



14 October 2009

NC07-11

Zone and Sector Key Issues Report November 2009

a Supporting Community Well-being

i. Community Safety and Well-being

Joint Central/Local Government Social Issues And Community Safety Forum

The Social Sector Forum Deputy Secretaries/Local Government Group has high level representatives from both central and local government and meets regularly to make progress on priority social issues, such as: policing and the justice system; managing alcohol misuse; graffiti; street racing; gangs and youth gangs; family violence and housing.

If you have priority social issues that need to be addressed at a national level, please email info@lgnz.co.nz and these can be taken to the Forum, which revisits priority social issues and improvements to be made to regulation, share good practice and improve effective local/central government collaboration. Recent and current work includes:

- the introduction of legislation addressing street racing and cruising
- graffiti prevention and clean-up work, and cities' target to remove 95 percent of reported graffiti vandalism within 24 hours
- a workshop being planned to highlight the use of community hubs in improving community outcomes
- good practice information is being developed on improving access to, and the establishment of, early childhood education
- the Centre for Research, Evaluation and Social Assessment (CRESA) have been contracted to develop a guidance document on gang-related issues, complementing the Youth Gangs: Local Response Toolkit. Case study work is underway
- an introductory family violence resource for mayors and local government to use is now available on our website

<http://www.lgnz.co.nz/projects/SocialandCommunityIssues/OtherSocialIssues/index.html>

Details are now available on the Government's approach to social policy coordination in the Auckland region. <http://www.msd.govt.nz/documents/about-msd-and-our-work/publications-resources/working-papers/wp-09-08-auckland-governance-paper.doc>

Alcohol

Misuse of alcohol is a key issue driving many social problems, and is one of five themes in the New Zealand Police National Business Plan 09/10. Police districts are formulating district plans for alcohol, and their liquor licensing officers are being rebranded as alcohol harm-reduction officers.

The Law Commission issues paper *Alcohol in our lives* is out for consultation until 30 October 2009. A copy has been sent to each territorial authority mayor, and the paper is available online at: www.talklaw.co.nz/document/index/2. A draft submission from *Local Government New Zealand* was also sent to councils, see below.

An Alcohol Reference Group with members from councils, *Local Government New Zealand*, the Alcohol Liquor Advisory Council (ALAC), the Society of Local Government Managers (SOLGM) and the Ministry of Justice (MoJ) meets regularly to inform and guide policy development, submissions, and good practice for the local government sector. This meeting has assisted in developing a draft sector submission on the *Alcohol in our lives* paper - the draft submission was circulated in August for comment and to assist councils in drafting their submissions.

Gambling

The Department of Internal Affairs (DIA) and the Ministry of Health (MOH), support a stakeholder reference group (SRG) of industry, government, local government and problem gambling treatment provider representatives to discuss gambling-related issues. Recent documents released are available on our website.

<http://www.lgnz.co.nz/projects/SocialandCommunityIssues/OtherSocialIssues/index.html>

Housing

Senior officials from central and local government are working to improve relationships between councils and Housing New Zealand Corporation (HNZC). A survey to identify existing working relationships, issues and opportunities was sent to all territorial authorities (TAs) and HNZC offices in July 2009. The survey results have now been collated and a summary will be sent out to TAs in due course.

A presentation on the Tamaki community development work will be given at the next Social Issues Forum.

The Infrastructure Bill has been introduced to the House. This Bill is the mechanism being used to repeal the Affordable Housing Enabling Territorial Authorities Act 2008. The provisions in the Act limiting the purpose and use of restrictive covenants are being retained within the Property Law Act.

ii. ***Review of Fire Legislation***

In relation to the review, the Government is taking a two-stage approach:

- in the short term there will be a focus on encouraging rural fire authorities to merge into larger structures with consequent increases in resources and capability
- underlying problems with the legislation, such as providing urban fire services with a legal mandate to respond to building fires in rural areas, and addressing in-equities in the present fire service levy system, will be addressed in the medium term.

The DIA and the National Rural Fire Authority have prepared draft guidelines for fire authorities to help clarify legal status and responsibilities, and identify good practice governance arrangements and funding models. These guidelines will be finalised and released shortly.

The Fire Service Commission (FSC) has drafted a Section 15 and 16 fire control template for agreement between the FSC and fire authorities. *Local Government New Zealand* has reviewed the draft agreement and has sought some changes to the agreement. Fire officials are working on the amended drafting to the agreement for us to consider. The agreement template should be released with the next month or so.

b Enhancing Environmental Outcomes

i *Climate Change and Sustainable Land Management*

Review of the Emissions Trading Scheme (ETS)

The select committee reviewing the ETS released its report on 31 August 2009. In all, the report made 34 recommendations starting with the science where, with the exception of the Act Party, the select committee recommend that findings of the Intergovernmental Panel on Climate Change (IPCC) underpin New Zealand's future international policy negotiations. The select committee further recommended that New Zealand pursue an ETS as the primary economic mechanism in climate change mitigation including agriculture.

On 14 September 2009 the Government announced it would revise the ETS with Maori Party support. Features of the revised scheme include:

- revised entry dates of 1 July 2010 for transport; energy; and industrial sectors, and 1 January 2015 for agriculture. This postpones the electricity sector inclusion in the scheme by six months while the transport sector inclusion date is brought forward six months. Agriculture has had its entry date pushed back by two years
- a transitional phase until 1 January 2013 with a 50% obligation and \$25 fixed price option for the transport, energy and industrial sectors
- a production-based industry average approach to allocations for trade exposed, emissions intensive businesses
- a phase-out of industry support aligned with trading partners and the Government's long-term -50 by 2050 emissions reduction target
- incentives for afforestation created by a domestic and international market for carbon credit
- enhanced transitional support for the fishing industry.

Hon Dr Nick Smith said: *"New Zealand's response to climate change policy risked falling behind without the support of the Maori Party. These changes reflect concerns of the Maori Party over impacts of the Emissions Trading Scheme on low-income households and primary industries such as fishing, forestry and agriculture. Further work will be done with the Maori Party on an extension to the energy efficiency assistance for low-income households, promotion of afforestation, biodiversity protection, recognising the Treaty relationship in ongoing climate change policy and on Treaty settlement issues arising from the ETS."*

The Government will aim to have the legislation passed by the time of the December 2009 Copenhagen conference to negotiate a successor to the Kyoto Protocol in Copenhagen.

2020 Target for Emissions Reduction

On 11 August 2009 Climate Change Ministers Hon Dr Nick Smith and Hon Tim Groser announced an emissions reduction target range of 10% to 20% below 1990 levels by 2020. New Zealand's target was tabled at the latest round of

international climate change negotiations in Bonn, Germany (10-14 August 2009). These informal negotiations are in preparation for Copenhagen negotiations in December 2009. The commitment is conditional on a global agreement being secured that limits carbon dioxide equivalent (CO₂-e) to 450ppm and temperature increases to 2°C, effective rules on forestry, and New Zealand having access to international carbon markets. New Zealand's emissions are 24% above 1990 levels. It is considered that a mixture of domestic emission reductions, the storage of carbon in forests, and the purchase of emission reductions from other countries will achieve the required reduction in emissions.

At the time of writing, *Local Government New Zealand* was advised that further work is required to strengthen the rationale for a National Environmental Standard (NES). It is now unlikely that consultation on a proposed NES will occur prior to Christmas. Thus far the National Council Climate Change Sub-committee has been closely involved in early discussion on what a NES on sea-level rise might entail. We have indicated a strong preference for a NES with numbers and non-regulatory guidance on methodology.

ii ***Waste Management and Minimisation***

New Zealand Waste Strategy

The Ministry for the Environment (MfE) and *Local Government New Zealand* are undertaking a review of the New Zealand Waste Strategy.

Councils must take account of the Waste Strategy while developing waste management and minimisation plans under the Waste Minimisation Act, 2008. The reviewed document, which includes objectives and targets, was circulated to local authorities for feedback by 24 September 2009, and was discussed by National Council on 2 October 2009. While the revised targets in the draft strategy are the result of submissions to the Waste Minimisation in New Zealand discussion document, which was published in March this year, there is still some work to be done before the document can be finalised. *Local Government New Zealand* would sign-off on it on behalf of local authorities.

Product Stewardship

Packaging Accord: No update is available on a new packaging product stewardship scheme proposed to replace the now expired Packaging Accord.

The Packaging Council released the 2008 packaging recycling figures on 7 September 2009. This data on packaging production, consumption and recovery is the final data under the 2004 - 2009 Accord. Recovery rates for some packaging sectors had reduced from the previous year (eg aluminium and paper). All packaging sectors have met the targets set in the Accord. Overall, 58% of packaging consumed is now recovered. At the time of writing this update we were advised the final report from the Accord, including the recovery rates is due to be released on 17 November 2009.

iii ***New Start for Fresh Water***

In June 2009 the Government launched its new direction for water management in New Zealand "*New Start for Fresh Water*". This includes the Land and Water Forum (LAWF), a collaborative process to build consensus on goals for water management; a joint programme with iwi on the position and interests of Maori; and scoping policy options around central government leadership; water infrastructure; science; allocation regime; and impacts of land use. The LAWF is due to report back in July 2010 and has met a number of times already. Four local government nominees are involved in the LAWF.

Proposed National Policy Statement (NPS) for Freshwater Management

We await the Board of Inquiry to report to the Minister on the outcomes of its Inquiry.

NESS for Water

Three NESs relating to water management are under development: measurement of water takes; ecological flows and water levels; and on-site wastewater systems. All await decisions by the Minister on next steps. There is no progress to report in this reporting period.

iv *Energy*

See NPS section for comments in regard to the Proposed NPS on Renewable Electricity Generation.

v *Biosecurity*

Future of Pest Management (FOPM) Project

Work is progressing on the FOPM project with a number of work stream meetings held in August and September 2009. These included:

- crown obligations as a landowner
- roles and responsibilities the terrestrial, freshwater and marine areas
- legislation review
- physical control and monitoring tools.

These meetings have a range of stakeholder representation including regional councils - their role is to produce recommendations on how to resolve issues identified in their work area. These will be combined into a strategic action plan which will be widely consulted on prior to implementation.

The next steering group meeting is scheduled for 21 October 2009.

National Pest Management Strategy for Bovine Tuberculosis (Tb NPMS)

Submissions to the Tb NPMS close 30 November 2009. The strategy, released in early October 2009, has undergone significant review since the release of the initial discussion document. On 3 September 2009, Minister Carter announced agreement in principle to continued Crown funding of \$30 million a year for managing bovine Tb to 2015 citing the benefits of access to global markets. The Minister went on to say that the future success of the Tb NPMS will depend on industry and local government showing a commitment to on-going funding now that the Government has signalled its contribution.

A short discussion document on the future role of regional councils in Tb NPMS is being prepared by the Regional Affairs Committee (RAC) Biosecurity Sub-Committee.

c **Supporting Regional Growth**

i *Economic Development*

Rugby World Cup 2011

Local Government New Zealand is working across the agencies in a support role.

The Rugby World Cup's, two years to go function at parliament on 9 September 2009 was a significant marker date for the event. Amongst other matters, the government announced the Rugby World Cup 50 day Festival programme. The next key date will be an announcement of the teams' locations (which will vary to the locations they are playing in) - currently scheduled for 17 December 2009. This information will significantly help Council planning

around issues such as: events planning and management, and accommodation capacity evaluation.

Leon Grice has been appointed as Director of the New Zealand 2011 Office, (previously the show case office). Leon's focus areas include realising the benefits, building the festival, promoting tourism and brand. He is building a team around him with representatives from a range of central government agencies (including Te Puni Kokiri (TPK), Ministry of Culture and Ministry of Social Development (MSD) - amongst others). This now provides a 'one-stop' shop for conversations related to Rugby World Cup issues. The NZ 2011 Advisory Group, chaired by Mayor Bob Parker advises this office.

A regional roadshow and national conference on Rugby World Cup is being planned. We do not have any further details at this point. We would expect this to add significant value to collaborative conversations, planning and information across the sector.

The Rugby World Cup 2011 Office is well established and is working closely with the 13 councils that have 'live' contracts. Some of their focus at this time is collaborative work underway with the 'knock-out' group - the three Cities; Auckland, Wellington, and Christchurch. They are working together to consider major issues and considerations. Once the information is collated and in a usable format we would expect to share the 'learning' across the sector.

The Law Commission has work underway around alcohol licensing issues and noise pollution issues (there may be other matters under consideration) related to the Rugby World Cup. We anticipate the announcement of legislation early in the new year. We have been assured that any legislation will be to support councils, and some significant consideration has been given to matches scheduled after 9:00pm. (Please refer to the section under 'Alcohol' in this report for further details).

We are not aware of any further planned legislation at this time.

Some work is in progress at the Ministry of Economic Development (MED) around the 'volunteer portal'. To our knowledge local government has not yet been included in this conversation and we are keen to encourage inclusion of the sector. Recognising that much of the delivery will be from local councils.

Though some councils are well under way with preparations, others are still at the early stages of developing ideas. It is important that as a sector we consider the corporate implications, and maximise the value to our local communities of this event, in particular, with regard to leveraging business opportunities within your local communities. At this time the best information around visitor numbers continues to be the originally anticipated 70,000 visitors (though this could change over time). It is expected that 20-30% of visitors will arrive early and use this time to travel around New Zealand. The Rugby World Cup legacy is a localised responsibility, which could have significant benefits for many individuals and communities.

ii ***Tourism***

Regional Tourism Organisation Funding

The focus of the Association of Regional Tourism Organisations in New Zealand (ARTONZ) working with the Ministry of Tourism, Tourism New Zealand and other key stakeholders is on developing five key work streams identified in the 2015 Tourism Strategy. These are:

- 1) Developing new funding models for regional tourism organisations. At present local government is the prime funder. The project will look at what alternative avenues can be created for the future.
- 2) Embedding tourism into the funding structures of local councils. Tourism at times is seen as a discretionary item. This stream of work will focus on the economic value to councils of having tourism as a core function that has continual provision in the council budget.
- 3) Developing a regional technology plan to examine the different technology platforms that regional tourism organisations are using and the benefits of moving to a consortia model for the purchasing of standard technology.
- 4) Leveraging off the various international alliances and showcasing New Zealand as a preferred destination offshore.
- 5) Developing a domestic tourism plan.

These initiatives will be funded via the tourism development fund.

iii ***Mayors' Taskforce for Jobs (MTfJ)***

Verbal updates will be available at each zone meeting.

d **Sustaining Transport and Infrastructure**

i ***Funding Issues***

The independent review of Road User Changes (RUC) was released by the Minister on 6 May 2009 and additional comments have been sought from the transport sector and Ministry of Transport (MoT) officials.

Feedback on the report has been provided to the Minister and the sector now awaits his decision. It is understood that any changes are likely to be made and announced before October 2009.

The New Zealand Institute of Economic Research (NZIER) has submitted a draft report on the options for future funding of the transport network. This document will act as a starting point for increasing sector understanding of the issues, ultimately leading to a broad consensus on the preferred mix of funding options. This report will be on our website shortly.

ii ***Financial Assistance Rate (FAR) Review***

Whilst it is unlikely that we will get any movement on the financial assistance rate in the foreseeable future we continue to pursue funding of local roads on an equity basis. That is local roads carry 50% of the vehicle kilometres travelled and therefore generate 50% of the revenue into the hypothecated fund. Hence the current National Land Transport Programme (NLTP) with its 60% skew towards state highways is neither equitable nor sustainable in the medium to long term.

iii ***National Land Transport Programme***

The NLTP has been released and shows a funding emphasis on state highway capital expenditure at the expense of local roads and maintenance activity.

The NLTP has also over allocated available forecast funds and this signals that the New Zealand Transport Agency (NZTA) will be looking for further efficiencies and cost reductions from within the approved programme.

Regions with Roads of National Significance (RONS) within their boundaries have generally been satisfied with the outcomes of the NLTP and those without have varying degrees of dissatisfaction. The concerns around this issue are valid in the context that the current work programme is likely to continue its current direction for the next 10 years. A question yet to be addressed is whether or not that programme is sustainable and at what cost will it be to the balance of the network.

This is highlighted by the “untested” belief from NZTA that further efficiencies in council maintenance activities can be found to the extent that no allowance for inflation in years two and three has been made. A growing number of councils have identified significant funding gaps and *Local Government New Zealand* would be keen to hear about these in order to develop a strong and substantiated advocacy base.

The ability of councils to control input costs to road maintenance is restricted (because of imported cost components) but also it is clear that increased investment in capital projects is likely to have an inflationary impact on maintenance costs.

There are also some real concerns over the adequacy of funding for passenger transport activities.

The sector also has concerns that some of the stated strategies against which strategic fit is to be measured, will not be finalised before the project assessment is undertaken. Of particular interest is the Freight & Tourism Strategy. NZTA has made some assumptions and it appears unlikely to consult the broader sector about them at this time.

Finally the change to the use of “R” funds has raised the issue of the usefulness of Regional Transport Committees in the decision-making process. Some are feeling disenfranchised. Again *Local Government New Zealand* would be keen to hear about these in order to develop a strong and substantiated advocacy base on this issue.

iv *Road Safety Strategy 2020*

A discussion document which will invite comment to be incorporated into the 2020 Road Safety Strategy was released and submissions have now closed. The strategy is constructed around a “safe system” approach, which has sub-themes of safe speeds, safe roads & roads sides, safe drivers and safe vehicles.

The discussion document also identified approximately 60 initiatives from which feedback on the top 10-12 was sought.

Local Government New Zealand has put in a submission based on a relatively low response rate from the sector and this can be found on our website.

The 2020 Roads Safety Strategy is likely to be finalised towards the end of 2009. There are some concerns that Government lead community expectations could place an extra financial burden on councils to respond.

v *New Zealand Transport Strategy*

The *New Zealand Transport Strategy 2008* was released on 5 August 2008.

The new government does not agree with a number of aspects of this document and its future is now uncertain. It is non-statutory and beyond the normal political accountability processes. Its value is that, in the absence of a Land Transport Strategy, it provides a longer term context in which the Government Policy Statement (GPS) can operate.

The Minister will need to provide some clarity, as Regional Land Transport Committees will need some national framework against which to set their regional transport strategies. There is no indication as to when this might be.

vi ***Transport Submissions/Legislation***

The Select Committee has reported back on the Land Transport (Enforcement Powers) Amendment Bill: [http://www.parliament.nz/NR/rdonlyres/56B53F35-3FC7-411C-8F40-](http://www.parliament.nz/NR/rdonlyres/56B53F35-3FC7-411C-8F40-DEA0F4A88999/114403/DBSCH_SCR_4494_LandTransportEnforcementPowersAmend.pdf)

[DEA0F4A88999/114403/DBSCH_SCR_4494_LandTransportEnforcementPowersAmend.pdf](http://www.parliament.nz/NR/rdonlyres/56B53F35-3FC7-411C-8F40-DEA0F4A88999/114403/DBSCH_SCR_4494_LandTransportEnforcementPowersAmend.pdf)

and the Vehicle Confiscation and Seizure Bill:

http://www.parliament.nz/NR/rdonlyres/16E3DDF0-3F24-4008-9038-7C863CC6A870/114405/DBSCH_SCR_4495_VehicleConfiscationandSeizureBill42.pdf.

The purpose of the Vehicle Confiscation and Seizure Bill is to reduce traffic offending by increasing the deterrents available to the Courts and Police. Our submission was generally supportive of the Bill's intent.

The purpose of the Land Transport (Enforcement Powers) Amendment Bill is to enable road controlling authorities to create 'anti-cruising' bylaws. The Select Committee determined bylaws to be a more appropriate mechanism for prohibiting 'cruising' than a nationally-consistent legislative offence. However, many of our recommendations to enable more user-friendly bylaws for councils were incorporated by Select Committee. These include:

- obtaining a more robust definition for the new offence of 'cruising'
- the deletion of section 22AB(1)(a) which would have authorised the racing of motor vehicles on public roads
- an amendment to section 22AB(1)(b) to explicitly allow the prohibition of cruising, as well as allowing its control or restriction
- the insertion of section 22AB(1)(b)(ii) to allow exemptions for legitimate motoring activity
- clarification that road controlling authorities would not have to undertake the consultation procedures outlined in section 22AD(2) in addition to those specified in the Local Government Act 2002.

These Bills have now re-entered the House for their second readings. *Local Government New Zealand* is also investigating the development of a standard model bylaw template, pursuant to the wording of the final Act.

Local Government New Zealand made a submission on changes to permit overweight and over-sized vehicles on the road. Our concerns are that there appears to be no study of the economic impact on pavements to balance the economic analysis of benefits. Furthermore, there seems to have been little consideration given to how additional costs of loss of pavement life will be recompensed.

At this stage a sector view is emerging that councils will be reluctant to issue permits unless there is some guarantee that costs incurred will not become an imposition on ratepayers.

vii ***Government Policy Statement***

The revised GPS has been released and, as much as possible, was taken into account by Regional Land Transport Committees in the development of their Regional Land Transport Programmes.

Although attention largely focused on the funding bands for activities, the real impact of GPS 2 has been in the decision-making processes of the NZTA. Regional Land Transport Committees are required to “take account” of the GPS. However, NZTA must “give effect to”. NZTA has done its best to inform the sector of the impact of new decision-making criteria. However, as was inevitable, there have been consequences for the local government sector which have been less than favourable. Again *Local Government New Zealand* would be keen to hear about any issues that have arisen.

viii ***MED Proposals for Road Corridor***

The implementation copy of the *National Code of Practice for Utilities Access to Road Corridor* has been released by the New Zealand Utilities Advisory Group (NZUAG). It can be viewed at: www.nzuag.org.nz/. A series of training workshops took place during May 2009.

A Utilities Bill is likely to evolve from the Omnibus Infrastructure Bill. Its intent is to make a code for managing the road corridor mandatory on corridor managers and utility owners.

Although *Local Government New Zealand* has worked with NZUAG to develop such a code, it has thrown up a range of issues which lead us to believe the case for legislated and mandated solution has yet to be made.

The Bill as proposed imposes process without due regard to cost or cost recovery. *Local Government New Zealand* has consulted the sector and prepared a submission on this legislation which was presented to the Transport & Industrial Relations Select Committee. In this process it has become clear that the broad impact of the proposed legislation has not been well understood by the sector.

It is very clear, even now, that few councils have taken an ‘across organisational view’ of the proposed legislation to determine its impact on their ability to protect their assets and enhance their role as ‘place makers’.

ix ***Drinking Water***

A three-year extension has been granted to all categories of supplier for compliance with Health Drinking Water Amendment Act.

Most councils had exercised prudence and already programmed improvement works for drinking water supplies into their draft LTCCPs for consultation. It is not clear what impact the extension will have but it is welcomed as a whole.

The Minister of Health has also announced a review of the Drinking Water Assistance Programme. It is not clear where this review will end up but if it adopts a benefit/cost focus then this may be counter to addressing the needs of small communities with a high deprivation index.

x ***Waste Water***

The Minister of Health has asked the Sanitary and Works Technical Advisory Committee (SAWTAC) to put deadlines on projects approved for funding, where there has been little or no progress over a number of years. The result has been that these projects have locked up funding which might have otherwise been made available to others to advance projects more quickly.

Letters have gone to all councils deemed to be in this category advising in essence to use it or lose it. To date, there has been no response to *Local Government New Zealand* from councils who have been notified.

It is not altogether clear but it seems sure at this time as though returned funds will not be made available for reallocation but are rather more likely to go back into the consolidated fund.

xi ***Geospatial Strategy.***

Strategic priorities for the New Zealand Geospatial Office (NZGO) include: engagement with local government; establishing metadata standards; discovery of fundamental datasets; the economic benefits derived from geospatial data application. Project plans for these areas have been developed and are awaiting funding approval.

Policy related work in funding models, licensing and free access to data is being led by the State Services Commission. However, much of the policy work is under review by government.

There appears to be opportunity to regain momentum on this work by evaluating and promoting its potential economic benefit.

xii ***Broadband***

The MED has recently released a series of discussion documents related to the Government's plans to accelerate the roll-out of broadband infrastructure in New Zealand:

1. Rural Broadband Initiative <http://www.med.govt.nz/rural-broadband->
Released 29 September 2009.
2. TSO Reform and Funding Telecommunications Development
<http://www.med.govt.nz/tso-> Released 29 September 2009.
3. Facilitating the Deployment of Broadband
<http://www.med.govt.nz/facilitating-broadband-> Released 7 October 2009.

Rural Broadband

Local Government New Zealand welcomes the government's commitment to the rollout of broadband in rural areas. However, it is important that we work together to ensure that the benefits to the wider community are maximised - in particular working as closely as possible with all parties through the tendering and implementation stages.

Facilitating the Deployment of Broadband

This paper focuses on possible complementary measures that could be implemented to facilitate the rollout of broadband infrastructure. It deals with access to support structures and services, access to land, and resource management controls. It potentially raises significant implications for councils.

Amongst the ideas presented is the development of "best practice" guides similar to the Broadband Friendly Protocol. We would anticipate *Local Government New Zealand* may take a leading role in this work. A working draft of the Broadband Friendly Protocol can be viewed at:

http://www.lgnz.co.nz/library/files/store_020/ABroadbandFriendly.pdf

Local Government New Zealand intends to make a single combined submission, primarily focussing on the issues raised by these two papers. Although it is important that this infrastructure is deployed as efficiently as possible, the needs and issues will vary enormously from one region to another. Local decision

making is essential to ensuring that existing assets are not compromised, and that long-term benefits are not lost as a result of the Government trying to make short cuts. A one-size-fits all solution will clearly not work.

Submissions close on Friday 6 November 2009. However, in order to incorporate your perspectives we would appreciate your feedback no later than 5pm Monday 26 October 2009.

xiii ***Local Government New Zealand Information Communications Technology (ICT) Advisory Group***

The ICT Advisory Group has not met during the current reporting period.

e **Maintain and Enhance the Framework for Local Governance and Democratic Participation**

i ***Citizenship Education***

Growing Active Citizens

Council staff and elected members are able to provide leadership, information and inspiration to get young people involved in planning, making decisions and becoming future leaders and active community participants.

Key ways to address this include:

- consultation targeted at young people on particular issues
- involving local secondary school students in planning and applying for funding for local facilities eg upgrading a local sports pavilion
- supporting Kids' Voting, particularly during local government election year
- using the Youth Citizens' Jury tool (see below) to discuss relevant topics, potential responses and addressing barriers or issues.

Kids' Voting

Kids' Voting in 2009 encouraged schools to hold an election or referendum for their students on an issue that is of specific interest to them. In 2010 a parallel local government election experience will be offered to schools, and in 2011 Kids Voting will provide a parallel parliamentary election.

This is a great chance for children and their families to become more aware of local and central government and what it does, and to encourage the development of future leaders. More information is available about the programme at www.kidsvoting.org.nz. The programme is planning in the future to align itself with the move to online voting, as "real" election processes get to that point.

Youth Citizens' Juries

Local Government New Zealand's Growing Active Citizens group launched an exciting new resource for councils and schools: *Youth Citizens' Juries: A Guide to Setting Up and Running a Youth Citizens' Jury* at our annual conference. Youth juries provide a unique opportunity for young people to be included in decision-making and to participate in the political processes of their community.

The guide and associated DVD will support schools and councils to run this unique consultation and decision-making process for young people in their area. All mayors have been sent a copy of this resource. Contact *Local Government New Zealand* if you would like more copies for your council, library or local schools.

ii ***Maori and Local Government***

Appointment of a Maori Advisory Committee to *Local Government New Zealand's* National Council

Te Maru Ata, the Maori Advisory Committee to *Local Government New Zealand's*

National Council had its first meeting in August 2009. A second meeting will be held in November.

Key focus areas included:

- promoting increased representation of Maori as elected members of local government
- enhancing Maori participation in local government processes
- providing support for councils in building strong relationships with Iwi, Hapu and Maori groups
- providing Maori input on development of future policies or legislation relating to local government.

The meeting focused primarily on the issue of increasing Maori participation in the 2010 local authority elections, with particular emphasis on encouraging Maori to register for the electoral roll and the distribution of relevant information, possibly through the tribal membership lists.

Implications of Treaty Settlements for Local Authorities

The hearings on the Waikato-Tainui Raupatu Claims (Waikato River) Settlement Bill 2008 have been deferred pending the outcome of the review of the Waikato co-management arrangements. The Select Committee has a tentative report back date of 31 December 2009. In early October 2009 the Government began discussions with Tainui and all relevant local authorities about an alternative proposal.

Local Government New Zealand has met with the Minister of Treaty Negotiations and discussed the implications for local government with current treaty settlements and the role of local government in the negotiation process. We are now working with the Office of Treaty Settlements and the DIA on a set of principles for the role of local government in treaty settlements. This will include principles about early input of local government; consideration of integration with local government responsibilities; and consideration of where costs fall. At the time of writing this update we were advised this was likely to proceed to Ministers by the end of October 2009.

The Ministerial Panel reviewing the Foreshore and Seabed Act has reported to the Minister and recommended repealing the Act and starting again to develop appropriate law and/or process arrangements. The Government's response had not yet occurred at the time of writing. The *Local Government New Zealand* submission on the review is available on our website.

f Strengthening Local Government Finances and Capacity

i *Review of Local Government Funding*

No action has occurred on this subject. However, the Minister of Local Government has signalled, in the original Transparency, Accountability and Fiscal Management (TAFM) paper, his intention to look at local government funding once the changes to Auckland and the Local Government Act (LGA) 2002 are complete. We understand that the DIA has made no provision for this so far, suggesting that Cabinet has yet to agree.

ii *Review of the LGA 2002 Transparency, Accountability and Financial Management*

At the May meeting of the National Council, a paper was presented outlining the scope for the proposed TAFM work being undertaken by the Minister of Local Government and the DIA. TAFM summarises nine policy areas that the DIA have been asked to investigate with the intention of amending the Local Government Act

(LGA) 2002 in a bill to go to Parliament in December. The deadline for feedback was 17 July 2009.

Local Government New Zealand and SOLGM, have been invited to contribute to the policy development process (along with a number of unidentified organisations). Both organisations have generally not been involved in the work on core services, but recently were given a briefing on where this work had got to by the DIA staff.

The TAFM work consists of three categories of measures:

- changes the sector supports and has requested, such as a less complex LTCCP and higher thresholds for amendments
- changes we do not believe are necessary but can live with, such as fiscal strategies and benchmarking
- changes we strongly disagree with, such as defining core services and binding referendum around rates and services.

Local Government New Zealand and SOLGM were given three days (including the weekend) to comment on the final (draft) Cabinet papers. Due to the lack of time to advise the National Council, comments were sent on the basis of "advice from officials". There has been a considerable refinement of the proposed changes since being outlined in the original TAFM paper; however, the topic of core services and mandatory referenda were areas of strong disagreement between the Government and ourselves. The Minister has indicated his desire to see a Bill in the House by Christmas time; however, our own view is that other priorities, such as the third Auckland Bill, might take precedence.

iii ***The Consolidation of Auckland***

Local Government New Zealand prepared a submission for the second Auckland Bill, the Local Government (Auckland Council) Bill. The submission argued that the new city should have 30 councillors elected by ward and that a Cabinet model should be adopted to ensure strong leadership. The Submission also argued that local boards be given meaningful delegations and that the issue of capacity be taken into account when defining their boundaries. On the question of Maori seats, the submission suggested that Section 10Z of the Local Electoral Act should be applied and that the Government should establish two seats to be elected from the Maori roll using the provisions of S19Z.

The Bill was released at the beginning of September and at the time of writing we are still evaluating it. Initial observations are that it introduces a complex decision-making model that contains considerable transaction processes and opportunities for conflict between boards and council. Key decisions are:

- 20 councillors elected by ward (wards to be determined by the Local Government Commission)
- 20 - 30 local boards
- the powers of local boards have been strengthened, however, their functions are to be determined by the Auckland Council
- the Auckland Transition Authority will establish the first allocation of functions which will last for up to eight months following the 2010 election
- the role of the Mayor has been strengthened
- new Northern and Southern boundaries have been set, which have so far proven controversial.

The third Auckland Bill, which will contain more detail on the operation of the new entity, is expected before the end of the year.

g Building Local Government Capability

i *International*

The Board of the Commonwealth Local Government Forum (CLGF) is currently undertaking a review of its operations. The organisation has expanded strongly in recent years with the growth of regional offices in the Caribbean; the Pacific; Southern Africa; and more recently in India. This has raised questions about organisational structure and what changes might be desirable to manage a largely federal organisation. We expect to be consulted as part of this review.

In July 2009 the Mayors of Waitakere; Manukau; and Porirua accompanied the Prime Minister on a trip to Tonga; Samoa; Niue; and the Cook Islands. The trip highlighted the need for greater technical advice in these countries, especially around water. The visit also resulted in a formal request from the Cook Islands Ministry of Infrastructure and Planning to Porirua City Council, seeking technical assistance in the planning and delivery of infrastructure. Discussions with NZAID on how to support such an initiative led to an application to the State Sector Development Partnership Fund to enable the three councils to engage in a scoping study with the Cook Islands Ministry of Infrastructure and Planning. This fund, previously known as the Government Agencies Fund, has not been available to local government before, and provides a significant opportunity to exchange relevant expertise and information with Pacific countries on short term/as needs basis. This project will ultimately be tied in with the work of the CLGF office in Fiji.

ii *Standards New Zealand (SNZ)*

Currently SNZ is focussing on two main pieces of work which it is hoped to be able to conclude before the expiry of the current “annual” contract.

The first is a review of NZS 4404 - Land Development and Subdivisions and the second is NZS 5826 - Pool Water Quality. There is a possibility that the programme will be expanded to do a Review of the Fire Hydrants standard if funds permit.

There have been some issues over copyright in relation to NZS9201 (Standing Orders) and NZS 9202 (Model Bylaws). To overcome these issues SNZ have agreed to make available fully editable versions to which councils can insert their own logos and other wording which would then overcome copyright issues. At present NZS 9202 is available but there maybe some cost in converting NZS 9202 documents.

There will be an annual licensing fee which in the current year is funded from within the contract. Given that the contract is unlikely to be renewed next year, *Local Government New Zealand* will have to give consideration as to how it will fund that “sector good” cost in the future.

Also arising is the issue of what to do when a demand for a new standard arises. Currently the need for a bylaw on Boy Racers is a potential candidate which may fall into this category. This matter will need to be considered in more detail in the near future.

h Delivering Good Regulatory Outcomes

i **Resource Management Act (RMA) Review**

The RMA (Simplifying and Streamlining) Bill passed through its final stages on Wednesday 9 September 2009. The amendments came into effect on 1 October 2009. The Bill contains a significant number of amendments and will have implications in councils' approaches; processes and systems for consents; and plan development. The final version of the amendments after the select committee process, has not been favourable overall for local government plan-making, and has introduced significant complexities to the consent process which will be administratively difficult for councils. At the time of writing this update we can report that *Local Government New Zealand* is working with the MfE to ensure the workshops rolled out in September and October 2009 will be as beneficial for local government as possible, and that implementation guidance is prioritised appropriately.

Work on scoping the phase two work-streams is now well advanced with an update on the scope for each work-stream reported to Cabinet in early October 2009. The Cabinet paper and minute is available on the MfE website. This update sets the terms of reference for each workstream and gives priority to the workstreams for aquaculture; water; Environmental Protection Authority (EPA); and infrastructure. At the time of writing, *Local Government New Zealand* is having discussions with the MfE about the timing and opportunity for early input on each of the workstreams.

ii **Food Act Review**

The Government announced on 22 September 2009 that a comprehensive review of the Food Act will proceed with a Bill introduced within a year. The Bill is expected to pick up the significant work towards a new Bill under the previous Government, with further revision to further improve certainty and reduce compliance cost to business.

iii **Public Works (Offer Back of and Compensation for Acquired Land) Amendment Bill**

The select committee report on the Public Works (Offer Back of and Compensation for Acquired Land) Amendment Bill is due on 17 December 2009.

iv **Building Act/Weathertightness**

Building Consent Authority (BCA) Accreditation

A review of accreditation will occur as part of the review of the Building Act which began in September 2009.

Dam Safety Regime

No progress to report. Aspects of the dam safety regime may be reviewed as part of the Building Act review.

Building Act Streamlining Projects

A range of projects is underway to stream-line certain aspects of the building consent process. The DBH received comments from most territorial authorities about a proposed on-line consents scheme. The project did not receive budget approval to proceed to the next stage. It will be reconsidered as part of the Building Act review package later in 2009.

The Building Amendment Bill (No. 2) completed its legislative process on 28 July 2009 and the Amendment Act commenced on 31 July 2009. The amendments introduce legislative change related to voluntary Project Information Memorandums (PIMs); national multi-use consents; and process for variations.

The provisions making PIMs voluntary come into effect at the end of January 2010, being six months after the Act's commencement. The national multi-use consenting regime requires regulations to be passed determining the detail of how this process will work. These regulations are likely to be progressed later in 2009.

Building Act Review

The review of the Building Act has been announced by the Minister. The review is comprehensive and incorporates some fundamental aspects of the Act including the role of councils in the building process, and risk/liability apportionment. *Local Government New Zealand* is involved in the Sector Reference Group for the review. A number of working groups (with opportunity for local government involvement) are also expected to be established to progress aspects of the review. The review is expected to proceed in two stages but exact timing is not yet confirmed.

Qualifications for Building Officials

The Local Government Industry Training Organisation (LGITO) has established a reference group to work on implementation of the two new qualifications. Consideration and incorporation of Recognising Prior Learning (RPL) for current well-experienced building officials is an important part of this. A pilot has been undertaken by Otago Polytechnic for the RPL assessment to improve knowledge about the likely process and cost. We await the report from the pilot.

Weathertight Homes

The Government is undertaking a review of the current system. PwC (with assistance from a number of councils) has undertaken an assessment on the extent of the problem (number of leaky homes). Discussions are in progress between the Minister and some Metro Mayors about the numbers and possible solutions. These discussions have opened an important dialogue but have not progressed far at the time of writing.

Building Act Monitoring

The DBH has not progressed with its monitoring programme at this stage.

v *Fencing of Swimming Pools*

The DBH has recommenced work on legislative review options. The preferred option is to incorporate amendments into the next phase of the Building Act review in late 2009. At the time of writing it is expected that targeted consultation on options will be undertaken by the DBH in October 2009.

vi *Review of the Unit Titles Act 1972*

The Social Services Select Committee has reported back on the Bill and it awaits a second reading. The select committee has recommended a number of changes to the Bill. *Local Government New Zealand* has not lodged a submission on this Bill.

vii *Walking Access Commission*

The Commission have released two documents: The Draft National Strategy for Walking Access and the Draft New Zealand Outdoor Access Code. Comments are due to the Commission by 18 December 2009.

viii *Unformed Legal Roads*

Discussions have re-opened with DIA and the Walking Access Commission on preparing guidance on road stopping and management of legal roads.

ix

Dog Control

The Minister of Local Government has stated that a review of the Dog Control Act is programmed for 2011. This review provides an opportunity for the recent local government remit relating to dogs to be addressed.

The 2009 remit requested *Local Government New Zealand* to petition Central Government for a change to the Dog Control Act to enable a warranted animal control officer or a sworn policeman, with respect to any dog that is known to have committed an attack and which is believed to be an on-going danger to the public or stock, to seize that dog and subsequently cause to be euthanized humanely.

In light of the remit, *Local Government New Zealand* has welcomed the review and will work with the Minister of Local Government and with DIA officials accordingly.

x

RMA Making Good Decisions Programme

At the time of writing this update, we were advised the next round of foundation workshops is underway in September - October 2009. For further details about the programme, up-coming workshops, and to register visit the Auckland University Continuing Education Centre website:

<http://centreforcontinuingeducation.com/rma/>

xi

Aquaculture Reforms

Local Government New Zealand appeared before the Primary Production Select Committee in February 2009 on the Aquaculture Legislation Amendment Bill (No 2). The select committee has reported back and has recommended that the Bill pass with amendments. The Bill is now awaiting its second reading. The Bill addresses some concerns that *Local Government New Zealand* had made in its submission, particularly in relation to timeframes for coastal occupation charges.

As well as the No 2 Bill there is an aquaculture law review process underway and being worked on by central government officials as part of phase two of the RMA 1991 reforms. The Minister for the Environment has appointed an Aquaculture Technical Advisory Group (TAG) to provide some expert input into the aquaculture reform process. There are two local government representatives on the TAG group: Mark Farnsworth (Chair of the Northland Regional Council) and Dennis Bush-King (Environment and Planning Manager, Tasman District Council). The TAG group were due to report back to the Minister at the end of September. At the time of writing we have not heard anything further.

xii

National Policy Statements

New Zealand Coastal Policy Statement (NZCPS) Review

The Board of Inquiry has prepared its report and recommendations which are now with the Minister of Conservation. We have written to the Minister seeking the release of the report and recommendations. The Minister has advised that the report will not be released until after ministerial decisions on the report have been made. We have received no timeframes for this.

Electricity Transmission NPS

The NPS came into effect in April 2008. The MfE, with assistance from Transpower, has been developing guidance material and technical information for local authorities. At the time of writing this update we were advised that the guidance may be available in October 2009, perhaps in conjunction with workshops on the NES on transmission activities. At the time of writing, the NES is in its final stages of regulation drafting.

Renewable Electricity Generation NPS

Local Government New Zealand presented to the Board of Inquiry on 22 June 2009. Hearings have now all been completed and the board has now retired to prepare its recommendations to the Minister for the Environment.

In parallel to this process, a remit was passed at the *Local Government New Zealand* Annual General Meeting (AGM) asking *Local Government New Zealand* to:

- request central government to develop a NES with regard to the siting of wind farms and more specifically on:
 - the minimum distance turbines can be placed from private residences
 - appropriate assessment of noise and vibration from wind turbines, and maximum noise and vibration levels affecting dwellings
- Request central government to develop a NPS on criteria to identify outstanding landscapes and how the preservation value of these should be balanced against development pressure on them.

The Board of Inquiry has been made aware of this remit and will likely consider this remit as part of their considerations on the NPS. *Local Government New Zealand* will continue to work with central government officials and other involved agencies accordingly.

Water Management NPS

Information on this is provided above in the report on New Start for Fresh Water.

xiii *National Environmental Standards*

Telecommunications

The NES for Telecommunications Facilities 2008 was gazetted on 12 September 2008 and came into force on 9 October 2008. An updated version of the user guide and Crown Law legal advice was made available to councils by the MfE in June 2009. The Resource Management (Simplifying and Streamlining) Bill also makes amendments to address some of the technical issues.

Transmission

The first proposed transmission NES (transmission activities) is in the regulation drafting phase and may be in place by the end of November 2009. The second proposed NES (third-party activities affecting transmission) is being re-considered.

The NES Relating to Water Management

Information on further NESs is provided above in the report on New Start for Fresh Water.

xiv *MED Review of Regulatory Frameworks*

One outcome of the review, sought by the local government sector, is a minor amendment to the Reserves Act 1977, to ensure consistency between the Conservation Act and the Reserves Act on the term for licences to occupy reserve or conservation land. This amendment is included in the Regulatory Improvement Bill. Submissions on the Bill closed on 16 July 2009 and at the time of writing we were advised that the Select Committee is due to report back in November 2009. *Local Government New Zealand* made a short submission supporting the changes to the Reserves Act and endorsing the need for broader regulatory review. The submission is available on our website.

xv ***Ready Response Fund***

A joint application from Waikato District and Southland District Councils seeking ready response support for legal advice on a draft Section 15 & 16 Agreement under the Forest and Rural Fires Act 1977 was approved by the National Council in July 2009. No new applications for ready response funding have been received in the reporting period.

xvi ***Professional Development***

Planning is well underway for 2010. Location, dates and facilitators have been organised for workshops on Financial Governance, Decision-making, Asset Management and Community Boards. A new marketing campaign branded under the KnowHow umbrella will be used to promote these workshops.

Included in the 2010 Professional Development Programme are the post-election New Elected Members, Chairs, Mayors and Community Board workshops. Dates have also been set down for these and course development is underway. Training workshops for 2010 will run from February to July. The last workshop will be held early July, allowing time for the run-up to the local body elections in October.

A total of 23 Financial Governance workshops have been held this year, an increase of five based on earlier predictions.

i **Connecting with our Members**

i ***Internal Governance***

Central Government / Local Government Forum

We are in the final stages of planning for the first central local government forum with the current government. The date of the forum is confirmed for Thursday 22 October 2009.

Community Boards

The Community Board Executive met on the 18 September 2009.

ii ***Communications***

Publications

Since September 2009 we have produced two editions of *e-News*, and one edition of *Quarterly News*.

Four editions of the fortnightly newsletter to chief executives, mayors and chair were published.

Media

Recent media releases

7 Oct	Review of dog laws should focus on safety first
28 Sep	Empower Auckland council to deliver on vision
18 Sep	Let the Wanganui people choose

Media enquiries

We received 20 media enquiries between September 2009 and October 2009. These have mainly included questions about:

- council compensation for leaky homes
- local authority statistics for the June quarter which found operating expenditure for the sector up 10%, against inflation for the period of 2%
- current council debt levels and projected debt levels over the next ten years
- the Auckland Bill and requests for background information about various council population figures/rates levels. These were used by journalists for

articles on whether councils in other regions (particularly Wellington) should amalgamate.

There were numerous news articles and editorials about Rodney Hide's announcement to review dog laws. National Council spokesperson Dianne Hale's comments were quoted in many of these articles, particularly in regard to the need for new dog laws to focus on individual owners (i.e. of dangerous dogs) rather than generalised restraint.

Projects and planning

Release of Costs of Regulation report - prepared by PricewaterhouseCoopers

Following the Central Local Government Forum on 22 October, *Local Government New Zealand* is proposing that Rodney Hide releases an important piece of research on *Local Government New Zealand's* behalf. The report is entitled "*Local Government New Zealand Costs of Regulation on Local Government*".

It is proposed that the launch involves a media release from Rodney Hide's office and a link to the report on *Local Government New Zealand's* website. The key messages are:

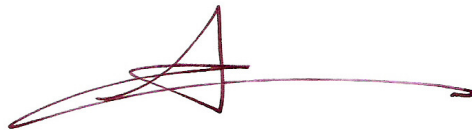
- this report provides some hard numbers to demonstrate the real financial impacts of specific pieces of legislation on councils
- acknowledging *Local Government New Zealand's* effort in investing in the science and facts on the debate
- ammunition for the Minister towards his goal of cutting down excessive regulation and its impact on ratepayers.
- forging a cooperative working relationship between central and local government.

KnowHow professional development

Work continues on upgrading promotion and branding of the KnowHow professional development courses and enhancements to this section of the website are underway.

Conference

Planning is underway for the 2010 conference, including invitations to keynote speakers.

A handwritten signature in dark red ink, consisting of a stylized, overlapping loop followed by a long horizontal stroke that tapers to a point on the right.

Eugene Bowen
Chief Executive
Local Government New Zealand