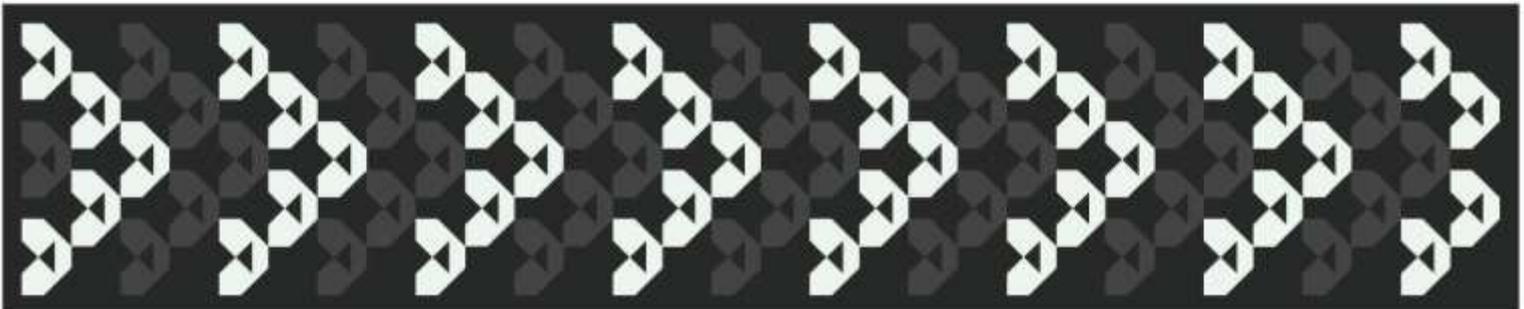




**Te Arotake i te Anamata
mō Ngā Kaunihera**
Review into the Future for
Local Government

Sharing our thinking



Why local government?

Local government contributes to wellbeing in many ways, most visibly by creating and sustaining the environments in which people live, work, do business and connect with each other.

Effective local governance is essential to New Zealanders' lives and wellbeing. Local authorities play a critical role in the country's system of democracy, providing for people's voices to be heard in the leadership of their communities and the delivery of local services and assets.

Local government influences the places and homes we live in, the strength and cohesion of our communities, how we move from place to place, our health and safety, how prosperous we are, how we spend our time, the health of our democracy, the strength of Te Tiriti relationships, and our sense of shared identity.

The big issues facing New Zealand are all experienced at a local level. Inequity, climate change, employment and economic participation, housing, racism and discrimination, environmental harm, and challenges with physical and mental health and many other issues play out at local and sub-national levels, and solutions require local action. Ineffective local governance can create or exacerbate challenges.

Effective local governance can create the conditions in which communities prosper and thrive.



Some of the important roles local government plays in New Zealand

Local voice, knowledge and leadership

- Community voice and local democracy support trust, legitimacy, engagement between and across groups, and provide social cohesion.
- Proximity to the community provides local knowledge which is a strength and enabler for what works and innovation.
- Representatives are part of the community and it is easier to know who is accountable for local issues.

Connector and enabler of local decision-making

- Local leadership and anchor institution role.
- Supports local industry and new business activity to sustain business and employment in their community.
- Proximity to the community to grapple with local challenges.

Upholds values and protects rights

- Steward of assets and guardian for future generations.
- Upholds the rights and interests of citizens as provided for in the laws of New Zealand and Te Tiriti o Waitangi.
- Cares for the citizenry, connects the community and protects the environment.

Provides local services

- Ensures basic human services are available and accessible in each location.
- Provides great spaces and places.

Partner of central government and iwi/Māori

- Central government can't solve the complex challenges of the 21st century on its own.
- Navigator of the big issues communities face.
- Collaborate and partner with iwi, hapū and community organisations
- The part of government that sees how the silos of central government come together and impact citizens and communities.
- Supports central government on big issues such as civil defence and COVID-19 response.
- Advocates for local issues, brokers and provides resources and solutions with central government.
- Acts as a check/balance on central government from a local perspective.

Supports thriving people and communities

- Creates and supports local culture and identity in the community.
- Creates conditions for social, economic and environmental wellbeing.
- Enables communities to live the life they want to lead.

Key shifts

In our interim report we outlined our priority questions. Since then we have been researching and discussing these questions, and we have identified five key shifts to local governance in the future that we believe will be required if the system is to meet the needs of Aotearoa New Zealand.

These shifts will take time to make and we are looking at what is required over the near term, medium term and long term time horizons. If you are not familiar with it already, you will find more information on the three horizons approach at the back on this document.

The five key shifts 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 21st 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 genuine 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

Strengthened Local Democracy

The shift

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, embody indigenous principles, and are strong enough to address the complexities of the 21st 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-centered 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

- Offer a mix of participatory, deliberative and representative democratic tools, and support multi-generational representation.
- Enable hybrid systems to complement elected members, including iwi/Māori 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).

Stronger Focus on Wellbeing

The shift

From traditional focus on infrastructure service delivery to a focus on the complex wellbeing challenges of the 21st century, including economic and social equity and 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 coordinated 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 coordinated 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.

Authentic Relationship with Hapū/Iwi/Māori

The shift

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 decisionmaking, to be a decision maker and deliverer of services and activities (exercising tino rangatiratanga).
- Additional capacity for iwi/Māori to participate in local governance.

Genuine Partnership between Central Government and Local Government

The shift

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.

More Equitable Funding

The shift

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

We recognise that a sustainable, agile and innovative system of local government is needed to give effect to the key shifts it requires.

We have yet to determine our preferred system and are interested in your views.

Key features of a future system

We consider 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 sufficient capacity to be a credible co-investor 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.

Resources

Visit our website for reports showing the emerging thinking of the Panel and research papers highlighting the contributions of others in response to the complex challenges to local governance: [Research and reports | Review into the Future for Local Government](#)

We welcome feedback on the five key shifts [Public feedback form on the five key shifts to local government Survey \(surveymonkey.com\)](#)