

## **Plan B**

### **An alternative local government model: transfer of functions**

This model delivers the strengthened regional arrangements that the LGC identified as being the main issue for local government in the Wellington region, while retaining the current local councils and their leadership. Under the model functions would be transferred between the regional council and territorial authorities (TAs). There is also scope for changing the representation arrangements for the regional council to involve the TAs.

#### **Functions transferred to the regional council**

The functions and activities (including asset ownership and funding responsibility) currently delivered by TAs that would be transferred to the regional council would be:

1. **Transport/roading.** This would give the regional council the following transport functions:
  - Preparing the Wellington Regional Land Transport Plan
  - Planning and delivery of all of transport services (excluding state highways) in the Wellington region, in accordance with the strategic direction set by the Regional Transport Committee
  - Acting as an Approved Organisation in respect of transport activities for which funding has been approved by the New Zealand Transport Agency
  - Being the Road Controlling Authority for Wellington region's local roads
  - Undertaking public transport planning, regulation and contracting under the Land Transport Management Act
  - Being a requiring authority under the Resource Management Act.

The Regional Transport Committee, a statutory committee, would be retained in its current form – i.e. GW, all the TAs in the region and NZTA. Its terms of reference would be expanded to include oversight of local transport infrastructure decisions – including local roads and major cycleways for example. It is anticipated the current collaborative approach to advising the committee would continue, with regional council officers working with planning officers and other appropriate staff from each of the councils through Technical Advisory Groups (TAGs) to develop advice and reports.

2. **Three waters.** The regional council would own the infrastructure and deliver all the water services. Service delivery could be either through the existing Wellington Water CCO model, or through an arms-length business unit of the regional council, similar to the Bulk Water Division of GW prior to the advent of Wellington Water. The regional council would rate the community directly for delivering water services. Water meters are currently used in some parts of the region and not others so consideration would need to be given to how different charging mechanisms would be factored into the funding.

3. **Spatial planning and resource management planning.** The regional council would be responsible for preparing a regional spatial plan but would need to do so as a collaborative process – similar to the council’s Whaitua Committee model.

All RMA planning functions would be the responsibility of the regional council. Again in collaboration with TAs (and possibly also involving local communities through a Whaitua Committee approach) it would prepare a single resource management plan (combining regional and district plans) for the region. With a Combined Plan in place it would be appropriate to transfer or delegate resource consenting and compliance monitoring to territorial authorities.

4. **Economic development.** Regional economic development functions would be transferred to the regional council, while the TAs would retain truly local economic development activities. Some key economic assets might also be transferred to the regional council. The regional council would rate for the delivery of its functions, building on its current regional rate that funds the Wellington Regional Strategy (and part of WREDA).

The oversight of this combined regional economic delivery could remain with the Wellington Regional Strategy Committee, with representatives of all the region’s councils. Current weighting of representation would need to be examined.

### **Functions transferred to TAs**

The functions and activities currently undertaken at a regional level that would be transferred to the TAs would be:

1. **Environmental care groups and other related activities.** GWRC funds and works with a number of environmental restoration groups to work on environmental projects that contribute to the health and restoration of the region’s ecosystems. These include groups that focus on stream care, estuary care, planting, pest control and reintroduction of native birds such as kiwi and robin. The funding and coordination of these groups could be transferred to TAs, some of which also fund similar groups. This would enable local initiatives to be firmly placed within the framework of local environmental needs.
2. **Land management activities – soil conservation and farm environmental plans.** Currently GWRC funds and delivers this work which has been significant across the region but particularly in the eastern hill country, building on historic work of the previous catchment board. These activities are critical for both the economy and the environment. They also impact on water quality. While some issues will need to be worked through relating to the need to integrate water quality management decisions and land management/soil conservation practices, these activities could be transferred to TAs. This would enable the TAs to integrate this work with the other local amenity and conservation works they currently support.

### **Wairarapa Councils**

Under this model the three Wairarapa TAs could be amalgamated into one Wairarapa District Council. This would achieve some efficiency for local government delivery in Wairarapa.

Alternatively, this model could accommodate a separate unitary authority in Wairarapa, although the retention of the regional council would assist in addressing the challenges of provision with a small population.

### **Regional council governance arrangements**

Currently regional councillors are elected from six constituencies. The number of regional council seats and their allocation across constituencies is determined according to the requirements of the Local Electoral Act. The chair is elected by the Councillors, unlike Mayors who are elected at large.

While not currently provided for by the Local Government Act, there is an option to change the governance of the regional council to include a mix of appointed and elected representatives. This is the model proposed for Environment Canterbury to replace the Commissioners in 2016. In the Wellington region, if the above functions were transferred to the regional council, it would be appropriate to consider appointments from the TAs (rather than Government appointees as in Canterbury).

Under the mixed member model the arrangements for the current 13 members elected to the regional council could stay in place. In addition to these members the six mayors (assuming one TA in Wairarapa) would also be directly appointed.

The regional council chair position becomes more significant under these arrangements. The mandate of the chair would need to be addressed by having that position elected at large.

In summary the regional council would have the following governance arrangements:

Position	How elected	Number
Chair	At large	1
Regional councillor	Constituencies	13
Mayor appointees	At large in own TA area	6*
TOTAL		20

\*Assumes Wairarapa TAs amalgamate

These arrangements would see the same numbers of elected local government representatives as there are currently in the region, with the exception of Wairarapa which would presumably have a decrease in the number of councillors and mayors as a result of amalgamating the three district councils.

With the Mayors as members of the regional council, information sharing and collaboration would be enhanced.

### **CCOs**

Under this model regional CCOs could exist where there was a good commercial or other reason for them. WREDA could continue as its Board brings expertise and knowledge required in economic development and tourism promotion. Wellington Water may continue, or its services could be delivered by an arms-length business unit within the regional council. If the Regional Transport Committee's terms of reference were extended there would not be a strong case for a transport

CCO. Other CCOs such as land-holding companies or the Port would remain according to their mandates.

### **Legislative change**

Legislative change is not necessary for the transfer of statutory functions between councils. However, changing the membership of the regional council and the election of the chair would require a change to the Local Electoral Act.

### **Poll provisions**

The poll provisions of Subpart 2 of Schedule 3 of the Local Government Act would not be triggered by a transfer of functions. However, there is a strong political commitment to a poll from all councils in the region. The Commission could, therefore, either test the appetite of communities for the model through a comprehensive survey of the region - or encourage a poll. A comprehensive survey would have the benefit of saving ratepayer money (a poll is estimated to cost approximately \$500,000) and it would also reach people who might otherwise not vote in a formal poll. However, a poll would be seen as giving expression to the will of the wider electorate.

### **Transition**

As anticipated by the LGC draft proposal, there would be a Transition Group set up by the Commission and including the mayors of all the TAs and the GW Chair. Because there would be no change in the legal structure of the existing councils, the transition could be implemented faster and in a smoother way than an amalgamation. Existing staff delivering any functions that would be transferred would follow that function into either the regional council or the appropriate TA.