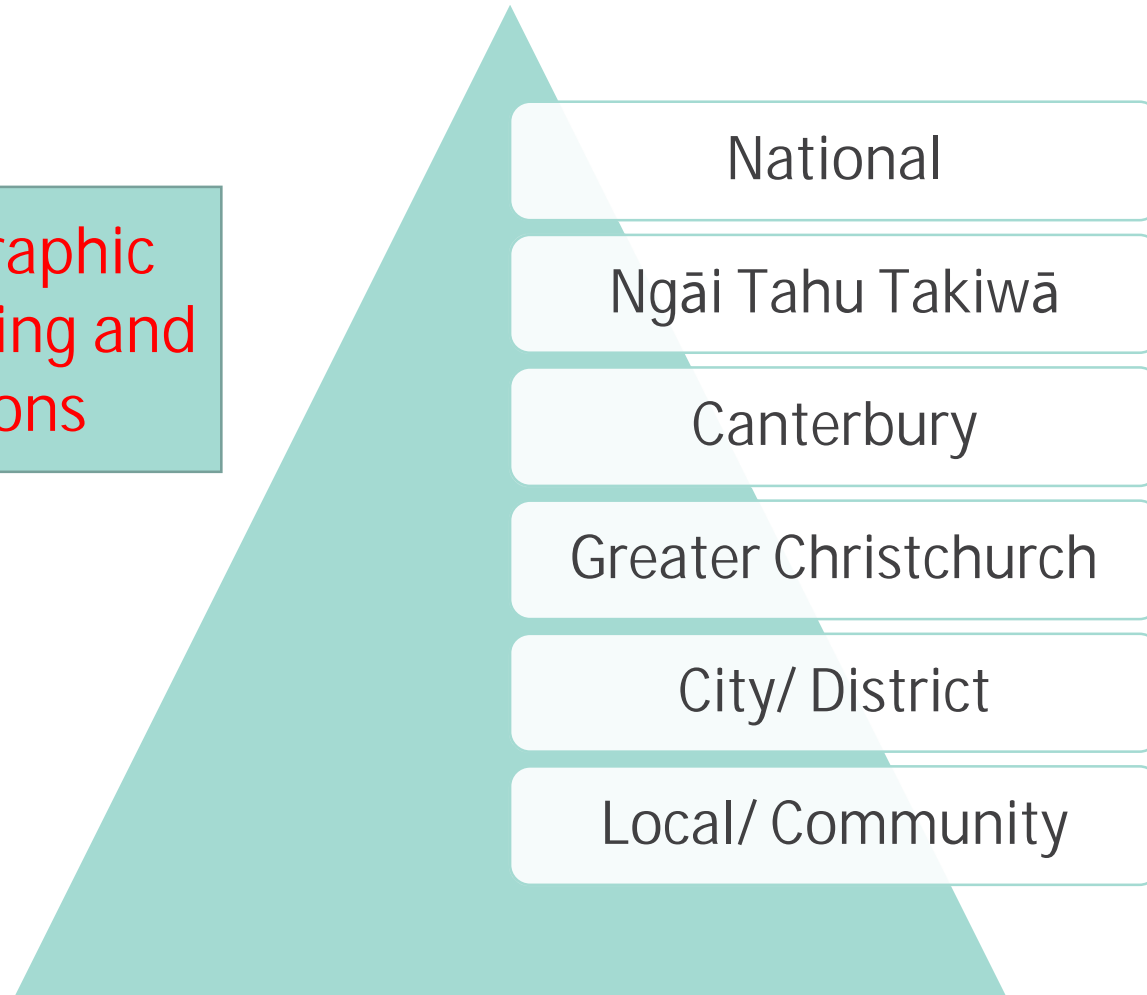
Panel's recommended next steps

Report notes 12 broad actions that can occur now, including:

- actions to build local government knowledge, capability and capacity
- increase recognition of local government as authentic Te Tiriti partners
- trial of participatory and deliberative democracy tools
- implementation of wellbeing approaches
- social procurement.

A lot of these actions are already underway by some Councils, or the sector.

Several geographic levels for thinking and conversations



Jump starting change

To get reform underway and generate good will the Government could:

- Entrench the purpose of local government in the LGA
- Amend LGA to recognise local government as a partner to Te Tiriti o Waitangi
- Pay rates on Crown property
- Consider the funding impact on local government of proposed policy decisions (via Regulatory Impact Statements)



Councils could advocate for these to be implemented within six months of the general election.

Questions?

