

## 6. LOCAL GOVERNMENT NEW ZEALAND CONFERENCE 2002

The Chair reports:

The LGNZ conference was held in Rotorua 28-31 July 2002 and was attended by the Mayor, Councillors James, Harrow, Wells, Stonhill and Mrs Yvonne Palmer. Yvonne Palmer's attendance was invaluable in her role as the Chair of the NZ Community Boards Association and representing the concerns generally of Community Boards.

Following the Powhiri/Opening, the first day opened with two keynote speakers and was a highlight of the conference. Austin Mitchell was a witty and entertaining speaker (he likened Aunt Daisy to Kim Hill with recipes and Alzheimers) but he was very insightful in his comments about New Zealand, despite his lengthy absence and clearly had maintained good links here as well as having travelled widely within New Zealand immediately prior to the conference. He observed that the quarter acre section has shrunk especially in Auckland, that the "half gee" had disappeared and that pavlovas were now manufactured. He noted the rise of women within New Zealand and the Maori renaissance. Despite the substantial changes which he observed, he noted that the basic elements of a good society were still present and arose from our 'smallness'. He regarded Helen Clark as a 'tall poppy', the media as the only effective opposition and remarked that local government candidates came under tougher scrutiny than half the parliament who were elected from a party list and by comparison, little was known about them.

Contrasting with the wit of Austin Mitchell, Sir Geoffrey Palmer gave a very serious speech which had been well prepared and hit the mark, "Local Government in NZ under the Local Government Act: Choices that lie ahead". He noted that with increased powers came increased accountability. He saw a blurring of representative democracy and participatory democracy. His comments about community development were particularly interesting. Under the bill, he saw Local Government as a facilitator in community development - the glue that binds it together. This was a paradigm shift, community self reliance stimulated by local government. He saw various threats to 'community' and comprising poverty, unemployment, gang tensions, racial presence and the gaps between rich and poor. Sir Geoffrey advocated regional self government for Auckland with its own purpose-built statute which would maximise its potential as a world city. He argued that we did not need a Local Government Commission and that further amalgamations were unlikely under the new legislation. Sir Geoffrey also said that the case for Regional Councils was not as strong as it previously was, he having read the report of the Auditor-General and his observations of the unitary authorities in Gisborne, Nelson and Marlborough.

Stating the obvious perhaps, Sir Geoffrey remarked that with more activities, more responsibilities and more consultation came the need for more money. He contrasted the position with the UK and the less dependence on rating and more central government funding. He spoke of the need to develop fresh sources of funding, including local taxes. In the UK there was much greater competition between local government and with the development of "beacon councils" which were the high performing local authorities and in return were provided with increased powers. He saw this as a useful model for New Zealand. He regarded the bill as needing revision and fine tuning to reduce both the bulk and the complexity. He felt that the bill should be reduced to 20 pages with less prescription. Sir Geoffrey described the vista beyond as difficult, harder but exciting.

There followed on this first day, a presentation of the New Zealand Local Government Filming Protocol. This was led by Waitakere Mayor Bob Harvey and involved input from Industry New Zealand. New Zealand was being put firmly on the film industry world map with "Lord of the Rings" and its two sequels to follow. We were told that \$1.2 billion had been spent in 2001 by the film industry within New Zealand with considerable potential seen for the future. The film industry needs and its expectations of local government were speed, consistency, certainty and flexibility. Typical approaches would involve the use of lakes, rivers and harbours, parks and reserves and with issues relating to dangerous goods, building consents, resource consents and temporary traffic control. To be in the running as far as attracting the international film industry, local authorities need to be responsive to these issues. Waitakere City had developed a strategy for promoting its attractiveness for filming and was becoming a popular destination for the film industry with the City Council being flexible in its requirements.

There was also a presentation from Industry New Zealand on Regional Development. Industry NZ sought a closer working relationship with local government in order to achieve economic growth. Local government was seen as having a leadership role to play and the Local Government Bill was seen as empowering local government on economic issues for the first time.

The conference included delegates' choice sessions. I attended a session presented by the United States Ambassador, Charles Swindells, on Portland which is in the state of Oregon near our sister city of Seattle. Portland was portrayed as a success story about clever urban planning and economic development. It had developed a 50 year plan to year 2040 involving residents' input and included transport planning, transportation choices, clean air and water, wildlife and nature reserve protection, providing greenspaces, safe and stable communities and a vibrant culture and economy. The speaker saw the success of this vision for the future which was being successfully implemented as the city leadership that brought it together and achieved consensus, involving residents in the process and building on the plan even when times are not good.

The other choice session which I attended the next day was Innovative Funding for Council infrastructure which was presented by Simpson Grierson Solicitors and with input from Mario D'Elia, Director of Project Finance with Price Waterhouse Coopers in Melbourne. It promoted public private partnerships (PPP) as an option for infrastructure services. Ross Armstrong was nowhere in sight. The key to PPP was said to be better (cheaper and higher quality) delivery of services and best value. PPP's were not seen as new but PPP is simply a different label for 2002 but with a shift in perception and emphasis to options that include private sector involvement. Various examples were given of specific NZ PPP's and included solid waste and wastewater plants, power schemes, water schemes, drainage schemes and a toll road. The environment was said to be ripe for PPP's. The factors cited were the increased demand on resources, the demand for improved asset management, the demand for infrastructure improvements and new projects, local government reform and the power of general competence, political party support, potential roading reforms and the ability to toll for use of roads as well as a mind shift with a coming to terms with the private sector involvement. The presentation covered the elements of a PPP relationship and the key points for managing for best outcomes. Public support and consultation was seen as a vital element for a PPP. The challenge was to explain the concept and the issues of confidentiality and commercial sensitivity as against the need for public scrutiny, accountability and transparency. Pressure points were monopoly issues with the Commerce Act, public sector supervision including Auditor-General, perceived risk both commercial and political and the public good vs profit.

Wayne Wescott, Chief Executive, International Council for Local Environmental Initiatives (ICLEI), Melbourne based, gave an address on the International perspective on the choices and challenges of sustainable development. The Mayor considered that Christchurch should be involved in this organisation that is particularly active within Australian local government and promotes training on agenda 21. In thanking the speaker, Bob Harvey remarked "local government is where social development theory becomes community reality".

The following day, sector group meetings were held. For metropolitan councils the topic was 'the future of our cities'. Professor Ian Town spoke on demographic changes and local government managing these changes. What we do or don't do with transport may set the scene otherwise we don't control the drivers and managing change is about going with the grain and making it work better. The other speaker was Lindsay Gow, Deputy Chief Executive of the Ministry of Environment. He emphasised overall transport planning and management and planning transport and land use together. He urged against constraining land choice and promoted the development of options for different growth/change and metro region strategies.

Helen Clark addressed the conference and this was another highlight as it was only a matter of three days after the election. The Prime Minister indicated that she would like to see the Local Government Bill enacted this year, the Land Transport Bill/strategy given priority and also spoke on the need to have the Resource Management Amendment Act and the Civil Defence Emergency Bill passed. Other issues covered included climate change, waste strategy and hazardous waste, Crown payments in lieu of rates and collaboration between government agencies and local government. The Prime Minister also spoke of the closer relationship which her government had developed with LGNZ.

The Creative New Zealand awards were presented and the Christchurch City Council won an award for the graffiti art programme under the leadership of Sharon Williams.

The next and final day, the Leader of the Opposition, Bill English addressed the conference. Like Helen Clark his was a well-prepared speech and delivered with courage given the events of the weekend. He promised that the new National Party spokesperson on local government would be someone who would be for and not against local government, acknowledging previous spokesmen had been offside with local government. He said the new spokesperson would be a listener, be practical and know how to work with local government. He noted that local government controlled \$46 billion of assets.

He criticised the Local Government Bill as being a minefield for local authorities but would be a goldmine for lawyers. He stated that "the golden weather in the economy is coming to an end". He expressed particular concern as to the financial situation of the District Health Boards which he said was getting worse by the day and with no plan of action to turn it around, "real trouble stored up there". Mr English also expressed concern relating to issues of poverty and dependency. He also observed that with the election results and the situation with party lists, Tauranga had nine MPs and Northland seven MPs.

I was present for part of the address by Dr Nick Farr-Jones, former captain of the Wallabies and now a Sydney City Councillor, but due to travel arrangements had to leave before the keynote address from the outgoing Minister of Local Government, Sandra Lee.

Prior to and subsequent to the conference in Rotorua there were a number of technical tours. I attended the tour of the Wastewater Treatment Plant, the Compost Plant and the Land Treatment Effluent Disposal Scheme sited in the Whakarewarewa Forest. Rotorua is restricted in discharging into Lake Rotorua, in particular having regard to the Maori values and significance of Lake Rotorua as well as other RMA considerations. The city is, however, surrounded by extensive forests which are irrigated with the treated wastewater. The compost plant had encountered strong competition from other composting products and there was a stockpile of the product due to reduced demand.

The LGNZ conference elected Margaret Shields as Vice President narrowly over our preferred candidate, Dianne Hales. A resolution was also passed critical of the decision by the Sport and Recreation Council to abolish previous Hillary Commission funding without prior consultation with local government.

The conference was interesting but the programme could have been improved with more issues relevant to the proposed legislation and the challenges that lie ahead with such matters as long term council community plans etc. The 2003 LGNZ conference will be in Queenstown and I would recommend a similar attendance by the Mayor and other Councillors but with the opportunity given to those elected members who have not previously attended a LGNZ conference.

**Chair's**

**Recommendation:** That the information be received.