

Metropolitan Governance the New Zealand experience

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Local Government New Zealand



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le pūāhi matakōkiri

Context

NZ:

- A unitary state of 4.1m inhabitants
- Single level of local government
 - 73 territorial authorities
 - 12 regional councils
- Local government sector 3.1% of GDP and >10% of public spending

Auckland:

- One large metropolitan area accounting for 33% of NZ's population



Reform Ideologies (1)

For 120 years amalgamation has dominated LG reform discourse

1989 the first phase

- 850 authorities reduced to 86
- Average council size approx 45,000

Subsequent reform emphasises financial management, transparency and accountability



Reform Ideologies (2)

Representation levels in steady decline

Amalgamation still on policy horizon

- General agreement that new councils have greater capacity
- No analysis of costs and benefits

Lack of any comprehensive policies on either local or urban governance



The NZ model of metropolitan governance (1)

1989

Reform introduces a “one size fits all” governance structure for NZ’s localities

- Territorial councils with general powers
- Regional councils with environmental policy and regulatory roles



The NZ model of metropolitan governance (2)

2002

Reform allows for more local and regional variation - discretionary

- Some regional variation eg Wellington

Auckland the new model?



Auckland

Fragmented governance arrangements

- 8 territorial authorities
- 1 regional council
- 1 transport authority
- Infrastructure Auckland - joint ownership of ports and bulk water
- Numerous regional planning and policy statements

No metropolitan voice



History (1)

1992

- Government downsizes regional council and limits role
- Voluntary efforts to coordinate land use decisions by city councils
 - eg regional growth strategy
 - the One Plan

2005

- the Government establishes the Government Urban and Economic Development Office (GUEDO) in Auckland
 - 9 government departments represented



History (2)

2007

- Royal Commission on Auckland Governance established

2009

- Commission reports to the Government and recommends:
 - large unitary council combining regional and local functions
 - six subsidiary councils
- Government concerned at loss of engagement, decides on one metropolitan council and 20 - 30 local boards

2010

- New council established following triennial elections



The New Auckland Model

A unitary council of 1.4M residents

20 councillors elected by wards

19 local boards average pop. 80,000

- Some level of local decision-making
- Can levy targeted rates for marginal enhancements

Major activities in 7 public corporations

Very high representation ratio 1:12,740



Why Auckland governance and why now? (1)

Growing awareness in parts of bureaucracy about the role of cities as engines of growth eg GUEDO

- To identify and develop Auckland specific policy initiatives that will make a significant impact on Auckland and national economic growth
- To coordinate a collaborative approach for central government engagement in key regional development forums



Why Auckland governance and why now? (2)

Government frustration at the lack of any Auckland authority with decision-making powers

Sense that fragmentation was a “drag” on country’s economic performance

Bureaucracy view that consolidation = efficiency



Inter governmental arrangements (1)

2006

The One Plan:

- A collaborative and voluntary approach to planning including central government departments
- Regional Sustainable Development Forum



Inter governmental arrangements (2)

2008

Royal Commission devoted considerable attention to this issue recommending:

- a Minister for Auckland
- A cabinet committee for Auckland
- A social issues board



Inter governmental arrangements (3)

2009

The Government is considering:

- A social issues forum
- A central government/Auckland city forum



Sub-municipal governance

Broad enthusiasm for sub municipal governance to improve responsiveness

Still experimental

- No clarity on powers yet for local boards
- Planning and decision-making framework fraught
- Democratic deficit: proposed boards service large populations: average population 80,000
- Risk of citizen expectations not being met



Where to from here?

Uncertain whether Auckland represents a template for other built up areas eg Wellington

Current government taking a “wait and see” if Auckland works approach

Pressure in some areas to adopt the ‘unitary’ model

