

May 2009

# LG Law

## Minister Picks up the Pace on Super City

Yesterday Local Government Minister Rodney Hide laid out the next steps towards the creation of the proposed Auckland Council. Amid calls for public consultation, and a softening by Prime Minister John Key on the question of Maori seats, Mr Hide has laid out a three-step legislative programme to realise the Government's decisions on Auckland governance.

Two Bills will be introduced to Parliament next week, the first of which will proceed under urgency and without Select Committee hearings. That first Bill will establish the Auckland Council as a legal entity, create an Auckland Governance Transition Agency (AGTA) responsible for rationalisation and the transition arrangements, and impose constraints on the decision-making powers of the existing Auckland councils. There is no word yet on who will be appointed to the AGTA, but those announcements are also expected next week. There will also be considerable interest in the proposed constraints on decision-making, but if the recommendations of the Royal Commission are adopted this would mean no new private plan changes and limits on new decisions involving extraordinary levels of spending during the transition period.

The second Bill, which will be referred to a Select Committee, will establish the basic framework for the Auckland Council. At this stage the Government is sticking to the proposed eight members elected at large and 12 members from wards, with 20 – 30 local boards. There is no mention of Maori seats, but both Mr Key and Mr Hide have said they are prepared to listen to what the public has to say on this issue and the wider governance structure. The Bill will also enable the Local Government Commission "to determine the boundaries of the wards of the Auckland Council and the Local Boards, and the Boards and their membership". Finally that Bill will provide for the integration of Auckland's water infrastructure.

The Select Committee process for the second Bill is to be completed by September.

A third Bill to be introduced later in the year will set out the functions, roles and powers of the Auckland Council and the Local Boards in detail. It appears that Bill will also go through the Select Committee process allowing for further public submissions.

In addition to releasing the legislative programme yesterday Mr Hide also commented on the issues raised by the Government proposals. By way of explanation he noted his view that "region-wide decision-making must have region-wide governance arrangements to overcome the competing interests, parochialism and factionalism that has held the region back too long". This comment referred to the Auckland region, but in case other regions should relax, Mr Hide also went on to discuss his wider goals for local government:

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“Firstly, I want to keep rate rises down and encourage councils to focus on core activities. On the necessities, not the luxuries. On rubbish removal, water supply, roads, and parks.

Secondly, I want greater transparency and accountability in local government. Right now, council processes are murky and confusing, and that needs to change.

My third aim is to cut the red tape that’s driving everyone crazy. I want to see fewer of the absurd compliance demands in the regulatory area. And I want to reduce the financial burden placed by central government on local government.”

And there was plenty more in similar vein. In particular Mr Hide expressed concern about the cost and effectiveness of the LTCCP process and the decision-making and other obligations imposed on councils under the Local Government Act 2002. Despite the relatively recent origins of that Act, he declared it “long overdue for review”. As long as Mr Hide continues to persuade his National Party colleagues of the strength of his vision, it is clear local government can expect change well beyond Auckland governance issues.

Also of note yesterday, and undoubtedly a fall-out from the abandoned Royal Commission recommendations, was the announcement by Minister for Social Development and Employment Paula Bennett of a new Auckland Social Policy Forum to address social issues in Auckland. Comprising the Minister for Social Development and Employment as Chair, the Mayor of the Auckland Council and Chairs of that Council’s Committees, and representatives of Local Boards, the Forum is intended to coordinate spending on social issues in Auckland and provide a coherent strategy.

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