

Submission on the *Local Government (Auckland Law Reform) Bill*
To the Auckland Governance Legislation Committee

Name: **SavePapakura.com**

Representatives of the SavePapakura.com group would like the opportunity to appear before the Select Committee.

SavePapakura.com was formed by concerned members of the local Papakura community following a public meeting held in Papakura during May 2009 at which over 1000 people attended. SavePapakura.com with support from the Papakura District Council has held a number of public meetings since May to keep people informed about the proposed changes to Auckland Governance and to ascertain the communities views on the various legislative changes proposed. All these meetings have been well attended by the local community and SavePapakura.com has also maintained an active website to further inform and support the community through this period. The group supported the public to put submissions into the 2nd Bill and the recent LGC report on the proposed boundaries for the wards and boards. We are now representing the views the community expressed at the recent public meeting we held in regard to this Bill and other communications we had received from members of the Papakura community.

SavePapakura.com oppose this Bill

From all the meetings and discussions that we have had with the community there is still one clear message that is expressed by the Papakura community – they are angry and concerned that the Government did not consult on the original Local Government (Tamaki Makaurau Reorganisation) Act 2009 and allow people the opportunity to indicate their opposition to the ‘supercity’. There is a strong sense that the local governance changes are being imposed on the people of Papakura and a sense of loss at losing their own District Council.

SavePapakura.com has continued to make submissions to all the legislation processes that have occurred as a result of this local government reorganization in an attempt to achieve the best outcomes out of a bad situation for Papakura. However there is a real sense that the government is not really listening to the communities’ concerns and instead is blindly pushing ahead with its own agenda.

In this submission we will be referencing to the relevant clause, but have found some difficulties with this due to the number of parts and clauses contained within this Bill, so we will also make reference to the relevant page in the draft Bill. We note the following:

General Policy Statement

This is subjective and does not clearly state the outcome that the government is trying to achieve. Mention is made of the Royal Commission, however no mention is made that the government ignored the finding of the Royal Commission and instead with indecent haste adopted its own quite different proposal with no consultation with the people of Auckland.

Part 1 Explanatory note (pg 4) 2nd to last paragraph

Indicates that the local authority dissolution occurs on '1 Nov 2012' whilst we believe this is a typo and was expected to be '1 Nov 2010', 2012 is probably a more appropriate date allowing greater time for the government to reconsider the merits of the original bill, withdraw it and redraft an alternative in consultation with the people of Auckland that better reflects their views.

Pg 16 18A (1)(c) The district valuation roll uses a common valuation system for setting general rates, being the capital value of land

SavePapakura.com is concerned that in this single clause the rating policy of 'capital value' has been determined for the Auckland Region. Currently most of the Councils in the Auckland region use a different rating methodology, each with its own merits. Papakura residents are currently rated on the local council rates using land value, whilst the ARC uses capital value for its rates. These two different methods do give a difference in the rates payable. It would seem more appropriate for the Auckland Council in consultation with the people of Auckland to determine the best methodology for rating, rather than the way it has been slipped quietly into this Bill. This is a matter of vital importance to everyone, ratepayer or tenant.

Recommendation: The rating system should not be specified in this Bill. An information sheet describing the various existing rating options, and pros and cons of those options, could and should be mailed out to all householders, giving them an opportunity to comment. This would ensure that the people of Auckland understand the dilemmas facing the new Council, would give the Council valuable feedback to assist its decision-making, and would provide a greater sense of empowerment and acceptance of the change in rating system from those affected by this decision.

A major concern of the people of Papakura is that their rates (currently amongst the lowest in the Auckland Region) will rise significantly with the establishment of the super city, and receive less. There is real concern that some householders will be forced out of their homes because of steep increases in rates – some of which will be brought about by the change in the rating system.

There is also concern that a disproportionate amount of those rates will be spent on facilities and services in central Auckland, to the detriment of facilities and services which Papakura people use – those in their local area. Papakura businesses have not benefited in the past from major events in central Auckland, and we are not convinced that the money spent from Papakura rates in central Auckland will lead to benefits for people in Papakura.

Recommendations: That this (or another) section of the Act should make it clear that:

- All budgets for Local Boards should be honoured before budgeting for waterfront/central Auckland development from ratepayers' funds.
- Any rate increases or constraints (ie above or below CPI) need to be clearly identified in annual plan consultation processes and have a clear mandate of support from the communities affected (whether this be one local board via a targeted rate or the entire region).

Pg 17 Cl 19B Establishment of Auckland Waterfront Development Agency

SavePapakura.com opposes the Auckland Transition Agency establishing this CCO. We believe there is no urgency for this CCO to be established prior to the election of the new Auckland Council and it is best left to the democratically elected representatives to determine the best framework for developing the waterfront area. This is unnecessary interference by central government into the local government affairs of Auckland. If the government is keen to establish local democracy with this and the previous Bills, it should allow this decision to be made in a democratic way by the Auckland Council in consultation with its people.

Recommendation: The establishment of this CCO should be the responsibility of the new Auckland Council.

Pg 22 Cl 35B Dissolution of certain Council-Controlled Organizations

This clause does not specify which CCO's are being dissolved. We believe to ensure continuity of service it would be preferable for these CCO's to remain in existence until such time as the Auckland Council has the opportunity to review the services they provide and to determine how those services should be provided into the future. Papakura has a CCO that provides graffiti removal and town centre ambassador services. We would be concerned if the transitional governance arrangements of Auckland resulted in this service ceasing or being disrupted. Decisions about existing CCOs should be made in consultation with local communities.

Recommendation: That the dissolution of existing CCOs be decided by the new Auckland Council in consultation with Local Boards.

pg 26 Cl 35G Order in Council authorizing Auckland Transition Agency to constitute Council-Controlled Organizations

We are concerned that the Minister will be authorizing the Transition Agency to establish CCOs for the Auckland council. As above, we believe that the decision around the service delivery of key functions of the Auckland Council is best determined by the democratically elected Auckland Council and that this is unnecessary interference from central government into the affairs of Auckland.

The extent of proposed CCOs risks undermining the ability of democratically elected representatives to shape the way many key services are provided in the Auckland Region. It appears that these CCOs will function at arms length from the Auckland Council. We believe there is no urgency for these CCOs to be established and it is best left for the new Auckland Council to determine the most appropriate structure to deliver key services to the people of the Auckland Region. It is concerning that so much power of essential services, and money of ratepayers, is being placed in the hands of organisations which have not been democratically elected. Furthermore, we believe the extensive use of CCOs proposed will create 'silos' and inhibit a holistic approach to addressing the strategic issues of the Region.

Recommendations:

- That the Auckland Council (not the Transition Agency) assumes the responsibility of determining the need for and authorizing the establishment of new CCOs.
- That the Auckland Council has the opportunity to appoint councillors to every CCO so that they have a number of Council members on its Board
- That CCOs have greater accountability to the Council to ensure their actions are consistent with the Council's short and long term objectives and plans.

Pg 27 Cl 35H Minister may appoint initial directors of certain CCO's

This clause can be deleted if the need for CCO's is allowed to be made once the Auckland Council is established. This would then allow the Auckland Council to appoint the directors to any CCO's they determine are necessary as opposed to the Minister.

Recommendation: That the Auckland Council becomes responsible for appointing the directors of any new CCOs.

Pg 28 Cl 35I Minister of Transport and Minister may appoint initial Directors of Auckland Transport

Again this is unnecessary interference from the Minister into the affairs of Auckland. It would seem more sensible to allow ARTA and its board to continue managing Auckland transport until such time as the new Auckland Council establishes the new Auckland Transport Agency and its board.

Recommendation: That ARTA continue its responsibility for Auckland's transport until the Auckland Council establishes the new Auckland Transport Agency.

Pg 32 Local Boards

The SavePapakura.com group believes that the Local Boards should be renamed 'Community Councils' given the responsibilities they have. These local boards will be larger in population than many District Councils around the country and we do not believe 'Local Board' is a term that sufficiently reflects their anticipated role. It has been noted that the media and even this bill will at times inadvertently refer to these boards as 'Community Boards' (pg 94 cl 101 (4)(b)). The word 'board' also sounds very similar to ward when talking so again can cause confusion for the average person. The term 'Community Council' would overcome this being quite different to the term 'ward'. We believe page 32 would be the appropriate place to add that amendment.

Recommendation: That Local Boards be renamed Community Councils.

Pg 33 Part 2 Cl 35 (2) Ratepayer electors not residing in Local Board area

This clause makes provision for a person living outside of a local board area to be an elector if they have a rating unit within the local board area or is nominated to be enrolled as the ratepayer elector within a local board area.

The provisions within this clause have raised concerns and questions for SavePapakura.com and challenge the concepts of ‘one man one vote’ and ‘no taxation without representation’. At the public meeting many people felt this was a backward step for democracy and felt it was quite ‘feudal’ in its concept of more votes based on property ownership. Whilst SavePapakura.com understands these provisions currently exist for local council elections we also understand there is very little usage made of these clauses.

The more this clause is considered the more complex the issue becomes:

‘One man one vote’

The Auckland Council has been imposed on the people of the Auckland region and it would seem reasonable for each person within the boundaries of this council to have one vote for the Council and one for their local board. This clause makes provision for some people to have up to 19 votes for local boards if they happen to have a rating unit in each of the proposed board areas. So is this fair and equitable? If for example someone has one rateable unit in each of the proposed local boards they will have 19 votes for local board representatives, compared to someone who may have invested millions into the local board area in which they live (they may own a considerable number of rental or commercial properties) and still only have one local board vote.

‘No taxation without representation’

The Auckland Council has been established as one council and it is this entity that will determine the rating policy and collect the rates for the region. Therefore everyone in the region will be paying rates either on the property they own or as a component of their rent. If someone has a rateable unit in more than one local board should they have a vote in each local board area to enable representation? The contribution to local decision-making comes in more forms than just a vote. Under the existing Council structures ratepayers are regularly notified of consultation processes or may be consulted as a ‘key stakeholder’.

If someone owns several rental properties in a number of different local boards is there any reason why they should have a vote in each of these local boards when someone might own the same number of rental properties or several businesses in a single local board and only have one vote?

What is unclear from this legislation is how much use is anticipated to be made by local boards of targeted rates or ‘local revenue sources’. If this is used extensively then one could argue there may be a justification for a ratepayer to have a vote in each local board where they have a rateable unit. However there are more ways than just a vote at election time to influence the policy decisions of a council or local board. And owning property is not the only contribution

people make to their community. Should a person have more votes because they own property in a number of areas of Auckland, than a person who is based in one area but provides goods and services (including not for profit community, cultural, environmental or spiritual services) across a number of areas?

This clause could also have a significant impact on the voting outcome of local board elections in areas where there are high levels of non-HNZ rental properties.

On balance it would appear that given the number of inequities that are apparent if this clause were to be supported it would be more equitable if the principle of ‘one man one vote’ was applied for the boundaries of the Auckland Council and local board, with people nominating their ‘home base’ in regard to their local board vote.

Recommendation: That every eligible voter should have only one vote for the Auckland Council and one for the local board area in which they reside.

Pg 34 Cl 39 Decision making responsibilities of Local Boards

This legislation is silent of the proposed functions of local boards and it had previously been indicated that this would be included in this Bill. Unless the functions of the local boards are included in this Bill they are not protected by legislation and risk being amended or withdrawn at the whim of the Auckland Council. It is understood that proscribing every activity of a local board would create undesirable inflexibility, but it is vital that there be a core set of responsibilities across all 4 “well-beings” established for local boards, to give them and their communities some certainty about continuity of key services and facilities. Otherwise it is possible that all local services could be reconfigured every time a local body election takes place. This would not only cause disaffection in each community, but also cause unnecessary expense as services are disestablished and re-established.

Recommendation: That this Bill be amended to include the core responsibilities for local boards across all 4 “well-beings”.

Pg 34 Cl 40 (6) Local revenue source

There is a concern that local boards may be required by the Auckland Council to make extensive use of targeted rates to fund local services. SavePapakura.com believes some controls should be placed on the extent to which these can be used in the same way that the use of uniform annual charges are currently limited to a maximum of 30% of rates. The extensive use of targeted rates could have an adverse impact on some communities within the Auckland Region and burden people with huge rate bills or increases.

Recommendation: That this Bill includes controls on the use and necessity of targeted rates, fees and charges.

Pg 36 Cl 37 Transport management

SavePapakura.com understands that currently the provisions of park and ride facilities at rail and bus terminals are funded by local councils. We believe that it would be more appropriate for these to be provided by the Auckland Transport Agency so that a better cost benefit analysis may be undertaken between the relative merits of providing a park and ride car park versus providing a comprehensive local feeder bus service. At present given that two different agencies are responsible for the provision of these services it is difficult for an overall assessment to be made of the level of need for both these services within any given community and as a result local bus services are under-provided in many areas of Auckland.

Recommendation: That park and ride facilities be transferred to the responsibility of Auckland Transport rather than individual local boards.

Pg 49 Part 6 Cl 66 Spatial planning for Auckland

In all the bullet points within this section there is no mention of the principle of ‘shared decision-making’ with local boards. The spatial plan will have an impact on local boards so it would seem appropriate under (4) to not only “*involve community and private sector participation*” but to also include consultation with Local Boards.

There is also no mention in (3f) of the need to recognize the work that has already been consulted on and adopted by the Auckland region such as the regional land transport strategy, the regional growth strategy the ‘one plan’ and other strategic documents. These have been developed at considerable cost to the ratepayers of the Auckland Region, they have been consulted on, and provide a vision for the region. It would seem unnecessary to repeat this work again just because there is a new governance model.

Recommendations:

- That the spatial plan should include consultation with the Local Boards and communities.
- That the spatial plan should identify and incorporate existing documents on the relevant issues, including, but not limited to, the documents stated above.

Pg 55 Part 8 Cl 76 Councillors prohibited from appointment as directors of substantive Council-Controlled Organizations

SavePapakura.com believes councillors should not be prohibited from being appointed to CCO’s. We believe this is best determined on a case by case basis by the Auckland Council. Traditionally councils have often appointed one or two councillors to the board of a CCO to provide a link between the council and the CCO.

Recommendation: That this clause be deleted, or amended to allow a number of Councillors on a CCO.

Pg 79 Part 3 Cl 73(2) Auckland council determining future of water and wastewater services

SavePapakura.com believes that any decision over the future provision of water and wastewater services in the Auckland region must be made in consultation with the people of Auckland. There should be a clause added in this Bill to prevent water and wastewater services from being privatized or drawn into an agreement such as the 'franchise agreement' that Papakura has with United Water. Water is too valuable a resource to be controlled by a multinational corporate.

Recommendation: That this clause includes a provision that: no privatization or franchise agreement be permitted for water and wastewater services in Auckland except after full consultation with, and a clear mandate from, the people of Auckland.

Pg 107 Schedule 1 Cl 2(2) Budgets for Local Board areas

Given that it will currently be difficult to assess the budget needs of many of the proposed local boards since they don't currently exist, and their boundaries are new, SavePapakura.com believes there needs to be some mechanism to ensure that if the estimates are wrong that this will not adversely affect the ability of the Local Board to provide local services or meet the needs of their local communities. This clause is linked to the need for establishing the core responsibilities for local boards, and concerns about changes in the rating system, mentioned previously in this submission.

Recommendation: That provision be made to allow for adjustments to budgets/allocation of resources to local boards in the first planning period.

Schedule 3 Election signs

SavePapakura.com supports the provisions contained within these clauses as it equitable for all candidates. We do feel however that some of the clauses contained within clause 6 are too prescriptive and this would apply in particular to 6 (1) (b), (d) and (g).

Independent oversight

SavePapakura.com believes the provisions for independent oversight need strengthening. Auckland Council and CCO's such as WaterCare and Auckland Transport are significant sized monopolies. We suggest benchmarking as well as approachable, independent auditors or ombudsman.

Part 3 Cl 59 Reorganisation proposals

SavePapakura.com believes Reorganisation proposals should not be restricted, which reduces flexibility and democratic rights. The supercity transition has been hastily established with little meaningful consultation. To improve governance, there must be the flexibility to fix problems caused by the transition, not entrench these problems.

Part 3 Cl 71 How WaterCare Services Limited sets prices

SavePapakura.com opposes this clause that limits WaterCare's alignment to Auckland Council. We believe that WaterCare needs to be subject to Auckland's governance on an ongoing basis.

END