

Joint Governance Working Party update and recommendations for a local board reorganisation and Auckland Council representation arrangements for the 2025 elections

File No.: CP2023/18353

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Te take mō te pūrongo Purpose of the report

1. To consider whether to proceed to the next stage of the development of a reorganisation plan for the number of local boards and also to consider whether to retain 20 ward councillors through the representation review process.

Whakarāpopototanga matua Executive summary

2. The council is required to conduct a review of representation arrangements for the 2025 elections. The council may also adopt a reorganisation plan in relation to local boards which it submits to the Local Government Commission for approval. On the Mayor's initiative the opportunity to adopt a reorganisation plan was reported to the Governing Body. The Governing body referred both matters to the Joint Governance Working Party (JGWP) for further development.
3. This report updates the Governing Body on considerations by the JGWP and seeks confirmation of next steps.
4. Before the JGWP considers wards and their boundaries it would be helpful to have confirmation on the total number of councillors to be included in council's proposal for public notification. There is a legal requirement that wards provide effective representation of communities of interest. A key issue is whether rural communities should have distinct representation. The JGWP supports the representation of rural communities. If the current rural communities of Franklin and Rodney are represented then the population per councillor is around 85,000, resulting in a total of 20 councillors (the current case).
5. Regarding local board reorganisation, the JGWP has considered a number of options for comparison with the status quo, with details set out in the report. Further investigation is required to robustly determine the merits of making a change from the status quo. The JGWP recommends further investigation into options based on between 13 and 15 local boards. This work will be reported back to the Governing Body to determine whether to proceed with a change from the status quo.

Ngā tūtohunga Recommendation/s

That the Governing Body:

- a) whakaae / agree that the Joint Governance Working Party continue to develop an initial proposal for the Auckland Council review of representation arrangements, based on retaining rural Governing Body wards and noting that this results in 20 ward councillors
- b) tuhi ā-taipitopito / note that the Joint Governance Working Party intends to report an initial proposal for representation arrangements for the Governing Body and for all current local boards, to the May 2024 meeting of the Governing Body, for public notification for submissions

- c) whakaae / agree that the Joint Governance Working Party continue to develop a draft reorganisation plan for local boards based on option one (15 local boards) vs the status quo as per resolution number JGWPC/2023/28 and report back its findings at the same time as it reports its recommendations for the review of representation arrangements
- d) tuhi ā-taipitopito / note that when the Joint Governance Working Party reports back its findings that the Governing Body will then decide whether to proceed further with formal public consultation on a reorganisation plan, based on the Working Party's investigation into costs and benefits, or to stay with the status quo in terms of number of local boards
- e) whakaae / agree that as part of developing a reorganisation plan for local boards the Joint Governance Working Party will seek initial local board, Māori and targeted community feedback on preferences either for the status quo or for one or more other options for the number of local boards, as identified by the Joint Governance Working Party and that this will also include early engagement on representation arrangements.

Horopaki Context

6. The council is required to undertake a review of representation arrangements for the 2025 elections. The Governing Body has referred the development of an initial proposal to the JGWP. The Governing Body resolved:

That the Governing Body:

...

- e) *whakaae / agree that the council's initial proposal for representation arrangements for the 2025 elections is developed by the Joint Governance Working Party as follows:*
 - i) *the Joint Governance Working Party will develop Auckland Council's initial review of representation arrangements after seeking feedback on issues and options from the Governing Body and local boards, then make recommendations to the Governing Body for the Governing Body to formally resolve its proposal for public notification for submissions.*
 - ii) *the Joint Governance Working Party will conduct the hearing of submissions and report its findings to local boards and the Governing Body before the Governing Body makes the final statutory resolution on any representation changes, which will then be publicly notified for objections and appeals.*

(Resolution: GB/2023/68, 27 April 2023)

7. On the initiative of the mayor, the Governing Body has also referred to the JGWP the development of a reorganisation plan relating to local boards. The Governing Body resolved:

That the Governing Body:

- a) *whakaae / agree that any reorganisation of local boards is considered under the provisions of the "unitary authority-led reorganisation application" of the proposed Schedule 3A to the Local Government Act 2002*
- b) *tuhi ā-taipitopito / note that these provisions include requirements for the council to consider the views and preferences of affected local boards and to demonstrate community support for a reorganisation plan*
- c) *tautohu / refer to the Joint Governance Working Party the development of a reorganisation plan, or options for reorganisation plans, for recommendation back to the Governing Body so that the Governing Body may then decide whether to proceed further, including whether to undertake public consultation.*

(Resolution: GB/2023/108, 22 June 2023)

8. The table below outlines the differences between a review of representation arrangements and a local board reorganisation plan.

	Representation review	Reorganisation application
Legislation	Local Electoral Act 2001	Local Government Act 2002
Scope	• Total number of councillors • Wards and boundaries • Number of members of local boards • Subdivisions and boundaries • Names of local boards	• Number of local boards • Local board boundaries • Representation arrangements for each local board
Frequency	At least once every six years	Ad hoc

9. The output of a **review of representation arrangements** is a council “proposal” for arrangements for the coming election. It is a review of the current arrangements including the current arrangements of local boards. Objections or appeals to the council’s final proposal are decided by the Local Government Commission. The council appears as a submitter in front of the Local Government Commission.
10. The output from the council under a **unitary authority-led reorganisation application** is a reorganisation plan, and accompanying documentation, that is submitted to the Local Government Commission for approval. If approved, the reorganisation plan is implemented through an Order in Council.

Tātaritanga me ngā tohutohu Analysis and advice

Review of representation arrangements

11. The review of representation arrangements includes a review for the governing body and for each local board (based on current local boards).
12. For the governing body:
- the number of councillors
 - whether councillors are elected at-large, by ward or by a combination
 - the ward names, boundaries and number of councillors in each.
13. For each local board:
- the number of members
 - whether members are elected at-large or by subdivision
 - the subdivision names, boundaries and number of members in each
 - the local board name.
14. There are two key matters that both the council and the Local Government Commission must take into account:
- the effective representation of communities of interest
 - fair representation (in a ward or subdivision the number of people represented by each member must not vary by more than 10 percent from the average across the whole of Auckland, for the governing body, or the whole local board area, for a local board).

Governing body issues

15. For the first time, the council can review the number of councillors. In previous terms of the council, the Governing Body supported Māori wards in principle but only if a councillor elected from a Māori ward would be an additional member. The council therefore submitted to Parliament in favour of being able to review the number of councillors as any other council is able to. Legislation has now been passed that enables this.
16. The Governing Body has not decided to have Māori representation for the 2025 elections and therefore that reason for increasing the number of councillors does not apply.
17. A starting point for deciding the number of councillors is to consider whether rural areas need their own representation. With the current arrangements both Rodney and Franklin are separately represented by one councillor each.
18. If the requirement for effective representation of communities of interest requires the northern and southern rural areas to be represented, then this sets the number of people per councillor at around 85,000 leading to a total of 20 councillors under the +/- 10 percent rule. Fewer than 20 councillors would result in more people per councillor and larger wards with the outcome that rural areas would lose their distinctive representation.
19. To enable an efficient approach to the development of options for wards, the Governing Body is asked to confirm support for basing this analysis on a total of 20 councillors.

Local board issues

20. The following table indicates known and emerging issues for the review of representation arrangements for current local boards.

Local board	Issue	Status
Devonport-Takapuna	Name change	Suggested by a local board member - not yet the formal position of the board.
Devonport-Takapuna	Saunders Reserve is split between Devonport-Takapuna and Upper Harbour LB, requiring two different reserve management plans	Investigated. Problem is due to a large meshblock. Solution is to split the meshblock and do minor boundary change to the local board area.
Franklin	Looking at a name change	Suggestion - not yet the formal position of the board.
Franklin	Subdivisions do not comply with 10 percent rule. Largest variance is Waiuku at -13.80 percent	
Hibiscus and Bays	Subdivisions do not comply with 10 percent rule. Variance is 10.67 percent.	
Howick	Subdivisions do not comply with 10 percent rule. Largest variance is Botany at 34.20 percent	Staff to attend workshop with Howick Local Board on Thursday 1 February 2024
Maungakiekie-Tāmaki	Maungakiekie subdivision does not comply with 10 percent rule being -10.94 percent	
Ōtara-Papatoetoe	Ōtara subdivision does not comply with 10 percent rule being -13.13 percent	

Local board	Issue	Status
Rodney	Rearrange subdivisions to provide better rural representation	Proposal of Rodney Northern Action Group which convened a workshop with local board members on 22 November 2023. Local board yet to adopt a position.
Rodney	Subdivisions do not comply with 10 percent rule. Largest variance is Wellsford at -22.63 percent	
Rodney	Subdivision arrangements	A local board member has submitted a suggestion
Upper-Harbour	Create subdivisions	Suggestion made during 2019 review. Not yet discussed with local board.

21. The JGWP will continue to investigate these, and any other issues that become known.

Reorganisation plan for local boards

Process and criteria

22. A reorganisation plan for local boards is adopted by the council under Schedule 3A of the Local Government Act 2002 using the provisions for a unitary authority-led reorganisation application.
23. This means that the council adopts a reorganisation plan for local boards and submit this plan to the Local Government Commission for approval. If the application meets all the specified requirements, then the Commission must approve it.
24. In summary form, the matters that the council must take into account include:
- the **scale** and **likelihood** of potential benefits:
 - enabling democratic decision making by, and on behalf of, communities
 - better enabling the purpose of local government
 - efficiencies and cost savings
 - boards have the necessary resources
 - effective responses to opportunities, needs, and circumstances of the area
 - alignment with communities of interest
 - enhanced effectiveness of decision making
 - enhanced ability of local government to meet the changing needs of communities for governance and services into the future
 - co-governance and co-management arrangements
 - implementation costs
 - consequences of not implementing
 - communities of interest

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- public support
 - views and preferences of affected local boards.
25. The documentation provided to the Local Government Commission must show that the council has considered all these matters.
26. The legislation directs the Commission to not approve the application in certain situations, including if the reorganisation plan does not have the support of affected communities. Community consultation and support is crucial.
27. It is intended that at the same meeting that the council resolves its initial proposal for representation arrangements for the 2025 elections, it will also resolve whether to seek public feedback on a proposed local board reorganisation. These decisions are currently timed for the May 2024 meeting of the Governing Body.
28. Representation arrangements for 2025 and, if supported by the Governing Body, a proposal for local board reorganisation, will be publicly notified simultaneously so that the public will have a holistic view of any proposed changes to Auckland's local governance. While it is reasonable to seek community feedback on an initial proposal for the representation review and on a proposal to reorganise local boards at the same time, there are issues around how these two processes are integrated. Staff are discussing possible options with Local Government Commission staff.

Options considered by the Joint Governance Working Party

29. The Royal Commission on Auckland Governance recommended to the Governor General that Auckland should have a unitary authority and six "local councils".
30. The government at the time decided the local tier should be closer to the community and that there should be between 20 to 30 local boards, the exact number being determined by the Local Government Commission as 21 local boards.
31. The JGWP has considered options in addition to the status quo, those being:
- Option 1: amalgamation of the two local boards in any ward which comprises two local boards. This provides 15 local boards.
 - Option 2: an option based on a model of 11 "local councils" considered by the Royal Commission but retaining separate local boards for the two islands, resulting in 13 local boards.
 - Option 3: options based on current practices for clustering operations and local board representation.
32. The JGWP has identified the options for 13 local boards and 15 local boards for further investigation. As further investigation progresses the configuration of local boards should be free to be changed to respond to issues raised by stakeholders. The options identified by the JGWP indicate there will not be fewer than 13 local boards nor more than 15 local boards in the options prepared for public consultation. All analysis and any public consultation will include the status quo as an option.

Tauākī whakaaweawe āhuarangi Climate impact statement

33. This report requests support for the JGWP to develop further work. Climate impacts will be considered when options analysis is completed and reported mid-year in 2024.

Ngā whakaaweawe me ngā tirohanga a te rōpū Kaunihera Council group impacts and views

34. This report requests support for the JGWP to develop further work. Consultation with the council group will be held early in 2024. Council-controlled organisations will have an interest in local board reorganisation as it may affect their planning and reporting.

Ngā whakaaweawe ā-rohe me ngā tirohanga a te poari ā-rohe Local impacts and local board views

35. Both the representation review and the local board reorganisation plan have significant impacts on local boards. Local boards have been kept informed through representatives on the JGWP, local board chair forums and local board member briefings. The agendas of meetings of the JGWP are available to all local board members through Nexus.
36. Early in 2024 there will be targeted engagement with local boards followed by formal feedback on the proposals recommended to the Governing Body meeting in May by the JGWP.

Tauākī whakaaweawe Māori Māori impact statement

37. The Governing Body has not decided to include Māori representation in its representation arrangements for 2025. It has resolved:

That the Governing Body:

- a) *whakaae / agree that further work is required to determine the appropriate arrangements for Māori representation on Auckland Council, including in discussion with Māori and the Auckland public, and request that this be considered by the Joint Governance Working Party and reported back to the Governing Body by 31 December 2024.*

(Resolution GB/2023/195, 26 October 2023)

38. For the local board reorganisation plan there is a requirement to consider the “effective provision for any co-governance and co-management arrangements that are established by legislation (including Treaty of Waitangi claim settlement legislation) and that are between local authorities and iwi or Māori organisations”.

Ngā ritenga ā-pūtea Financial implications

39. There will be internal resource requirements and costs associated with the programme stages and public consultation in both the current financial year and FY2024/2025. Costs through each stage of decision-making by the Governing Body, include:
- If Governing Body confirms support for the JGWP to further investigate the matters outlined in the recommendations, the early engagement costs are estimated at \$30-35k, in addition to some fixed term staff resource. The Governance and CCO Partnerships Directorate will look to absorb these costs within operational budgets.
 - If the reorganisation of local boards proceeds through to a final proposal to the Local Government Commission, the bulk of additional fixed term staff resources will be needed through to April 2025. This cost is estimated at \$210k. The Governance and CCO Partnerships Directorate will look to resource this through reprioritisation of resources and deferral of other work.

40. If Governing Body confirm support for regionwide public consultation on both a representation review proposal and a local board reorganisation plan at the May 2024 meeting, the costs associated with consultation are between \$165 - \$200k. A contribution from the Mayor's discretionary budget has been requested to support consultation costs, should this proceed. The above costs relate to undertaking further work on the analysis and policy elements to support Governing Body decisions for the representation project. Should a change to the status quo be supported by the Governing Body, the cost of change will be reported to the Governing Body as the analysis progresses.
41. Existing staff will undertake most of the analysis that is required for the local board reorganisation work. Staff do not anticipate a need to engage external resource in order to undertake the analysis.
42. The financial implication of a reorganisation decision, particularly a reduction to 13 or 15 local boards, is being evaluated and this information will be made available in due course.
43. A budget of \$66k associated with the mandatory review of representation arrangements is unavoidable and has been budgeted for.
44. There are implications of adopting a reorganisation plan at the same time as conducting a representation review. Staff have held discussions with the Local Government Commission staff about how the two projects interact. These discussions are continuing.

Ngā raru tūpono me ngā whakamaurutanga Risks and mitigations

45. Work on both the review of representation arrangements and local board reorganisation has commenced earlier than necessary in order that final decisions are not made too close to the 2025 elections. There is a risk that if there is slippage, final decisions might not be known until early April 2025, which is the local government election year.
46. There is a risk that, if the council proceeds with a local board reorganisation application, that the Local Government Commission will not approve it due to shortcomings in documentation or due to lack of community support. There is on-going contact between council staff and Local Government Commission staff to ensure the correct process is followed.

Ngā koringa ā-muri Next steps

47. The purpose of this report is to confirm with the Governing Body some key decisions in order to facilitate further progress by the JGWP.
48. If the Governing Body confirms that it supports a proposal for 20 councillors for the 2025 elections, then the next steps for the JGWP will be to look at whether changes are needed to wards.
49. If the Governing Body confirms its support for continuing to investigate options for a local board reorganisation, then the JGWP will consider all the matters that the council is required to consider, including the costs and benefits, engagement with local boards and the community and report back to the Governing Body in May 2024. If the Governing Body agree to proceed with a reorganisation proposal, then consultation with the public will occur in mid-2024.

Ngā tāpirihanga Attachments

There are no attachments for this report.

Ngā kaihaina Signatories

Author	Warwick McNaughton - Principal Advisor
Authorisers	Rose Leonard - Manager Governance Services Anna Bray - Acting Director - Governance and CCO Partnerships Phil Wilson - Chief Executive

Tira Hautū / Governing Body

OPEN MINUTES

Minutes of a meeting of the Governing Body held in the Reception Lounge, Auckland Town Hall, 301-305 Queen Street, Auckland on Thursday, 14 December 2023 at 10.06am.

TE HUNGA KUA TAE MAI | PRESENT

Mayor	Wayne Brown	
Deputy Mayor	Cr Desley Simpson, JP	
Councillors	Cr Andrew Baker	
	Cr Josephine Bartley	Via electronic link Until 3.43pm, Item 15
	Cr Angela Dalton	Until 3.30pm, Item 13
	Cr Chris Darby	Until 4.10pm, Item 20
	Cr Julie Fairey	
	Cr Alf Filipaina, MNZM	
	Cr Christine Fletcher, QSO	Via electronic link
	Cr Lotu Fuli	Via electronic link Until 1.00pm
	Cr Shane Henderson	
	Cr Richard Hills	
	Cr Mike Lee	
	Cr Kerrin Leoni	Via electronic link
	Cr Daniel Newman, JP	
	Cr Greg Sayers	Via electronic link Until 3.40pm, Item 15
	Cr Ken Turner	
	Cr Wayne Walker	
	Cr John Watson	
	Cr Maurice Williamson	

TE HUNGA KĀORE I TAE MAI | ABSENT

Cr Sharon Stewart

Attachments

- A 14 December 2023, Governing Body: Item 11 - Tāmaki Makaurau Recovery Plan, Presentation
- B 14 December 2023, Governing Body: Item 11 - Tāmaki Makaurau Recovery Plan, Draft Recovery Plan
- C 14 December 2023, Governing Body: Item 11 - Tāmaki Makaurau Recovery Plan, Recovery Plan Weave

Cr L Fuli retired from the meeting at 1.00pm.

The meeting has adjourned at 1.00pm and reconvened at 1.36pm.

Cr C Darby, Cr J Fairey and Cr R Hills were not present.

12 Joint Governance Working Party update and recommendations for a local board reorganisation and Auckland Council representation arrangements for the 2025 elections

A PowerPoint presentation was given in support of the item. A copy has been placed on the official minutes and is available on the Auckland Council website as a minutes attachment.

Cr R Hills returned to the meeting at 1.38pm.

Cr C Darby returned to the meeting at 1.38pm.

Cr J Fairey returned to the meeting at 1.38pm.

Cr G Sayers left the meeting at 2.08pm.

Cr G Sayers rejoined the meeting at 2.19pm.

MOVED by Cr D Newman, seconded by Cr A Dalton:

That the Governing Body:

- a) whakaae / agree that the Joint Governance Working Party continue to develop an initial proposal for the Auckland Council review of representation arrangements, based on retaining rural Governing Body wards and noting that this results in 20 ward councillors
- b) tuhi ā-taipitopito / note that the Joint Governance Working Party intends to report an initial proposal for representation arrangements for the Governing Body and for all current local boards, to the May 2024 meeting of the Governing Body, for public notification for submissions
- c) whakaae / agree that the Joint Governance Working Party continue to develop a draft reorganisation plan for local boards based on option one (15 local boards) vs the status quo as per resolution number JGWPC/2023/28 and report back its findings at the same time as it reports its recommendations for the review of representation arrangements
- d) tuhi ā-taipitopito / note that when the Joint Governance Working Party reports back its findings that the Governing Body will then decide whether to proceed further with formal public consultation on a reorganisation plan, based on the Working Party's investigation into costs and benefits, or to stay with the status quo in terms of number of local boards
- e) whakaae / agree that as part of developing a reorganisation plan for local boards the Joint Governance Working Party will seek initial local board, Māori and targeted community feedback on preferences either for the status quo or for one or more other options for the number of local boards, as identified by the Joint Governance Working Party and that this will also include early engagement on representation arrangements.

MOVED by Cr M Williamson, seconded by Cr K Turner, an amendment by way of replacement:

- c) whakaae / agree that the Joint Governance Working Party continue to develop a draft reorganisation plan for local boards based on **an option between 12 and 15** vs the status quo and report back its findings at the same time as it reports its recommendations for the review of representation arrangements

A division was called for, voting on which was as follows:

<u>For</u>	<u>Against</u>	<u>Abstained</u>
Mayor W Brown	Cr A Baker	
Cr C Fletcher	Cr J Bartley	
Cr G Sayers	Cr A Dalton	
Deputy Mayor D Simpson	Cr C Darby	
Cr K Turner	Cr J Fairey	
Cr W Walker	Cr A Filipaina	
Cr M Williamson	Cr S Henderson	
	Cr R Hills	
	Cr M Lee	
	Cr K Leoni	
	Cr D Newman	
	Cr J Watson	

The motion was declared LOST by 7 votes to 12.

The original motion was put.

Resolution number GB/2023/237

MOVED by Cr D Newman, seconded by Cr A Dalton:

That the Governing Body:

- a) whakaae / agree that the Joint Governance Working Party continue to develop an initial proposal for the Auckland Council review of representation arrangements, based on retaining rural Governing Body wards and noting that this results in 20 ward councillors
- b) tuhi ā-taipitopito / note that the Joint Governance Working Party intends to report an initial proposal for representation arrangements for the Governing Body and for all current local boards, to the May 2024 meeting of the Governing Body, for public notification for submissions
- c) whakaae / agree that the Joint Governance Working Party continue to develop a draft reorganisation plan for local boards based on option one (15 local boards) vs the status quo as per resolution number JGWPC/2023/28 and report back its findings at the same time as it reports its recommendations for the review of representation arrangements
- d) tuhi ā-taipitopito / note that when the Joint Governance Working Party reports back its findings that the Governing Body will then decide whether to proceed further with formal public consultation on a reorganisation plan, based on the Working Party's investigation into costs and benefits, or to stay with the status quo in terms of number of local boards

- e) whakaae / agree that as part of developing a reorganisation plan for local boards the Joint Governance Working Party will seek initial local board, Māori and targeted community feedback on preferences either for the status quo or for one or more other options for the number of local boards, as identified by the Joint Governance Working Party and that this will also include early engagement on representation arrangements.

CARRIED

Attachments

- A 14 December 2023, Governing Body: Item 12 - Joint Governance Working Party update and recommendations for a local board reorganisation and Auckland Council representation arrangements for the 2025 elections, Presentation

13 Referred from the Audit and Risk Committee - Health, Safety and Wellbeing Performance Report

Cr A Dalton left the meeting at 3.30pm.

Resolution number GB/2023/238

MOVED by Cr C Fletcher, seconded by Mayor W Brown:

That the Governing Body:

- a) tuhi ā-taipitopito / note the Auckland Council's [Health, Safety and Wellbeing \(HSW\) Performance report](#) (presented to the Audit and Risk Committee on 5 December 2023) and any commentary from the Audit and Risk Committee
- b) tuku ki tangata kē / forward the report to all local boards for their information.

CARRIED

14 Strategic Asset Consultation - Waterfront

This item was withdrawn.

15 Draft Tūpuna Maunga Authority Operational Plan 2024/2025

Cr G Sayers left the meeting at 3.40pm.

Cr J Bartley left the meeting at 3.43pm.

At 3.58pm, it was:

Extension of Time

Resolution number GB/2023/239

MOVED by Cr W Walker, seconded by Cr M Lee:

That the Governing Body:

- a) whakaae / agree under Standing Order 1.1.3, that an extension of time until the business of the meeting is complete, be granted.