

Priority Routine

THE DEPARTMENT OF INTERNAL AFFAIRS

Te Tari Taiwhenua

## Local Government Briefing

Hon Rodney Hide  
Minister of Local Government

**Title:** Royal Commission on Auckland Governance Presentation for Upcoming Meeting of Ministers

**Date:** 9 February 2009

### Key issues

Presentation for a meeting of Ministers on 10 February about the Royal Commission on Auckland Governance.

### Action sought

**Note** the attached presentation in preparation for the upcoming Ministerial discussion about the Royal Commission on Auckland Governance.

### Timeframe

9 February 2009

### Contact for telephone discussion (if required)

Name	Position	Telephone		Suggested first contact
		direct line	after hours	
Anne Carter	Deputy Secretary	04 495 9323	021 229 6261	✓
Marilyn Little	Director Policy	04 494 0589	021 228 8118	

Return to: David Bonney

DMS file reference: PLG - 1779 -4

Ministerial database reference: LGC200900359

### Purpose of briefing

1. You have invited the Associate Minister of Local Government and the Ministers of Finance, Economic Development, Social Development, Environment, Transport, Building and Construction, and Māori Affairs to a meeting on 10 February to begin preparing for the upcoming report of the Royal Commission on Auckland Governance (the Royal Commission). The meeting will also be attended by senior officials from the Departments of Internal Affairs and the Prime Minister and Cabinet.
2. The meeting will deal with the process and timetable for making decisions on the Royal Commission's recommendations. This paper attaches a presentation for the meeting.

### Powerpoint presentation

3. The Department, in consultation with the other agencies, has further developed the attached powerpoint presentation, which will be used by the Department of Internal Affairs' Chief Executive to provide an introductory briefing to Ministers at the meeting.
4. The presentation has been developed from that used as a basis for earlier discussions with you, augmented to reflect the lesser familiarity with the topic of some Ministers who will be attending. Following on from our discussion with you about the presentation, we have incorporated your comments on criteria into the slides.

### Recommendations

5. The recommendations are that you:

a) **Note** the contents of this briefing.

Yes/No



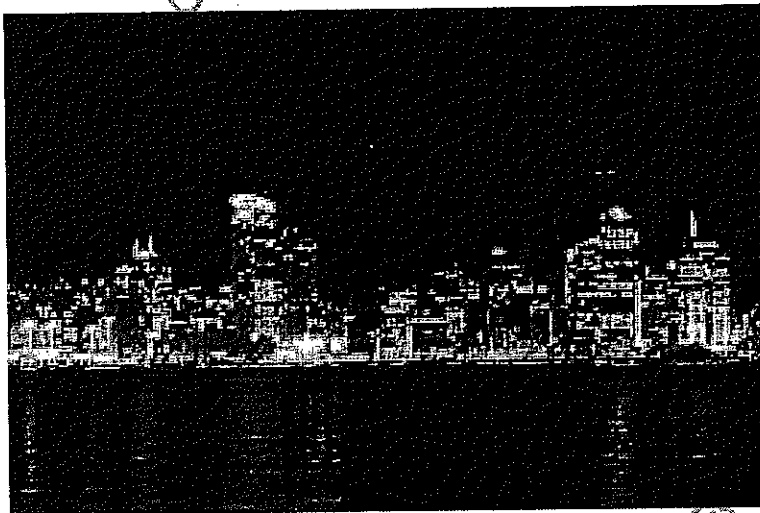
Anne Carter  
Deputy Secretary

Hon Rodney Hide  
Minister of Local Government


# Royal Commission of Inquiry into Auckland Governance

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## Planning for Government consideration of recommendations



Briefing for Ministers  
February 2009



# Purpose of briefing

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- Confirm process and timetable for decisions and announcements on the Commission's recommendations
- Discuss timing of release of report
- Discuss proposed Ministerial arrangements



# Royal Commission - Background

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- Royal Commission set up October 2007
- Widespread recognition of problems with current governance arrangements
- Repeated Government intervention in Auckland regional governance arrangements since 1963
- Coordination efforts by Auckland councils and Government have gone as far as they can

# Royal Commission – Context

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- Lack of regional vision and fragmented responsibilities – lost opportunities and high transaction costs
- Increasing focus on cities and their governance as enabler for international competitiveness
- Unique opportunity for an innovative and enduring solution

# Consideration of Report

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- Recommendations will have public credibility
- Policy process will also need to take account of:
  - economic situation
  - Govt objectives for Auckland local government
  - wider Govt objectives (e.g. infrastructure, RMA)
- Early Government decisions important to maintain momentum
- Communication and stakeholder engagement is crucial

# Proposed assessment framework

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- Meets Royal Commission's Terms of Reference
- Addresses identified problem
- Meets good governance principles (democratic, efficient, effective, transparent, accountable to ratepayers)
- Other considerations:
  - Feasible to implement
  - Consistent with Government programmes, eg. RMA reform
  - Recognise the Treaty of Waitangi



# Options for public release of Report and initial decisions

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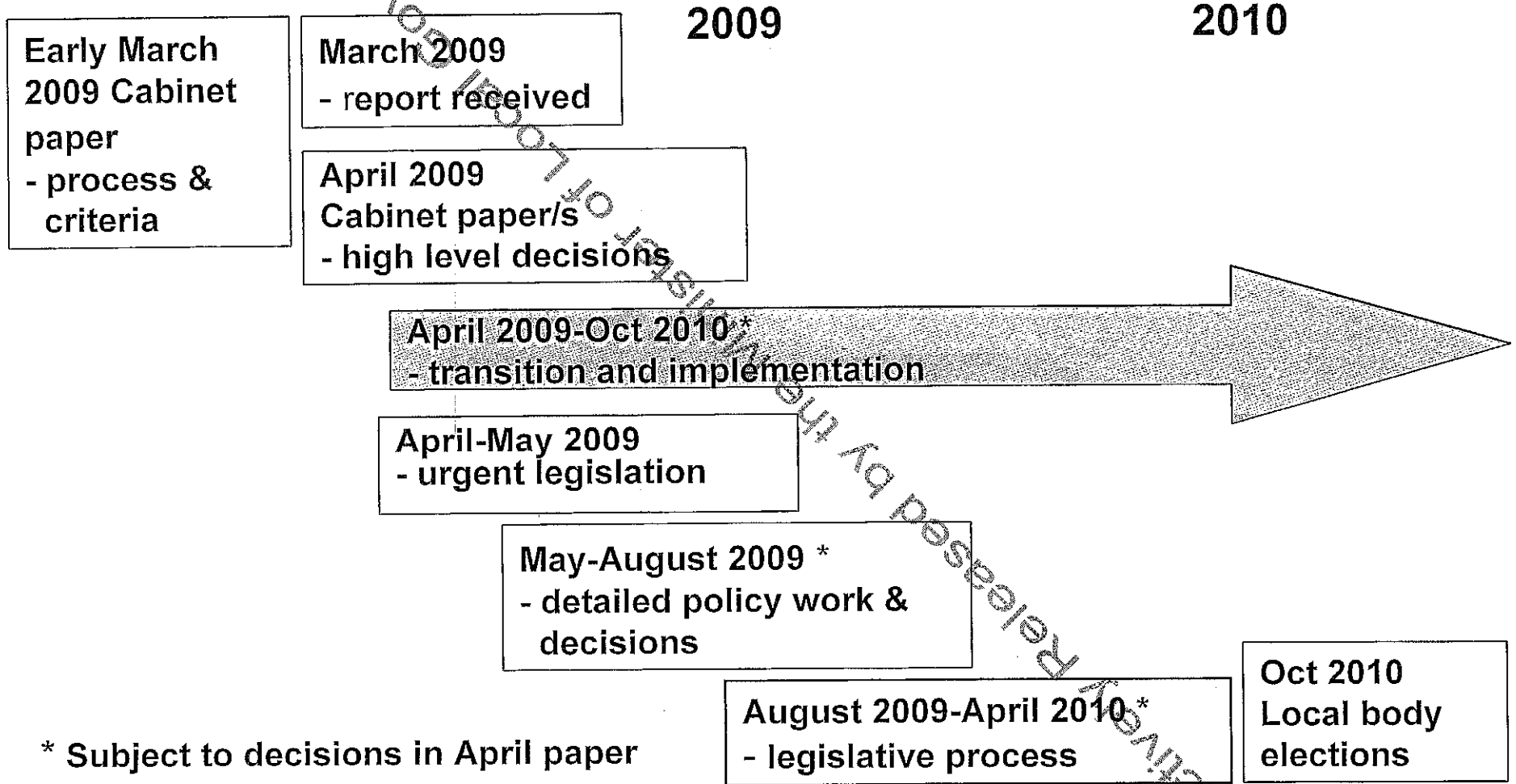
- 1 Immediate managed public release (2 April) with timetable for later Govt decisions
- 2 Release together with very high level Govt reactions (6 April post-Cabinet)
- 3 Release together with high level Govt decisions (20 April post-Cabinet)

Release could be in Auckland with Budget-type lock-up



# Government Response

## Proposed process and timetable



# Ministerial arrangements and next steps

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- Ministerial arrangements – ad hoc Cabinet Committee reporting to Cabinet or special Cabinet sub-committee
- Next Steps
  - Cabinet paper (early March) on criteria to assess Royal Commission recommendations and timetable for initial decisions
  - Further joint Ministers briefing/discussion to prepare for receipt of Report?

# Two possible scenarios

## Scenario 1

- Strong regional body with directly elected Mayor
- 3 (amalgamated) city councils
- Most functions planned & overseen by regional body
- Corporatisation of regional service delivery (water, transport etc)
- Minister for Auckland as member of regional body
- Māori representation on regional body

## Scenario 2

- Elected regional Mayor with executive powers, accountable to large regional assembly
- Neighbourhood level “community councils” (30-60)
- Most functions undertaken by regional body or subsidiaries
- Minister for Auckland & formal central/regional govt relationship
- Māori elected representatives
- One regional rates bill, & regional rating policy