
REPORT 5
(1215/52/IM)

LOCAL GOVERNMENT NEW ZEALAND CONFERENCE – REPORT BACK

1. Purpose of Report

This paper is a report back on the Local Government New Zealand (LGNZ) Conference 2008 attended by the Mayor and three Councillors 27-30 July 2008.

2. Executive Summary

The Mayor, Deputy Mayor and Councillors Ahipene-Mercer and Best accompanied by officers, attended the LGNZ Conference in Rotorua, from 27-30 July 2008. The theme of the conference was *Sustainable Communities* which aimed to stimulate thinking about sustainability, how it affects all facets of our lives, and how elected officials can lead and respond to the changing needs of our communities.

3. Recommendations

It is recommended that the Committee:

- 1. Receives the information.*

4. Discussion

Through a combination of keynote addresses, break-out sessions and workshop sessions, the conference explored a number of topics under the theme of *Sustainable Communities* including:

- sustainability
- financial sustainability
- demographic change
- Securities Amendment Act
- housing affordability
- sustainable infrastructure

The Annual General Meeting (AGM) of LGNZ was held on the last day of the conference.

Points of interest to note from the conference include:

- ***The Chair of Local Government New Zealand, Basil Morrison,*** gave several speeches on his retirement from the role of president during various parts of the conference.
- ***Prime Minister Helen Clark*** spoke about the success of the twice-yearly local and central government forums held since 2000. She said while the Government wasn't persuaded by the case for general government assistance for local government infrastructure, they had committed to developing a framework to guide its investment. She noted that this would be targeted at smaller, less affluent authorities. She urged Councils to use development contributions to fund infrastructure and recommended that Reserves Caps should be removed. She noted that Auckland Councils had been invited to work on powers to levy a regional development contribution. The Prime Minister said the Government had been through the Shand Report and didn't agree with a centralised valuation body or funding infrastructure through issuing securities. She noted it would empower Councils who wanted more control over liquor licences.
- ***The Leader of the Opposition, John Key,*** stated that a National government would continue with the Central/Local Government forum and wanted to enhance it by meeting regionally, as we all needed to understand regional and national differences. He acknowledged the infrastructure deficit and said he believed it was a bottleneck for the growing economy. He noted he would like to see central government learn from local government on infrastructure planning. He said a National government would develop a common investment infrastructure framework for local and central government where the community would decide the needs. However, that would need a broader range of tools, e.g. PPP's, changing arrangements and long-term financing to ensure that New Zealand-wide priorities were catered for. Mr Key gave an assurance that National wouldn't shift functions from central to local government, and wanted to simplify the RMA and resolve complications with the Building Act. National wanted to encourage joint service delivery and see more preventative policy-making, along with benchmarking.
- ***Brian Dollery, Professor of Economics and Director at Centre of Local Government of the University of New England*** spoke about the infrastructure crisis in Australia. He said Australia had had a large number of reviews on financial sustainability. The same issues came out in all of them and the results were similar to New Zealand issues and experiences i.e. devolution from Central Government, cost shifting, raising the bar, increased community expectations, and policy choice. He outlined a range of possible solutions including: structural reform, amalgamation, asset management, shared services, federal/state funding of infrastructure and debt finance through bonds. He noted that amalgamation hadn't fixed the infrastructural financial problems in

Australia and that while savings were available through shared services, they were relatively modest and wouldn't fund the infrastructural backlog. Federal assistance wasn't enough and public opinion was very much against debt financing. In terms of learnings for New Zealand, we had already done structural and asset management reform and Councils can borrow. He noted rates were already a higher proportion of income compared to international standards. He said government intervention was needed through an asset fund and other sources of revenue to alleviate the pressure on rates.

- **Judy McGregor, EEO Commissioner Human Rights Commissioner**, talked about demographic change and what it meant for local government. She promoted the retention and recruitment of older workers and noted that the age effect impacts authorities from four aspects – as consumers and purchasers of services, users of infrastructure, taxpayers and workers. Judy noted women's participation in local government was falling short of 30% of the Commonwealth target (actual is 29%). Fewer women were standing for Council and Judy recommended a women's network to encourage more to stand and support those who did. She asked whether our staff reflected the community. Judy praised WCC for initiating the migrant worker programme.
- **Simon Upton, Consultant PriceWaterhouseCoopers**, spoke about the importance of the 'back story' – the history of products and organisations – in today's environmentally aware society. He said New Zealand's ecological footprint wasn't as good as we would think, and the back story would be increasingly demanded by consumers and voters so local government needed to be ready for that.

Technical Sessions

Technical sessions held at the conference were:

- **Next Steps – Sustainable land transport networks:** this looked at the impact of the Government's transport reforms under the Next Steps programme and the profound effect it will have on the way local government manages its transport networks. The changes provide opportunities for councils to influence transport outcomes in their regions, cities and districts, but also pose significant risks for councils and their communities. The workshop looked at how councils can avoid the risks and take advantage of the opportunities.
- **Managing land-use impacts on water:** This looked at the pressure put on our water resources by the increasing intensification of land-use. The challenges of water management and the sustainability of land-use activities were explored, and case studies on Lake Taupo, Rotorua Lakes and Hawke's Bay Rivers covered the use of economic instruments and planning mechanisms to help address water management issues.

- ***Housing affordability – is there a role for Councils:*** This session looked at whether councils should be involved in the affordable housing debate and if so, in what way? It looked at practical case studies where councils have decided to become involved and why. Participants received an update on government initiatives affecting local government.
 - ***Strengthening our people:*** This session looked at the best way for councils to support positive social outcomes and how we can work with social service providers to achieve positive change. Accompanied by the Mayor of Rotorua, participants travelled by bus to visit a social service provider and hear from them and the Council about what works for them.
 - ***Growing communities through digital technologies:*** This session looked at what other regions are doing to meet the challenges of living in a digital world. Case studies looked at plans for broadband deployment through community initiatives to help improve social outcomes with local access to, and understanding of, digital technologies.
- Smart initiatives for sustainable infrastructure:*** This session looked at how growth in population, demand and costs has brought some council infrastructure to crisis point. It provided an overview of research into sustainable water and waste services and included practical case studies where councils were using alternative approaches in response to local challenges.
- ***Using your Community Boards for added value:*** This session looked at how Councils and community boards can promote well-being in our communities in partnership with other organisations.
 - ***Writing our history: A workshop for local government:*** This session looked at ways of writing an area's heritage in an interesting and informative way.

Celebrity Debate

The proposition was: “The Local Government Act 2002 is all that Local Government needs to be successful.”

Arguing for the proposition was Jim Hopkins, Frano Cardno, Tim Shadbolt and arguing against was Mary Bourke, Nate Williams and Sue Piper.

The debate was thought-provoking and highly entertaining but with mostly irreverent and hilarious arguments, interspersed with pictures of Tim Shadbolt in his swimming costume. The most memorable quote was that the “Local Government Act is closed loop inertia”.

Annual General Meeting

LGNZ held its Annual General Meeting (AGM) at the Conference. Points of interest to note from the AGM were:

- Election of President – Hastings District Mayor Lawrence Yule

- Election of Vice President – Mayor Kerry Prendergast
- The AGM debated and supported remits relating to:
 - Funding of Regional Council pest animal management as the National TB programme winds down
 - Broadband Services
 - Official Information Act
 - Maori Advisory Group

Further information on the remits, and on the conference itself, is available on the LGNZ website – www.lgnz.co.nz .

5. Conclusion

The LGNZ Conference 2008 was a valuable opportunity to network with our colleagues, hear their experiences about the challenges and opportunities facing the local government sector, and to share ideas and best practice.

Contact: *Mayor Kerry Prendergast*

Supporting Information

1) Strategic Fit / Strategic Outcome

2) LTCCP/Annual Plan reference and long term financial impact
The project relates to C534: Elections, Governance and Democratic Process

3) Treaty of Waitangi considerations
Not applicable.

4) Decision-Making
This report does not see a decision.

5) Consultation
a) General Consultation
Not applicable.

b) Consultation with Maori
Not applicable.

6) Legal Implications
Not applicable.

7) Consistency with existing policy
Not Applicable