

Independent Review Panel

Terms of Reference

Purpose

Greater Wellington Regional Council (Greater Wellington) and Porirua City Council have approved a process aimed at investigating local government reform in the Wellington region with the possibility of a reform proposal to be put to the Local Government Commission in late 2012.

This process involves the establishment of an Independent Review Panel to develop a preferred option. This process is intended to fit within the model outlined by the Government in its document *Better Local Government* to enable the Commission to consider proposals in time for October 2013 local government elections.

These Terms of Reference outline the scope of the Panel's work.

Background

On the 19 March 2012 the Prime Minister announced the Government's intention to make significant changes to the legislative framework (the Local Government Act 2002) guiding how local government operates and manages its business. The proposed changes are set out in the document *Better Local Government*.

As a result of the Government's announcements, Greater Wellington and Porirua City Council have agreed to progress the development of a proposal to consider future local government arrangements in the Wellington region. The major element of the proposal is the establishment of an Independent Panel to develop a preferred option that can then be considered by Greater Wellington and Porirua City Council.

The Independent Panel

After investigating options for governance models for the Wellington region, the Panel will deliver to the Greater Wellington Council and Porirua City Council a report which Greater Wellington and Porirua City Council could use as the basis of a submission to the Local Government Commission.

The report will:

1. Assess possible local government options for the Wellington region and identify an optimal one, which may include either structural and/or functional changes.

2. Contain a description of the preferred model and how it would operate, including levels of decision-making, functions, governance arrangements and a proposed approach to financial arrangements (rates/other revenue, debt and liability management).
3. If the preferred option includes any changes, outline transition arrangements, including approximate costs and a timeframe for implementation.

Considerations

In coming to its conclusions, the Panel will need to be satisfied that its recommendations meet the different needs of Wellington's regional, rural and urban communities and will strengthen the ability of the region to meet future challenges. It will need to consider:

- a. Appropriate locations/levels for decisions on and delivery of local government functions.
- b. Institutional arrangements that will embed enhanced opportunities for community/neighbourhood decision-making on local issues and meaningful citizen engagement in the development of region-wide policy and delivery options.
- c. The role of local government in fostering cultural identity and community character.
- d. The role and representation of Iwi/Māori in the proposed model.
- e. Challenges faced by local government in delivering costly and complex infrastructure.
- f. The provision of local and regional facilities and amenities.
- g. Ways of enhancing the effectiveness and efficiency of planning and regulatory processes across the region.
- h. How best to achieve integrated planning, including for transport and land use, to deliver optimal economic and environmental outcomes.
- i. How changes in demographics will impact on the region and its constituent parts.
- j. The role of local government in assisting the region to be globally competitive.
- k. Ways in which the region's local government could better align with central government and its agencies (for example, health, education, and police).
- l. Ways in which the region's local government could better align delivery with the private sector and the community/NGO sector.
- m. The impact of any proposed changes on local government finances and revenue models, including rates and the management of assets, debt and other liabilities.
- n. Rationale and criteria for any CCOs and other models of arms-length service delivery.
- o. The costs and benefits of the status quo and of any preferred option for change.
- p. How and between which parties the financial costs of any transition should be apportioned.
- q. Any other issues the panel consider relevant.

Process

The Panel will:

- Undertake a process of public engagement that allows individuals as well as groups to express their views. This approach will include a range of mechanisms, to be determined at the discretion of the Panel - for example, accepting submissions, running focus groups, on-line input and direct discussions with individuals and community groups. The Panel will determine the nature and scope of the public engagement.

- Identify and seek input from relevant specific parties.
- Be supported by Reference Groups and Technical Working Groups as required by the Panel.
- Take into account lessons from Auckland governance changes.
- Take into account Government policy direction.
- Draw on previous evidence from the Royal Commission on Auckland Governance, other reports on local government from New Zealand and internationally, and material available from organisations such as the Department of Internal Affairs and Local Government New Zealand.
- Be able to access any relevant material and information, as requested, from Greater Wellington and Porirua City Council.

Timeline

The Government has made it clear that it wants the first stage of legislative changes passed by late 2012 to enable the Local Government Commission to consider any reorganisation proposals in time for October 2013 local elections.

The Panel is expected to be established and begin work in late May 2012. Its report will be completed by the end of October 2012.