

## Super City Survey Examines Impact From 'Affected Parties' Viewpoints

Brookfields, along with all other Aucklanders, has been watching the emergence of the Auckland Council and local boards with a mixture of trepidation and excitement. But as a long-term partner to local authorities in Auckland and elsewhere, we have been especially interested in the impact of the proposals on those working in and alongside local government. Accordingly we commissioned Julian Midwinter & Associates, an Australian firm which had worked on significant reorganisation projects on the far side of the Tasman, to undertake an independent survey. Our intent was to learn more about those areas of concern to local government insiders in order to allow us to improve the services we can offer now and during the transition period.

Our survey went to those working in local government, those working for local government, and stakeholders in local government such as business and professional associations.

We would like to be able to say that our respondents expected the Auckland Council to result in additional or improved services to residents. Unfortunately this was not the case with the majority expecting no increase or improvement in services to the public, and most expecting that rates would increase as would fees and charges. There were some bright areas however. The majority of respondents expected to see improvements in the area of roads and transport, efficiencies from economies of scale and integrated planning, and looked forward to a consistency of approach to centralised decision-making.

By seeking comments as well as a response to "tick the box" type questions we obtained a broad picture of the views of participants. There is no doubt that people have concerns about the form of governance proposed, and in particular whether the very large organisation proposed might lose sight of local democracy. Only a quarter of participants believed that local boards would be effective in ensuring local representation and half thought they would not. This shows very little confidence in local boards. The survey was undertaken before the Local Government Commission proposed that there be only 19 local boards as opposed to the 20 – 30 indicated in the Local Government (Auckland Council) Act 2009.

It is unclear whether those participating in the survey were aware of or fully understood the two-tier decision-making process set out in that Act. That process gives an indication that significant powers, functions and duties may lie with local boards rather than the governing body of the Auckland Council. It is also possible that the views expressed in the survey may change now that the location of proposed ward and local board boundaries has been announced. The Local Government Commission has said it was influenced by the need to create local boards of sufficient size to operate effectively. There may be some tension between effectiveness in this sense and the ability to reflect the views of local communities. It would be interesting to survey people's reactions to local boards further once the third bill on Auckland governance has been made public, as it is likely to define further their role.

Another area of concern in relation to governance is the extended role of the Mayor. In a departure for New Zealand local authorities the Mayor will have a direct role in the development of finance and strategy positions, the power to establish committees and appoint committee chairs, power to appoint the deputy mayor, and a separate mayoral office with a minimum budget of 0.2% of the Auckland Council's operating expenditure. Just over half of the participants were concerned about how the power and influence of the Mayor would impact upon the Council. Only about a third



thought it would be positive for Auckland and its economic development, whereas another third felt the impact would be negative. With local election voter turnout in the Auckland region running at under 40% of those entitled to vote it is critical that the mayoral election gets the attention it deserves. It would be helpful if there could be some public education around the role of the Mayor so that the implications of this election are clear to voters. It is one thing to vote casually or even flippantly for a mayoral candidate when the role is essentially just a 'first among equals', but something different again when the office of mayor carries specific executive powers.

Of course many of those surveyed had more personal concerns about the reorganisation since it will affect their roles as employees of, or suppliers to, local government. Of those in the category of employee almost all expect the manner in which they work to change, and are actively discussing in the work place what that change might involve. In fact a perceived lack of information at the time of the survey led three quarters of respondents to report hearing rumours about the Super City as opposed to factual information from confirmed sources.

All is not doom and gloom however. Just over half expected the transition to be well managed by their Council – no word on how well other Councils will manage – and around half anticipated personal opportunities in the new structure. Co-incidentally the Auckland Transition Agency ("ATA") released its draft Auckland Council organisational structure plan on the same day the survey results were announced. The draft structure plan gives some reassurance to those involved in jobs that provide a direct service to the public such as librarians and leisure facility operators. However, there was little comfort for the senior levels of management, or those in support or policy and strategy positions.

Those who supply goods and services to local government are equally concerned with most being frustrated at the lack of information available. At least half of those in this category said that 25% or more of their work came from local authorities, and 16% obtain all of their work from that source. They are concerned at a likely reduction in the number of suppliers as the superior bargaining power of the Auckland Council is brought to bear on contracts. However, some do see positive outcomes such as a more strategic focus, and a better opportunity to deliver vision and significant infrastructure. Others see opportunities for achieving positive cross-multi agency outcomes for the Auckland region. Even so the majority expect a negative impact on productivity and service during the interim and transition period for the new Council. Nor are these suppliers likely to be reassured by the draft Auckland Council Structure Plan that has been released, since it remains unclear at this stage what activities other than water and transport may be run by or contracted to Council controlled organisations.

The survey also produced interesting results in the areas of economic and environmental impact, and in relation to infrastructure development in the future. We will be providing further analysis and commentary on the survey findings over the coming months, but for a summary of the survey findings see Brookfields' website at: <http://www.brookfields.co.nz/newsroom/ResearchSummary.pdf>.

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