



26. 6. 2003

SUPPLEMENTARY REPORT BY THE MAYOR

PART A - MATTERS REQUIRING A COUNCIL DECISION

1. NEW LOCAL GOVERNMENT ACT

Responsibility The Mayor	Author The Mayor, Garry Moore
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The new Local Government Act comes into force on 1 July 2003. It is important that we turn our minds to this new, and exciting legislation which will have such an impact on this Council from that date onwards.

To get advice from elected representatives, on how to implement the Act, I called together the CEO Appointment Committee. Councillors will be aware that we have to address the new CEO's contract performance as well as how we will implement the new Act.

The Committee had two meetings and their advice was very valuable. I intend making a recommendation that the CEO Appointment Committee becomes the committee which plans our actions over the next few months as we change to meet the requirements of this new Act. The members of this group are: Carole Anderton; Paddy Austin; Sally Buck; Pat Harrow; Alister James; Denis O'Rourke; Gail Sheriff; Barbara Stewart; Sue Wells and Garry Moore.

We received advice from David Stock and Mike Stenhouse about the new Act and the issues we as a Council need to address.

The issues we need to turn our minds to are as follows:

FRAMEWORK AND FUNCTIONS OF LOCAL GOVERNMENT UNDER THE LOCAL GOVERNMENT ACT 2003

The framework and functions of local government have materially altered from 1 July 2003 by the coming into force of the Local Government Act 2002 (*the Act*).

Local authorities will now be required to:

- establish a Long Term Council Community Plan (LTCCP) and annual plan after consultation with the community;
- revise the 10 year LTCCP every three years for the next 10 years;
- prior to 1 July in each year approve an annual plan that contains detailed financial information and conforms with the LTCCP;
- ensure all significant alterations to the LTCCP or annual plan are subject to further public consultation.

The objective of the Act is to ensure that Councils:

- create long term plans and policies;
- in decision making, take into account present and future social, economic, environmental and cultural issues for the region;
- meet the present and future needs of the region in respect of the Council's statutory authority (for example water, drainage, sewage and waste);
- provide a long-term focus, coupled with integrated and co-ordinated decision making.

The effect of the Act is to require the Council to examine and plan for services and issues that are Council controlled and which have a long-term community and social impact.

This will require the Council to:

- take a long-term planning approach to the services and amenities provided by it;
- ensure decisions are consistent with the LTCCP and annual plan;
- ensure processes and governance structures are effective, open and transparent;

- understand the interrelationships between:
 - elected members;
 - the community;
 - management of the Council;
- separate regulatory and service functions;
- understand the way that formation of strategy is planned;
- produce a vision statement;
- carry out its statutory responsibilities; and,
- empower and support management.

To enable the Council to meet its responsibilities it needs to consider the following issues:

- the separation between the governance role of the Council and the role of management,
- how does the council:
 - produce a vision and strategies;
 - plan for the future;
 - monitor the implementation of the plan;
 - remain accountable to the community through consultation and responding to issues;
 - ensure the processes are open and transparent so the public is aware of plans, strategies and decisions;
 - monitor management;
 - formulate policies to give management guidelines for the future;
 - fulfill its regulatory and services functions within the vision for the future;
 - ensure Councillors do not become involved in management and ensure there is appropriate empowerment to management.

In implementing the vision and strategies the Council will need to examine the way it operates, how decisions are made, how policies are formulated, what monitoring takes place and how the Council measures its own performance. This will include discussions on the following (among others):

- determining what risk profile the Council should adopt;
- ensuring the appropriate culture is encouraged;
- determine the values of the organisation;
- implementing and monitoring performance criteria, including KPI's;
- determining the future role of the Councillors and the Committee structure (this will require committees to recommend policy rather than make the management decisions);
- determining how policies are developed and approved, and their implementation is monitored;
- resolving the role of the Council, Councillors and management;
- determining how Councillors meet their accountability to electoral ratepayers and their duty to the Council and the community.

KEY ISSUES TO BE ADDRESSED

As a Council we need, over the next short period, to:

1. Understand and define the roles, responsibilities and accountabilities of:
 - Council
 - Councillors
 - Community Boards/members
 - Management

and define and obtain acceptance of roles.
2. Define the vision and decide its relationship to above (functions/responsibilities/activities of CCC) (section 40(1)(a)).
3. Assess Committee structure (section 40(1)(f)).
4. Understand statutory compliance in relation to consultation.
5. Understand/liaison/representation of Maori interests (40(1)(d) to (i)).
6. Develop our LTCCP and monitor its implementation.

STEPS TO IMPLEMENT CHANGE

Over the next few months this Council will need to agree on steps we will need to take to implement the new Act. This Council has a proud history of leadership and innovation in Local Government. The new legislation provides us with an opportunity to continue in this leadership role. The outcome of the steps we are about to embark upon will lead to changes in frameworks, policies and processes. In a number of areas this has already started, eg LTCCP consultation with community agencies.

As a council we must develop a process which achieves the following:

- agreed steps to implement change;
- Council/management involvement and ownership of these steps and the consequent changes to the organisation;
- scoping of key issues/requirements/projects;
- an agreed timetable.

Mayor's

Recommendation:

That the Christchurch City Council agree to:

1. Confirm that the review process to implement the new Local Government Act be supervised by a committee comprising Councillors Anderton, Austin, Buck, Harrow, James, O'Rourke, Sheriff, Stewart, Wells and Mayor Moore, in consultation with the CEO, Dr Lesley McTurk.
2. That this committee recommend to the July Council meeting the tasks to be undertaken by Councillors and Community Board members to implement the new Act, and to assign "lead" teams to undertake these tasks.
3. In September 2003 the Christchurch City Council and Community Boards meet solely to work on the Local Government Act and its implementation, and that standing committees do not meet during this month.
4. That there be a special Council meeting on 1 October 2003 to consider the recommendations made by the Council, Community Boards and its special committees during their September deliberations and to agree to a course of action for this Council as it implements the new Local Government Act 2002.

CONSIDERED THIS 26TH DAY OF JUNE 2003

MAYOR