

**REPORT TO AUCKLAND REGION CEO FORUM MEETING
5 June 2009**

The roles and functions of local boards in the Auckland region

Purpose of Report : Information
Date : 5 June 2009

1. SUMMARY

This report furthers the work on the role of local boards. At the 8th May meeting the chief executives specifically requested that the following additional issues be examined:

- decision-making of local boards across local government functional areas
- local board participation in resource management matters
- how the community action plans fit into the Auckland Council long-term planning
- local delivery of services and the role of local boards
- legislation to support local boards

Local boards are an important part of the Auckland governance model that government has proposed. Their overall role is one of place-shaping, namely building local identity and community. This will be achieved through their roles in local decision-making and representing their local communities, including participation, consultation and advocacy.

This place-shaping role of local board informs the types of decisions that best sit at the local level. We have focused on several functional areas to illustrate the components of each function that sit best with local decision makers versus regional decision makers. The analysis of functions is guided by a number of other considerations. These include the need for local boards to have a credible and meaningful role greater than that of current community boards (as Government has indicated), as well as the need for appropriate decisions to be devolved to local boards so that the Auckland Council can focus on matters of truly regional scale.

The functional analysis suggests that there is potentially significant scope for local board decision-making and discretion under the future governance framework. In general, it can be said that local boards should have a decision-making role except where there are overriding benefits of having it rest with the Auckland Council, for example, where there is a need for a regional network.

The analysis also suggests there is a need for appropriate mechanisms to guide local discretionary decisions and to incentivise prudent decision-making. For example, the Auckland Council could choose to put parameters around specific decisions to be made at a local level, e.g. a menu of options, or prescribe pockets of activity within which local boards should prioritise. This enables local boards to give effect to place-shaping while recognising region-wide considerations.

To carry out their decision-making and community representation roles, local boards will need to be supported by appropriate funding arrangements. The report highlights that issues associated with local board funding are complex. Some key issues are:

- how the funding levels are set
- how social equity matters are addressed
- what level of discretion the local boards should have with regard to funding
- what funding mechanisms should be implemented to ensure appropriate levels of accountability , transparency and consistency with regional policies.

Possible funding mechanisms range from bulk funding, where local boards have complete discretion within a budget allocation, to a “purchasing” type system, where the Auckland Council would negotiate with local boards to enter into service level agreements to purchase local services in a contractual manner.

Funding constraints and historical variations in baseline standards in the region mean that it will be some time before the region can move towards a common standard of services. However, there will be an expectation of similar service standards with the move to a common rating and charging system. The fact that it will be some time before this happens will influence the relative discretionary decision-making power that local boards will have in making discretionary funding decisions.

Community action plans are a potential vehicle for delivering the local board’s place-shaping responsibilities and identifying the oversight role and accountabilities of the local board. The report identifies a process for developing a community action plan, within the Long-term council community plan (LTCCP) framework.

Government has signalled that local boards should be more than the present community boards. However, the current provisions of the Local Government (Auckland Council) Bill could be made more robust if local boards are to function as the Government seems to anticipate. The paper briefly considers possible legislative remedies to ensure that boards are able to make an effective contribution to the governance of the region. The central issue is the need to broaden the definition of the purpose of local boards, which will in turn provide guidance on the functions of boards and their set up in statute.

2. RECOMMENDATIONS

It is recommended that the Chief Executives Forum:

1. Notes the contents of this report.
2. Uses the report as a basis for further discussions with councillors and for submissions on government legislation as appropriate.

3. BACKGROUND

Government's decisions on Auckland's governance involve a single unitary authority with two levels of democratic governance comprising the Auckland Council and local boards.

On 13 May, Government introduced the Local Government (Auckland Council) Bill, which sets out at a high level the purpose, role and duties of local boards. Their purpose is to enable democratic decision-making by communities, to facilitate local input into Council decision-making, and to identify local preferences regarding matters of predominantly local significance. Their functions and duties include:

- reaching agreement with the council on service levels, local facilities and funding arrangements
- monitoring and reviewing services and facilities provided by the council
- considering and reporting on matters of interest or concern
- communicating with community organisations and special interest groups

The Bill also provides for the Local Government Commission to establish the boundaries of boards (generally 20 to 30 in number) and their representation arrangements. There will be an opportunity to submit on this bill in June 2009. There will be another opportunity to submit on the role of local boards when the detailed legislation is introduced in October 2009.

4. THE ROLE OF LOCAL BOARDS

4.1 Overall role

Local boards are an important part of the governance model that government has proposed. Their decision-making cannot compromise the benefits of strong regional leadership through the Auckland Council. At the same time, it is necessary to devolve appropriate decision-making and functions to the local boards so that the Auckland Council can deal with matters of truly regional scale.

To be effective, local boards must be both credible and relevant to their communities of interest and to the Auckland Council. It also needs to be emphasised that that local boards should have a status that is greater than that of current community boards, and the discussion around their role and function therefore needs to be considered in that light.

Overall, the local boards have a key role in “place-shaping”, that is, building local identity and community. This is about ensuring that local communities’ hopes and aspirations are reflected through tangible outcomes in the places where they live. It is also about strengthening community ownership and engagement around local issues, by proactively developing networks of local relationships, building community capacity, as well as engaging with and giving voice to diverse local interests.

4.2 Decision-making and representation

To fulfil their place-shaping role, local boards need to represent their communities’ interests in setting regional and local priorities for action and be accountable for local decision-making, including prioritisation.

Representation of local communities by local boards covers a broad spectrum of activities that are fundamental to their governance role, including participation (in regional decision-making), consultation and advocacy. This recognises that, while some decisions require regional oversight and consistency and are best made by the Auckland Council, local boards will still need to play a proactive part in advising on and/or influencing such decisions. In representing their communities, local boards will be advocates to the Auckland Council and other agencies on matters where community interests are strong.

4.2.1 Guidelines for local board decision-making

In an overall sense, the role of the local boards in place shaping and community development suggests that local decision-making will be more appropriate where:

- The services and assets help to create a distinctive sense of identity and community in the local board area
- Services need to be tailored to meet specific needs of the community
- The decision-making would benefit from particular local knowledge.

On the other hand, local decision-making is not so appropriate where:

- The function is part of a region-wide network (e.g. library provision)
- Services need to be standardised across the region (e.g. issuing building consents)
- There are economies of scale stemming from regional decision-making (e.g. procurement for footpath renewals)
- Functions have regional benefit (e.g. strategy and planning functions, regional facilities and tourism).

4.2.2 Key considerations

In general, it can be said that decisions should be made locally where the impact is felt mainly in the local area. While this sounds a simple principle, the allocation of decision-making to a local and regional level is complex. It will be important to complement devolved decision-making with processes that ensure the benefits associated with the Auckland Council are not lost.

Some of the considerations required can be illustrated by an example. It would seem sensible for a local board to make decisions about a new

footpath upgrade in its local area. However, regional decisions about letting contracts for footpath upgrades are likely to produce more cost effective outcomes. The local board's decision therefore becomes one about the type of paving within a regionally agreed contract. The contract may allow each local board some discretion, but to incentivise the boards to make prudent decisions and to provide a balance between local distinction and a regional approach, the contract may put parameters around choice. There could, for instance, be a menu of paving types to select from rather than a completely free choice.

The example also highlights that baseline services need to be provided across the region in many functional areas before the decision-making role of local boards comes into play. In other words, each local board area should be entitled to some agreed basic quality of footpaths and so therefore the decision of the local board is about an enhancement on this.

Setting baseline levels of service is problematic in itself given the different starting points across the region and variation of need. It is unrealistic to expect to achieve a common standard of baseline services in the region in the early phase of reform. However, we would expect that the region will move some way towards this in time, as residents will expect a similar level of baseline services if the region moves to one rating and charging methodology. Even in the longer term, it may be appropriate to have a sliding scale (i.e. minimum to maximum) of baseline standards to reflect realities in the region, rather than one baseline for all areas per se.

While decisions need to be allocated between the Auckland Council and local boards in practice, there should be a degree of synergy between the regional and local levels, so that the process is neither totally 'top-down' nor 'bottom-up'. Decisions that are of regional scale will benefit from local input and expertise. Decisions mostly local in scale should likewise benefit from regional expertise. The latter suggests a good network of working relationships between Auckland Council staff and local boards so that local decisions are supported by an understanding of wider implications. This will help ensure an appropriate degree of regional consistency even where local boards have primary decision-making power.

4.3 Examples of local board decision-making

The above discussion suggests that local boards could have a role in decision-making across a broad range of local government functions. The specific decision-making roles for local boards need to be considered on a function-by-function basis, with an analysis of the components of each function that sit best with local decision makers versus regional decision makers. The functional examples below illustrate the considerations required when it comes to determining the role of local boards. These start from the premise that local boards will have a decision-making role, except where the decision impacts regionally or where a purely local decision would undermine the benefits associated with the Auckland Council.

The examples represent initial thinking only. Conclusive statements on the boundaries between regional and local decision-making for the purposes of input into future legislation on the detailed powers of local

boards will require a more thorough assessment. (Figure 1, page 10, summarises the regional/local allocation of decisions in respect of each of the examples.)

Community development

Community development includes the delivery of programmes designed to enhance local connectedness and belonging, partnerships to achieve community outcomes as well as management of community facilities. Given the place-based nature of such activities, local boards would have an important role in ensuring that community development services are tailored to meet the needs of local residents. Local boards would develop programmes to target specific issues in their communities. For example, they might introduce a programme around youth crime with appropriate input from stakeholders such as the police, or introduce a training/information programme for new migrants. Local boards would also be able to approve leases for community groups to use community facilities. Local boards would be able to prioritise the allocation of resources based on their overall understanding of their communities' development needs.

Aspects of community development that require regional oversight would include overall strategy, policy and planning. Each programme developed by the local board may have to sit within a more comprehensive community development plan agreed by the Auckland Council. However, the local board would first carry out a needs assessment for their local area that would form the input into the Council's community development plan.

Local boards would advocate to the Auckland Council on the extent and type of facilities required in their neighbourhoods, as these would be part of a region-wide network that the Council would need to make decisions on (e.g. number of facilities per x population). The precise location of community halls and centres could also be the decision of the local board.

When it comes to community facilities they will be part of a regional network with number, general location and baseline service levels determined at an Auckland Council level. The exact location of a facility and particular enhancements to that facility on the other hand could sit well at the local level. In addition it would be a role for the local board to advocate on behalf of its community for community facilities as part of the regional network and baseline service provision.

Town centre revitalisation

Town centres epitomise local identity as well as provide a focal point for local community engagement. We would therefore expect local boards to play a key role in shaping their local centres. The types of activities that local boards could be involved in making decisions on could include footpaths, street lights, street trees, the exact location of community facilities, security, parking restrictions and street trading activity. These sorts of decisions are around services and assets that help create a distinctive sense of community and where local knowledge is important to the decision, making them appropriate for local boards. Devolved decision making for a revitalising a town centre in a holistic manner (along with

appropriate funding) should encourage the local board use its knowledge of local needs and preferences to prioritise across the different assets and services.

Some of the areas listed above will of course be part of a bigger regional picture and some aspects of the decision-making within these activities will best sit at the Auckland Council level. (See discussion on community facilities above and footpath example under local roads below.)

Another consideration in the town centre upgrade function is that not all town centres across Auckland are equal with some being of regional as well as local significance. The Auckland Council's planning would detail the hierarchy of centres and determine that oversight of the development of the key regional centres the CBD, Newmarket, Manukau, Henderson and Albany may sit best at the Auckland Council level.

Parks

Auckland's parks celebrate the cultural heritage of a place and help to define its identity. Parks are places where the community can come together to spend leisure time and are important to the quality of the everyday lives of residents and visitors. Local boards should be able to make decisions on local aspects of the region's parks to reflect their significance to community identity. These would include, for example, play equipment, interpretative signage, seating, picnic tables, toilet facilities and dog exercise areas. Local boards could also approve small open space improvements, community events in neighbourhood parks, and community activities (for example tree planting). Such decisions help to reinforce a distinctive local character and are informed by the specific needs of affected communities.

Such decisions would take place within a wider Auckland Council policy framework for parks that would enable local boards to make choices within reasonable parameters (for example, there might be basic service standards around provision for public seating and toilet facilities, or safety guidelines around children's play equipment). The overall parks policy and service standards would reflect the requirements for different types of parks. Premier parks have a region wide focus, while the policy for local and neighbourhood parks would be tailored more specifically to local area needs. The latter would be developed in close consultation with local boards.

The Auckland Council would manage the planning for parks, and the process of land acquisition and divestment. However, local boards would have significant decision-making in respect of the precise location of neighbourhood parks, the timing of their development and their overall design.

Graffiti

Graffiti vandalism (tagging) is a community issue which can affect residents' sense of safety and pride, as well as lower property values. Communities have a role to play in reducing graffiti in their neighbourhood by working together. Local boards are well-placed to mobilise community

resources, stakeholders (such as police and property/business owners) to develop coordinated responses to graffiti in local areas.

Local boards would be able to oversee projects in their particular communities. These would include physical deterrent projects (e.g. mural painting) and community education or volunteer programmes aimed at combating graffiti vandalism. The local board could develop these programmes, and in coordination with relevant stakeholders. The local board would have a primary role in coordinating local solutions to graffiti vandalism and prioritising programmes such as surveillance and prevention, working with community stakeholders, property owners and neighbourhood groups, and mobilising volunteers. In addition, local boards would have the ability to negotiate funding for enhanced services in their area, for instance, faster eradication response times beyond core service levels.

An important part of combating graffiti is about having some consistency of response across local boundaries. To ensure the consistent and equitable delivery of services throughout the region, the Auckland Council would need to have responsibility for overall graffiti vandalism eradication policy and plans, as well as deciding the scope of core services. However, local boards would have an important influencing and advocacy role in respect of these.

Libraries

Auckland's libraries enable people to access books, gain skills and information, explore and exchange ideas and extend their own and other people's knowledge. Libraries are also venues for exhibitions and events, and places where communities can meet. The region offers a wide range of library and information services for residents and visitors. A thriving library network is a crucial part of building resilient and inclusive communities, where people can get involved and have a sense of belonging.

The community libraries spread across the region deliver services tailored for the needs of their local community. Local boards would oversee projects of local scale, e.g. additional new floor-space for a multipurpose meeting space, public artwork, furniture and fittings and information displays. Local boards would also be able to provide one-off programmes and events, as well as specialised programmes (e.g. children and teens').

Local boards would also have a level of discretion within the scope and range of library services and operating policies set by the Auckland Council. For example, they could choose to extend library opening hours beyond standard hours, install additional facilities such as computers and learning centres. They could introduce services in response to identified community needs, e.g. computer literacy programmes. Local boards could also decide the exact location of local library facilities. For example, the regional plan might designate a particular local area for new development, and it would be up to the local board to identify the precise location for this.

Given that libraries form part of a regional network, Auckland Council would be responsible for library collection development, business standards, overall asset management, library management systems, as well as the delivery of customer, technical and support services. Local boards would have a general representation and advocacy role in respect of the full range of library services and facilities offered.

Local roads

Local roads and the associated activities around them have a significant impact on the nature of local communities. Local boards would have role in respect of local scale decisions of importance to their communities. For example, they could decide speed limits in particular local areas, pedestrian crossings, turn restrictions, local road closures for specific events and street trading activities on local footpaths. Local boards could also have some authority over signage and street naming. These types of decisions can be appropriately taken at the local level as they relate to communities' sense of identity and also depend on particular local knowledge.

Auckland Council would need to be responsible for the overarching strategy, policies and the integration of transport and land use priorities. For reasons of efficiency and economies of scale, it would also take responsibility for asset management decisions around new roading investments, renewal and maintenance, as well as associated contract management. However, local boards could still have primary decision-making power in respect of new investments of local scale (e.g. traffic calming features such as speed bumps or roundabouts).

Local boards could also choose an enhanced level of maintenance over and above core service levels. For example, efficiency considerations may mean that footpath upgrades are best undertaken by one or two contractors across the region with this decision made by the Auckland Council. The discretion of the local board could be in the particular type of paving. Again this decision may need to be put within some regional parameters such as a regional "menu" of paving for local boards to select from rather than a completely free choice of paving. In addition, local boards could prioritise local expenditure within the regional asset management plan (e.g. which neighbourhoods are dealt with first as part of Council's footpath renewal programme).

District planning

District planning goes to the heart of place-shaping and fundamentally affects the life of local communities. It forms a critical link between desirable regional outcomes and what happens on the ground. Local boards could have active contribution at various stages of the process, particularly at the front end, where place-based considerations can help shape the final district plan. Local boards could have responsibility for developing their own area plans in close consultation with their communities. These would collectively help to form the final district plan. Local area plans and prioritisation of objectives within these would benefit from particular local knowledge.

At the same time, local boards would need to develop their area plans within the broad regional parameters identified by the Auckland Council. These would include the desired strategic outcomes and the drivers needed to achieve them (e.g. enhanced passenger transport, greater focus on employment opportunities). Local boards would consult their communities within these guiding parameters. Final sign-off on the district plan (including area plan elements) would occur at the Auckland Council level. Local boards would have an important role in the consultation phase, as the conduit for feeding in local community views to the Council prior to finalisation.

Figure 1: Local boards vs Auckland Council role

Function	Role of local board		Role of Auckland Council
	Decision-making	Advocacy/input	
Town centres			
Footpaths	Decide type of paving for footpath upgrades	Monitor/advocate on council delivery of services and standards	Set menu of footpath options, manage contracts for upgrades
Community facilities	Precise location and enhancements for community facilities	Influence regional network and baseline services	Set number of facilities in region, general location, baseline service levels
Street lights, trees	Decide type of lighting, trees, and location	Influence regional standards, types of amenities	Set baseline service levels, menu of options for type of street lighting, trees
Security	Decide enhancements, e.g. CCTV cameras	Influence planning framework	Make safety design a priority in planning framework
Street trading	Approve street trading activities	Influence street trading policy	Set policy for street trading
Parking	Decide parking restrictions (e.g. time limits, yellow lines) enhanced enforcement levels	Influence parking policy and plans, including enforcement	Set parking policy, parking plans, enforcement activities
Community development			
Community programmes	Develop programmes for local area, e.g. youth, safety, migrant training	Influence Auckland Council strategy, policy, planning	Set parameters and baseline services for community programmes in line with strategies and policy
Community leases	Approve leases of community halls, centres to community groups	Influence infrastructure and asset decisions	Manage and plan community infrastructure, scope of facilities
Stakeholders	Coordinate with stakeholders, e.g. community groups, government agencies		Manage key stakeholder relations
Parks			
Location/development	Decide precise location and timing of development of neighbourhood parks, approve land purchase	Influence regional parks network, advocate for specific local/neighbourhood parks	Decide general location and service standards of regional parks, local and neighbourhood parks. Acquire land/ purchase new parks.
Design	Approve purchase, design and construction contract for specific neighbourhood parks	Influence regional land/divestment policy. Monitor/advocate on council delivery of services and standards	Organise design and construction services
Local character	Decide local elements, e.g. seating, play equipment, interpretative signage, dog exercise area, community events	Influence regional standards and guidelines	Set baseline standards and guidelines, minimum provisions/criteria

Function	Role of local board		Role of Auckland Council
	Decision-making	Advocacy/input	
Graffiti			
Community programmes	Develop programmes to target graffiti (physical deterrent projects, community education, volunteer programmes)	Influence regional policies, plans	Set graffiti eradication policy and plans
Eradication services	Decide enhanced services (eradication response)	Monitor/advocate on council delivery of services and standards	Set baseline services, manage contracts
Stakeholders	Coordinate with stakeholders (police, neighbourhood groups, property owners)		Manage key stakeholder relations
Local roads			
Local elements	Decide local road closures, speed limits (e.g. around schools), pedestrian crossings, turn restrictions	Influence regional policies, plans	Decide transport strategy, policy and plan, designate roads as regional vs local.
Signage, naming	Decide type of signage, street names		Set guidelines around signage, manage database of street names
Asset management	Decide new investments for projects of local scale. Prioritise road maintenance (e.g. sequence of renewals/maintenance in local area)	Input into asset management. Monitor/advocate on council delivery of services and standards	Manage new roads, renewals, maintenance plan, manage contracts
Libraries			
Range of services		Input into regional services and standards. Monitor/advocate on council delivery of services and standards.	Set scope/range of regional services, library collection development, business standards
Local elements	Decide local elements, e.g. additional floor-space, artwork, furniture/fittings, information display. one-off and specialised programmes (e.g. teens')		Set guidelines around design
Services	Decide enhanced services (e.g. library hours, additional learning facilities)	Input into regional services and standards	Set baseline service standards
District planning			
Regional planning framework		Input into regional planning framework	Decide regional planning framework based on strategic vision, identify planning priorities
District plan	Develop area plans in consultation with community	Input (consultation) on final district plan	Develop district plan based on individual area plans

4.4 Resource consents

Local board members may also be involved in decisions around resource consents. Essentially, this is a policy decision with the Auckland Council being able to delegate the hearing and decision making to commissioners that could be elected members of the Auckland Council or the local boards, or independent commissioners. If the Auckland Council decided that councillors are not to be involved in notified resource consent applications then it would not be appropriate for local board members to be involved in hearings on local resource consent matters. (Appendix 1 outlines issues for consideration with regards to resource consents).

5.0 HOW LOCAL BOARDS UNDERTAKE THEIR ROLE

5.1 Funding

In order to fulfil their decision-making and community representation roles local boards need to be supported by appropriate funding arrangements. These arrangements will need to address how funding levels are determined for each local board, and the mechanism for approving and administering funding requests. These arrangements will need to cover both local capital projects and local operational activities.

The funding of local boards to oversee local priorities is a complex issue and further work is needed on both determining funding levels and on funding mechanisms. The funding of local boards also needs to be seen in the context of baseline service provision in each local area, which in turn raises some difficult issues.

The local boards would need to be accountable for the prioritisation and funding decisions they make, and be transparent in the way they communicate these decisions to their community. Making appropriate trade-offs at the local level is an important role for the local boards as the Auckland Council will be operating within current funding constraints, i.e. there is no new pool of money for the Auckland region.

To support the decision-making role of local boards, the funding mechanism will need to provide local boards with an appropriate level of discretion. At the same time, there will need to be some checks and balances to avoid compromising regional plans and strategies.

Some possible funding mechanisms include:

- A bulk funding system, whereby local boards have complete discretion within a budget allocation.
- A tagged funding system, whereby local boards have discretion to make prioritisation and funding decisions, provided that each parcel of funding is spent on a particular type of activity.
- A “menu” system, whereby local boards would make prioritisation and funding decisions within a set of options that are presented by the Auckland Council.
- A funding application system, whereby local boards make prioritisation and funding decisions subject to a formal application system where funding applications are assessed against a set of objective criteria. This would be similar to the mechanism currently used for administering New Zealand Transport Agency subsidies.
- A “purchasing” system, whereby the Auckland Council would negotiate with local boards to enter into service level agreements to “purchase” local services in a contractual manner.

Some key issues in determining funding levels for local boards are:

- Are factors such as population, the number of local assets and deprivation levels taken into account?
- How are social equity matters addressed – through baseline service provision or funding allocated to local boards? What are appropriate “formulas” to use?

- If funding levels are set at the level required to achieve regionally consistent standards, how will the Auckland Council address the issue of different starting points?
- Should local boards have the ability to increase the funding available to them by proposing a special rate for their community?
- If local boards are involved in renewal programmes, are guidelines needed to ensure that new high profile local projects do not squeeze out maintaining local assets?

The funding mechanisms mentioned above could also be used in conjunction with the targeted community rate system. Given the potential for regional inequities to develop between those who can afford to pay and achieve higher service provisions and those that cannot, this option needs to be carefully thought through. In addition, disproportionate levels of service between local board areas raise a potential free rider problem.

Regardless of the funding mechanism(s) used, a mechanism such as a community action plan (discussed in the following section) would need to be introduced to transparency and accountability around the funding allocated to local boards.

6.0 COMMUNITY ACTION PLANS AND THE LTCCP

The funding for local boards will be determined as part of the Auckland LTCCP planning and budget processes. Local boards will need a mechanism to interact with the Auckland Council in a formal way through the budget process and to establish their accountability. They also need a mechanism whereby they can articulate their communities' aspirations and priorities. A key mechanism to achieve this could be integrating the concept of a community action plan, as discussed in the Royal Commission report, with the Auckland Council's LTCCP process.

6.1 What a Community Action Plan might look like

The community action plan would be intended to represent the strategic direction for each local board's area (i.e. the desired social, economic, environmental and cultural well-being outcomes) and key priorities, activities and projects that contribute to the community's overall well-being. It should provide a holistic view of what is happening in the local area. The community action plan provides an important platform on which to build community engagement and sense of place, as well as a catalyst for bringing together local knowledge on place-shaping issues.

Figure 2 provides an indication of what a community action plan might look like.

Figure 2

Indicative Community Action Plan Structure
<ul style="list-style-type: none">• Community outcomes and aspirations for the local board area• Context<ul style="list-style-type: none">○ Overview of the local board (summary of key assets/resources e.g. parks, community facilities, demographic statistics, local board functions, delegations etc)○ Issues and challenges facing the local board○ Outcomes important for future well-being of local community○ Regional context: relevant regional decisions, policies, plans• “What the Auckland Council is doing in your area”<ul style="list-style-type: none">○ Significant regional projects and services with an impact on the local area• “What your Local Board is doing in your area”<ul style="list-style-type: none">○ Summary of key initiatives/activities/programmes the local board will oversee○ Regional service levels and measures, and where these are proposed to be enhanced for the local area○ For each of Council’s key strategies / goals / objectives an explanation of how the local board will contribute to its achievement• Local area budget<ul style="list-style-type: none">○ Budget to include capital and operational expenditure, local projects and initiatives;○ Rating information, including any targeted rate agreed to fund additional services above regional levels• Performance Measurement<ul style="list-style-type: none">○ Description of how local project based measures and local service performance measures form part of the Council’s overall monitoring framework• Process to develop Community Action Plan<ul style="list-style-type: none">○ Overarching process undertaken○ Consultation mechanisms and groups involved, opportunities for feedback etc

6.2 Process for developing community action plans

It is proposed that the community action plan is an integral part (a subset) of the Auckland Council’s LTCCP process. A key input into the community action plans is a strong understanding of the community’s aspirations and priorities for place shaping. Local boards will need to consult with their communities in the development of their community action plans. This would not need to be as frequently as on an annual basis but could, for example, follow the community outcomes process of identifying the community’s wishes (say) once every 6 years. This process will be particularly important when undertaken for the first time, as some of the Auckland communities will be newly defined.

Once the community’s outcomes are established, the local board would develop the community action plan. While the community action plan is envisaged to give a holistic view of what is happening in a local area (both Auckland Council and local board responsibilities), the local board will need to focus annually on local projects and services that require funding. To ensure that a wish list is not presented, it is proposed that the Auckland Council could set an indicative budget for each local board for a three-year period at the beginning of the community action plan process.

Figure 3 suggests a process for developing the community action plans as part of the LTCCP process.

The 20-30 community action plans could be incorporated in the LTCCP document either as individual documents or chapters. Each community action plan would need to clearly distinguish the accountabilities of the local boards from the accountabilities of the Auckland Council. The main LTCCP document would reflect Council's broader responsibilities around regional issues and priorities. The LTCCP would therefore be presented in both a functional and spatial manner.

Based on this process, consultation on local priorities (as per the community action plan) and regional priorities would be undertaken as part the overall LTCCP consultation. This would avoid the need to undertake separate consultations on the community action plan and then on the LTCCP. This would also provide a more holistic approach, whereby local communities can see in a transparent manner all initiatives in their area and how these fit within the wider regional framework.

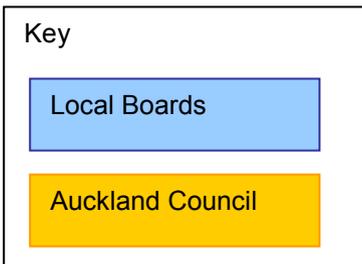
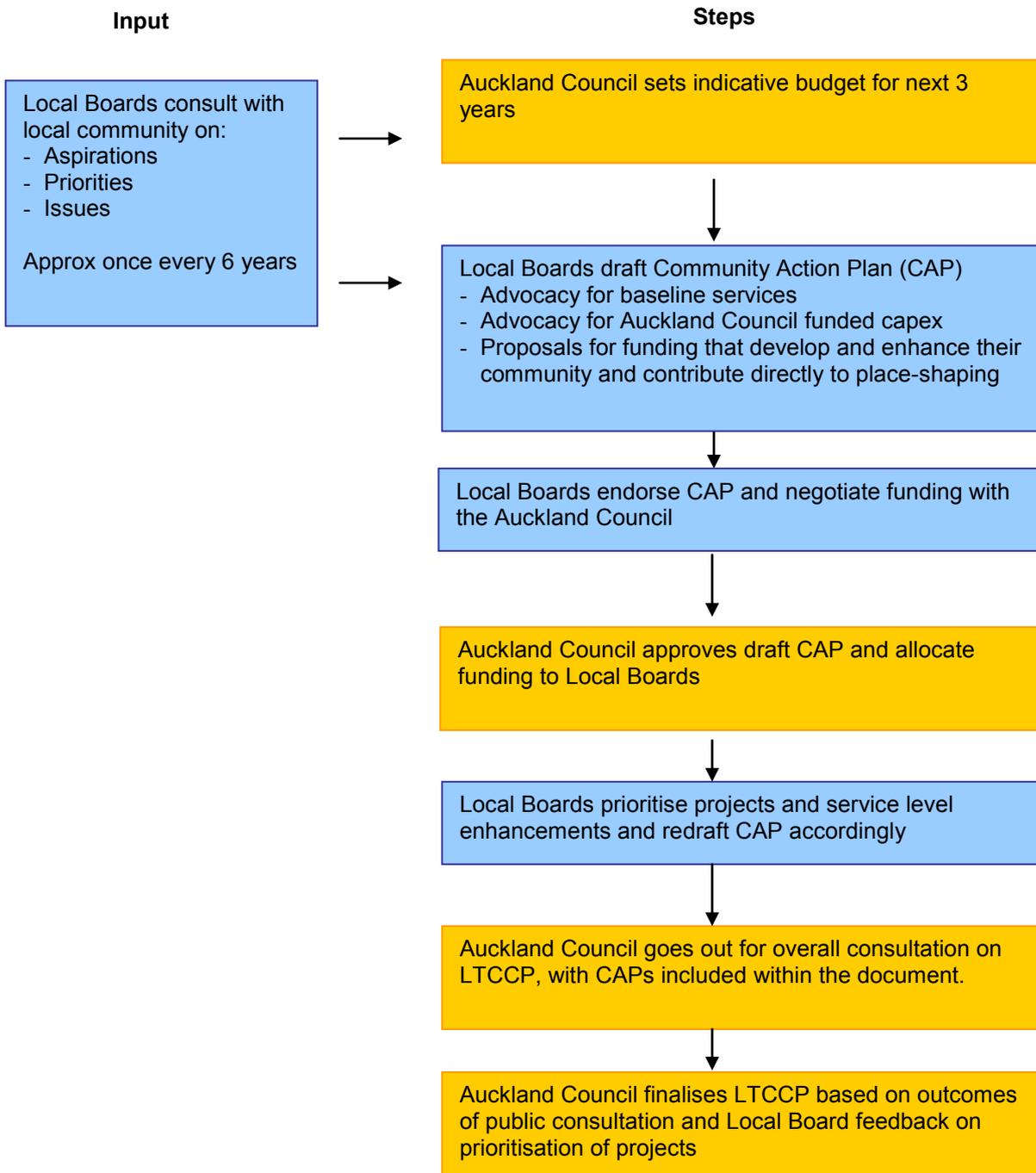
Residents and ratepayers are more likely to be interested in the specific initiatives rather than who is responsible for overseeing them. Therefore as long as feedback can be captured on the different components of the LTCCP, consultation on the entire LTCCP including the community action plans should be feasible. Practical mechanisms could include:

- a split submission form (where one half is on regional matters, and the other half is on local matters)
- invite Auckland councillors to local board hearings on the LTCCP.

An alternative to the above could be that local board community action plans and the Auckland Council's LTCCP are developed in alternate years with the community action plan simply focusing on those initiatives that the local board will make prioritising and funding decisions for. This would give a very clear sense of the role and accountabilities of local boards but would lose the coherent story of the package of initiatives taking place in each local board area (those overseen by local boards and by the Auckland Council).

The interface between the local board and the Auckland Council on the community action plans could be through Auckland Council functional standing committees or through the concept of Auckland Council area committees that could have oversight of community action plans for several boards.

**Figure 3
Steps to develop Community Action Plan**



6.3 Interface of local boards with local delivery of services

The Auckland Council will be the key decision-maker for the region with respect to service delivery and Auckland Council staff will deliver all services whether they are under the oversight of the local board or the Auckland Council.

Local boards will need to be supported by administrative and policy staff based in local areas. This could be at board offices or in area offices that serve several local boards.

In addition, while not under the jurisdiction of local boards, customer service centres across the region will be needed. Locating these within an area office may prove a sensible option.

Looking at the local delivery of services raises the question of the Auckland Council operating model. Determining this is a significant task and will involve consideration of factors such as accessibility to customer services across the region, integration of appropriate functions in particular localities, support to local boards and efficient use of existing council buildings. This will be a key focus for the Auckland Transition Agency.

Appendix 2 has considered organisation design at a high level to address the issue of local service delivery and area offices raised by the CE forum. However, we note that there are many options for organisation design and we simply cover a few high level options here.

6.4 Regional/local governance interface

There are a number of options in terms of internal structures to support the interface between Auckland Council and the local boards. These range from local boards reporting direct to the Auckland Council, to reporting to area committees, standing committees or where councillors of a particular ward are appointed *ex officio* to the local board for that ward.

The options are not meant to be mutually exclusive and the final preferred outcome could incorporate elements of the different options:

- *Option 1: Local boards report directly to the Auckland Council*
This option would place a considerable burden on Council business and meeting time unless clearly written and closely specified.
- *Option 2: Local boards report directly to standing committees within the Auckland Council.*
Local board advocacy and decisions on local matters would be referred to the relevant subject standing committee. Local views on particular policy areas would have a direct line into the relevant decision-making body in Council. For example, local board chairs might be given speaking rights on any issue having a direct local impact. Standing committees would report local concerns to the Council where appropriate. Council would still need to approve community plans and be responsible for performance monitoring.

- Option 3: Local boards report to area committees within the Auckland Council*

Area committees would have responsibility for all matters falling within a broad community of geographic interest (e.g. rural/urban, or north/south/west/east). Local boards would report to the relevant committee covering their area. Area committees would consider the inter-dependent aspects and relative priorities between local interests and council strategies (e.g. transport, built environment, economic development and lifestyle). Community plans and local board performance would be the responsibility of the relevant area committee. An advantage of this model is that it would enable cross-local boundary issues to be dealt with at a sub-regional level.
- Option 4: Local boards report to a local board committee of Auckland Council*

Local boards would report all matters in their area of responsibility to the local board committee. The local board committee would provide a one-stop-shop for not only local decisions and recommendations on specific policy issues, but also all aspects of local board governance activities. It would approve community plans and monitor local board performance in accordance with the plans. The membership of such a committee could comprise the ward councillors.
- Option 5: Local boards exercise dual responsibility with the Auckland Council*

Local board members would have representation on relevant Council committees, enabling them to have a direct influence on matters of local interest. For example, the chairs of local boards could be given speaking rights on matters of local relevance. This approach may be an appropriate way to address matters of both regional and local significance (e.g. district plan changes with major local impact).
- Option 6: Regional councillors appointed to local boards*

Local board members are elected from the same wards as Auckland councillors. The councillor of a particular ward would be appointed ex officio to the local board for that ward. This arrangement may encourage a close and responsive working relationship between a local board and the Auckland councillor that is elected from within its ward. This approach could enable Auckland ward councillors to maintain some link with, and local accountability for, local issues. While it does not cater for local representation at the regional level, it appears to be a useful approach irrespective of the final arrangements for representation from the local level to the Auckland Council.

7.0 LEGISLATION TO SUPPORT LOCAL BOARDS

The Local Government (Auckland Council) Bill includes provision for the establishment, status, membership, functions, duties and powers of local boards and delegations to boards from the Auckland Council (clauses 10 – 17). It also includes directions to the Local Government Commission about matters to be taken into account in determining the boundaries (and

therefore the numbers) of local boards (clauses 12, 19 – 20). The issue of function and size are intricately interlinked to establish ‘fit-for-purpose’ boards.

The Government has signalled that local boards should be more than the present community boards. The draft Bill suggests the purpose of local boards is to enable democratic decision-making by, and on behalf of, local communities. While the draft Bill implies a more substantive role for local boards than those of current community boards, the ambit of that expanded role remains unclear. Furthermore, the notion that the boards would make decisions about local areas that contributed to *the social, economic, environmental and cultural wellbeing of communities in the present and for the future*¹ seem to be outside the scope of the provisions in the Bill.

Within the Bill, four issues are intertwined – the purpose of local boards (clause 10), the functions, duties and powers of local boards (clauses 13 and 15), the determination of local boards and their members (clauses 12 and 19), and the relationship between local boards and the Auckland Council.

The statutory purpose of local boards drives the functions they are to be allocated (they should only have functions that enable them to deliver their purpose). In turn, the purpose and function of local boards needs to inform the Local Government Commission in executing its task of establishing the membership and boundaries of local boards. This will be challenging with the present expression of purpose in clause 10 of the Bill, given that it is pitched at such a high level. In addition to the matters in clause 10 (1) and (2) regarding purpose and role, it could be helpful to include additional sub-clauses around the overall role of local boards, such as on integrated decision-making for local place-shaping, the formation of local identity, and local community development.

Local boards are not incorporated bodies. They cannot hold property or hire staff. They may have powers, duties, functions and delegations related to their purpose. To a substantial degree, the functions, duties and powers for local boards in clause 13 are the same as those conferred on community boards under the Local Government Act (LGA) 2002 (s. 52). While the clear implication of clause 13(1)(c) is a more substantive role for local boards, the ambit of that expanded role remains unclear.

There is no direction about particular functions that should be delegated by the Auckland Council to local boards. The mix of functions prescribed in statute or delegated to local boards will determine their effectiveness, ability to make integrated decisions to achieve place-shaping and community development. The functions will also determine the level and type of funding arrangements. Consideration should be given to how functions of local boards might be prescribed in statute. For example, criteria or principles might be included in statute that would guide the Auckland Council towards making functional delegations that empower

¹ Purpose of local government as described in the Local Government Act 2002 section 10 (b)

local boards to make integrated decisions about places and local areas, and to manage funds and account for expenditure.

Much of the responsibility for determining board boundaries and board membership rests with the Local Government Commission. In exercising this duty the Commission is required to take account of "communities of interest", but that notion is not defined in the Bill or in the LGA 2002 other than the instruction in the Bill that there should be between 20 and 30 local boards or "communities of interest" in Auckland.

There is also no reference to the "good local government" provisions in schedule 3 (3) of the LGA 2002. The directions to the Local Government Commission could be amended to require them to take into account (or give effect to) the (revised) purpose of boards and to the (revised) functions, duties and powers of boards. It would also be helpful to define or provide guidance on the interpretation of the term "communities of interest."² Consideration might also be given to incorporating in the Bill the promotion of "good government" clauses of schedule 3 of the LGA 2002.

Attention also needs to be given to how "good government" might be achieved by providing incentives and protection for the effective working relationship between boards and the Auckland Council. Mechanisms that would achieve this might include:

- Better integration of community action plans and the LTCCP, including a restatement of the LGA 2002 requirement of the LTCCP, so that this is tailored to suit the needs of the Auckland region.
- A statutory provision for a governance agreement between the two levels of the Auckland Council.
- A revision of the "oath of office" for Councillors and board members to state members' commitment to work in the interests of the whole region while advancing and protecting the interests of the local area.
- An internal capacity in the Auckland Council to bring mediation and resolution to conflicts
- Dual representation on boards and the Auckland Council or its committees.

² There are many ways to think about "communities of interest." The term could suggest, for example:

- A sense of belonging to an area or locality or part of Auckland that can be readily identified
- An area that is of an appropriate scale and that has the ability to meet with reasonable economy, the community's requirements for comprehensive physical and human services
- An electoral scale that brings the ability of the elected board to represent the interests and reconcile the conflicts of all its members.

8. NEXT STEPS/ ISSUES FOR FURTHER CONSIDERATION

This report raises a number of complex questions that officers recommend be the subject of further examination.

In terms of local decision-making, there is an issue around making sure that local (and discretionary) decisions have no wider regional impact and that they meet regional standards. This assumes there are tight disciplines and clear parameters built into regional frameworks to minimise the risk of ad-hoc local decisions compromising regional outcomes.

Related to this are questions of how regional thresholds should be defined (e.g. whether there should be financial limits to ensure that any enhancements to service levels can be sustained on an ongoing basis, or whether local boards' discretion should be limited to choosing from a "menu" of options in deciding enhancements to local assets or services). In each case, there are considerations around what the appropriate balance is between achieving uniformity on the one hand (or what the uniform baseline is) and room to allow diversity and local identity on the other.

Further work will need to be undertaken to identify the common principles around what is a local or discretionary local decision that can be enshrined in legislation. A principles based approach would be preferable to a prescriptive function-by-function approach to defining what is a local decision for statutory purposes.

Further analysis is required in the area of funding, including how baseline service levels and discretionary funding will be set. Issues to consider include whether local boards should be able to re-prioritise projects across-the-board within a discretionary budget, or if there would be 'pockets' of activity within which they can prioritise. Issues around funding and targeted rates, and appropriate mechanisms for managing local boards' funding accountabilities also need to be worked through.

If local boards are to have greater authority and decision-making power than currently under the community board structure, then careful consideration needs to be given to the appropriate statutory provisions underpinning their powers and function. It may be desirable, as a next step, to consider the type of legislation that would provide certainty around the role of local boards.

If community action plans are seen as an appropriate mechanism to link the local board decisions into the LTCCP process, then the LTCCP statutory provisions would need to be amended to reflect the status and processes required for community action plans.

A further issue relating to the legislative provisions for local boards concerns the timing of when local boards come into being, i.e. on the same date as the Auckland Council, or later, and what the timing implications are around ensuring their delegations are in place.

9.0 CONCLUDING COMMENTS

Based on the work to date, it is possible to draw some broad conclusions:

- In order for the second tier of governance to work, local boards need to have a credible role. Their powers, roles and functions need to be wider than those of current community boards, and they need to have the appropriate support mechanisms (e.g. statutory and operational support) to enable them to carry out their duties.
- The functional analysis has highlighted that what is appropriate to be decided at a local versus regional level is a complex matter that defies generalisation across local government functions. As a general principle, local boards should have a decision-making role except where there are overriding reasons that it should sit with the Auckland Council. To discern what local decision-making is in each specific case will require working through things function-by-function.
- There are complex questions around funding. Baseline service provision needs to ensure some consistency of standards across the region over time and needs to address equity issues. Issues around funding, including the parameters within which local boards should operate, require further examination. An appropriate system of managing local board funding and accountability will also need to be decided.
- The community action plan idea provides a potential vehicle for local boards to carry out their governance role and to negotiate funding for their local areas as part of the Auckland Council's long-term planning activities. The community action plan needs to be viewed as an integral part of the overall LTCCP development process.
- The following general conclusions can be made about the legislative provisions needed to support the powers and function of local boards:
 - If local boards are to have a meaningful part to play in the new governance structure, as signalled by the Government, they will need to be more effective and have wider powers and functions than current community boards. This needs to be reflected in the legislation.
 - Given the significance of the community action plan as the vehicle that underpins local boards' governance responsibilities, it is appropriate that the role of local boards in respect of community action plans be given statutory recognition. Furthermore, the LTCCP provisions of the LGA 2002 should be amended to reinforce the important linkages between community action plans and the Council's long-term planning.

Appendix 1

Resource consent matters

The question of whether local board members may participate in resource consent hearings is tied up with a broader question around the appropriateness of using independent versus elected commissioners.

The Auckland Council will be able to delegate its hearing and decision making function to commissioners. Commissioners could be elected members of either the Auckland Council or local boards, or independent commissioners.

There are advantages and disadvantages of using either elected commissioners or independent commissioners. Both approaches are provided for under the Resource Management Act, and proposed changes to the Act are unlikely to alter that situation.

The Auckland Council will determine the approach it wishes to adopt for hearing notified resource consent applications. Essentially, this is a policy decision.

There may be merit in selecting independent or elected commissioners based on the circumstances of the particular hearing. As such, hearing panels could be comprised of independent commissioners, elected commissioners, or a mixture of both.

One or more elected commissioners may be appropriate on a hearings panel where some local knowledge would be of value in the decision making process. It would be expected that elected commissioners would generally be drawn from local boards in such circumstances.

With any approach, it would be important to ensure that a transparent and objective process is used for the identification and appointment of commissioners. A number of current consent authorities use appointment panels comprising elected members and senior managers to select commissioners for upcoming hearings. It may be appropriate for the appointment panel to include a local board member where hearings are to be convened for applications within a particular local board area.

The hearing process would also need to take account of the requirement for unitary authorities to clearly separate their dual decision making roles.

Appendix 2

The area office model as an example of a service delivery model for the Auckland Council

Introduction

There are many ways to design the organisation to deliver local services. We have considered three models that would enable the Auckland Council to deliver local services at a local level:

1. Area offices with a customer service centre attached, focused on operational aspects of local service delivery. This model would include some analytical and policy functions/resource primarily to support local politicians in developing the CAP and reporting to the Auckland Council. They would also provide a strong connection with corporate office and regional policy direction.
2. As per the components of Option 1 above and including some locally-relevant policy functions (e.g. area planners, Mainstreet managers could be housed within each area office).
3. Functional offices across the region, with a customer service centre attached (e.g. an office that houses all of the council's parks staff, or all of the council's planning staff).

Option 1 runs the risk of losing linkages between regional strategy, policy and delivery. However, well-thought out reporting lines to the Auckland Council and the development of the community action plan should help mitigate this risk. Under this model, there could be several offices spread across the region, providing access for residents and businesses (e.g. offices located in the north, south, east, west, rural, central). Each area office could house and support several local boards.

Option 2 would enable planning staff, for example, to benefit from local knowledge and interact more closely with communities. A potential issue with this model is that area offices could develop into quite influential entities and depending on the level of responsibility devolved to area managers, corporate office directives and policy decisions could be sidelined in the interests of local communities concerns. A result could be the appearance of council moving in many different directions, unable to present 'one face/voice' to the customer.

Option 3 may provide more optimal and flexible use of current council property. On the other hand, it could contribute to functional 'silos' across the council.

Area office model

Area offices would house Auckland Council officers covering

(1) Functions to support local boards in their decision making and representation role

- Democracy services - to support politicians and manage local board administrative requirements
- Policy analysts - to provide research and analytical services to local boards, and support for reporting to and negotiating with the corporate office and councillors. They would also have a key role in

writing the CAP, maintaining the link between regional strategy and policy, and local service delivery.

- Community services - advisers working in the local area to assist in community development likely to be under the oversight of local boards (e.g. parks, recreation centres, youth advisers).

(2) Functions that make sense to deliver at the local level

- Local service delivery – council staff required to deliver services at the local level where it is not cost efficient to house them centrally (e.g. building inspectors, noise control officers, roading engineers, events co-ordinators).
- Customer services – frontline customer-facing staff (e.g. property information, local facilities hireage, building and resource consents).

Under the area office model, typical corporate functions would be centralised and located in the corporate office e.g. finance, human resources, communications. It is envisaged that some corporate function resource would need to be based within area offices to provide the required local advice and support, for example:

- Communications – to support local board politicians, and to assist with development of the community action plan
- Human resources – to provide day-to-day support for managers and employees, and to provide recruitment services
- Business performance – to provide budget support and advice to area office management.

A key competency of the area office staff would be the ability to network and tap into appropriate resource at the corporate office as required, and to influence regional policy development based on their local experience.

The table below provides some examples of how resources may be located between corporate and area offices:

Services	Auckland Council – Corporate Office	Area Office
Customer Services	Call centre, web site, face to face service facility.	Face to face service facility, covering consents, fines, licenses, facilities access, advice on council services, request for wider council services.
Democracy services	Administrative support for councillors Meeting agendas, minutes etc and liaison with democracy staff at area offices.	Administrative support for 5-6 local boards. Meeting agendas, minutes etc and liaison with democracy staff at Auckland Council.
Policy/Strategy	Auckland Council policy and strategy teams to develop region-wide policies and strategies, write council reports, monitor and oversee implementation.	Policy/strategy staff to develop CAP, to write local board reports and report to Auckland Council committees; and to act as key liaison point between area council and Auckland Council.
Community development	Develop region-wide policies and priorities. Liaise with local area office staff to identify and incorporate any issues of regional concern.	Community development staff to lead and implement local programmes, and to engage and form networks with and within the local community. Team focus on specific local initiatives.
Planning	Develop region-wide policy, spatial plan and regulatory framework. Oversee regulatory requirements and commercial consents.	Administer local residential building and resource consents, within city-wide framework. Provide base for building inspectors, monitoring and public health services at the local level.