



**Te Arotake i te Anamata  
mō Ngā Kaunihera**  
Review into the Future for  
Local Government

Key Shifts

# Key Shifts

The Panel of the Review into the Future for Local Government have identified five key shifts. These are:

## **1. Strengthened Local Democracy**

*From* low public trust and participation in local government *to* renewal of local democracy that builds a foundation for the future of a strengthened and inclusive local democracy

## **2. Stronger Focus on Wellbeing**

*From* traditional focus on infrastructure service delivery *to* a focus on the complex wellbeing challenges of the 21<sup>st</sup> Century, including economic and social equity and climate change action

## **3. Authentic relationship with Hapū/Iwi/Māori**

*From* relationships that are variable in understanding and commitment *to* an authentic relationship that enables self-determination, shared authority and prosperity

## **4. Genuine partnership between Central Government and Local Government**

*From* low trust and confidence in each other *to* reliable partners able to deliver wellbeing outcomes locally

## **5. More Equitable Funding**

*From* beneficiary-based funding principles *to* a funding system that equitably supports communities to thrive

# 1 Strengthened Local Democracy

*From low public trust and participation in local government to renewal of local democracy that builds a foundation for the future of a strengthened and inclusive local democracy*

**What the system would look like:** A governance system that is considered legitimate, where the process of democracy and the electoral system empower citizens, community and business to enable community outcomes to be achieved, and is strong enough to address the complexities of the 21<sup>st</sup> century.

## **What it would achieve:**

- People understand how local government works, how they can participate and collaborate to make things work better and how they can be involved in local decision making.
- Provide community-centred local government that is relational, supports innovation and learning, and is adaptable where decisions are made as close to the community as possible.
- Provide for long-term competent stewardship of people and place.
- Encourage people to want to get involved in the governance of their communities.

## **Changes we are considering to make this shift:**

- Provide a mix of participatory, deliberative and representative democratic tools, and support multi-generational representation.
- Enable hybrid systems to complement elected members, including iwi/Maori and appointed experts.
- Develop systems that support and sustain governance representatives.
- Enable representation from minority groups e.g. create and resource clear pathways, provide ongoing support programmes and mentor new leaders.
- Explore electoral administrative systems, longer terms and voter eligibility criteria (e.g. younger voters).

# 2 Stronger Focus on Wellbeing

*From traditional focus on infrastructure service delivery to a focus on the complex wellbeing challenges of the 21<sup>st</sup> century, including economic and social equity, climate change action*

**What the system would look like:** Wellbeing is at the heart of everything council delivers, putting Papatūānuku and people at the heart of what we do. All policy decisions consider future generations and actively partner with iwi and community.

**What it would achieve:** Place is where wellbeing comes together and requires a co-ordinated approach from central and local government, communities, iwi, business and citizens to create thriving and strong people, places and communities.

**Changes we are considering to make this shift:**

- Local government is a broker, bridge builder, connector and supporter of ideas to support positive change in the community it serves, with a genuine focus on a co-ordinated approach to building social cohesion and wellbeing.
- Increasing central and local government collaborative efforts to focus on wellbeing, including health, housing, education, community safety, and economic, social, cultural and environmental wellbeing.
- Local government functions, roles and structures that reflect the appropriate level of subsidiarity and localism, while securing needed resources and economies of scale to ensure competent, sustainable and resilient entities/organisations.
- Supporting residents to change from being mostly passive recipients of services to active citizens as innovators, participators, and partners in achieving community wellbeing outcomes.

# 3 Authentic relationship with Hapū/Iwi/Māori

*From relationships that are variable in understanding and commitment to an authentic relationship that enables self-determination, shared authority and prosperity*

**What the system would look like:** Local government has an authentic and effective relationship with Hapū/Iwi, embodying the intentions and principles of Te Tiriti, beyond representation at the governance table, to achieve equitable outcomes for Māori.

**What it would achieve:**

- Hapū/iwi have the ability/space to express tino rangatiratanga, and Māori citizens' voices, experiences and outcomes are equitable.
- Local governance reflects the local context, with flexible approaches.

**Changes we are considering to make this shift:**

- Local government has a role in helping the stories of the past be told in order to move forward. Acknowledging the past is an important part of reconciliation along with learning about the history of place.
- Championing, and investing in, Te Ao Māori and tikanga in the way local government operates and what is valued.
- Acknowledging place and the opportunity for hapū/iwi/Māori to be involved in decision-making, to be a decision maker and deliverer of services and activities (exercising tino rangatiratanga).
- Additional capacity for iwi/Maori to participate in local governance.

# 4 Genuine partnership between Central Government and Local Government

*From low trust and confidence in each other to genuine partners able to deliver wellbeing outcomes locally*

**What the system would look like:** A citizen and community centred local government that provides an integrated community view aligned to support local and national objectives.

**What it would achieve:**

A reset of relationships for central government and local government, which along with iwi creates mutual respect that underpins collaboration at national, regional and local levels, in order to deliver and fund essential services and regional/local priorities that enhance community wellbeing.

**Changes we are considering to make this shift:**

- Long-term vision and outcomes for Aotearoa New Zealand enabling partnership between central and local government.
- A governance model that operates as strong strategic partner with central government.
- Deliberate structure for partnerships between central and local government, iwi, business and communities.
- Transparent funding and accountability for service delivery and local priorities.

# 5 More Equitable Funding

***From beneficiary-based funding principles to a funding system that equitably supports communities to thrive***

**What the system would look like:** A stable revenue system that provides certainty of funding sources, and enables central and local government to be effective partners and co-investors in community outcomes and priorities, with local government's funding policies supporting equity-based progressive taxation principles.

**What it would achieve:**

The investment required to support community outcomes, needs and aspirations are funded equitably with national and local governments making appropriate contributions to community outcomes/priorities, with local government's funding system adopting more progressive taxation principles resulting in more equitable funding policies.

**Changes we are considering to make this shift:**

- Central and local government agree a fair basis for funding community outcomes, taking account of communities' ability to pay.
- Legislation and funding policies and practices support principles of equity/wellbeing.
- Making flexible general and special purpose financing tools available.

# System Changes to Support the Shifts

The Panel recognise that a sustainable, agile and innovative system of local government is needed to give effect to the key shifts it requires. They have yet to determine a preferred system and are interested in hearing a range of views.

## **The Panel considers the following features to be key in a sustainable and innovative future system:**

- Enables place-based, community involvement and participation.
- Entities that are sustainable and viable with sufficient resources and capability to meet future challenges and have sufficient capacity to be a credible co-investor and able respond to significant shocks and challenges.
- Leadership and culture that demonstrate a high degree of competence, are citizen-centric and collaborative.
- A culture of innovation, risk-taking and creative thinking that encourages exploration of new, place-based solutions.
- A sector which utilises its collective strength, provides sector leadership and supports high performance, innovation and collaboration.
- Centres of excellence for policy, systems development, leadership and training

After receiving feedback on the key shifts, the Panel will continue to explore what it considers are the most appropriate responses.

