

Attachment 2: Review into the Future for Local Government

Overview

The Government-appointed Panel established to review the Future for Local Government has released its Draft report and is seeking feedback. The report makes a series of recommendations with potential future ramifications for AT, including to the way AT engages the community and customers, and where transport funding comes from. However, specific recommendations relating to transport roles and responsibility are not made. Focus instead is placed on democratic, governance and community well-being issues.

Background

In 2021, the Ardern Government launched a review into the Future for Local Government, noting changes to the traditional role of councils, including reform of three waters and the rising climate challenge. The Government appointed former Waimakariri CEO Jim Palmer as the review chair, with former Auckland Council deputy Mayor Penny Hulse, Antoine Coffin, Gael Surgenor and Brendan Boyle serving as panel members.

The Panel released an Interim Report in September 2021. In that report, the Panel identified five shifts that it considered were needed to address local government challenges: strengthened local democracy; authentic relationships with hapū/iwi and Māori; a focus on wellbeing; genuine partnership between central and local government; and more equitable funding.

Overview of the draft report

Since the publication of the Interim report, the Panel has met with stakeholders, including representatives of local government. The resulting Draft report was released in October 2022. It translates the Interim report's five shifts into seven and identifies system design and stewardship as additional areas for consideration. A total of 29 recommendations are made across the nine themes:

1. **Revitalising citizen-led democracy** – the Panel sees opportunities to strengthen participatory and deliberative processes to better engage the public.
2. **Tiriti-based partnership between Māori and local government** – the Panel recommends a new framework is developed with central government for engaging Māori in local government decision making.
3. **Allocating roles and functions in a way that enhances wellbeing** – the Panel proposes a subsidiarity-based framework to rethink allocation of roles and functions across central and local government, and others.
4. **Local government as champion and activator of wellbeing** – the Panel agrees councils have a role in promoting wellbeing and makes recommendations to better enable it to perform this role.
5. **A stronger relationship between central and local government** – the Panel observes that the relationship between central and local government is poor, but does not make recommendations. Instead, it asks for feedback on how this relationship could be improved.
6. **Replenishing and building on representative democracy** – the Panel makes a series of recommendations to change voting and other democratic components.
7. **Equitable funding and finance** – the Panel observes serious issues funding local activities and considers that more central government assistance to complement rates is the preferred pathway.

8. **System design** – the Panel considers that current systems and structures for local government are not sufficient to meet local challenges, and develops a set of principles to guide future system reform.
9. **System stewardship and support** – the Panel observes that oversight of the local government sector is fragmented and seeks feedback on a new approach.

Key timeframes

The Panel is taking submissions until 28 February 2023.

The Panel's final report to the Government is expected in mid-2023.