

Appendix 1: summary analysis of governance options against principles and criteria

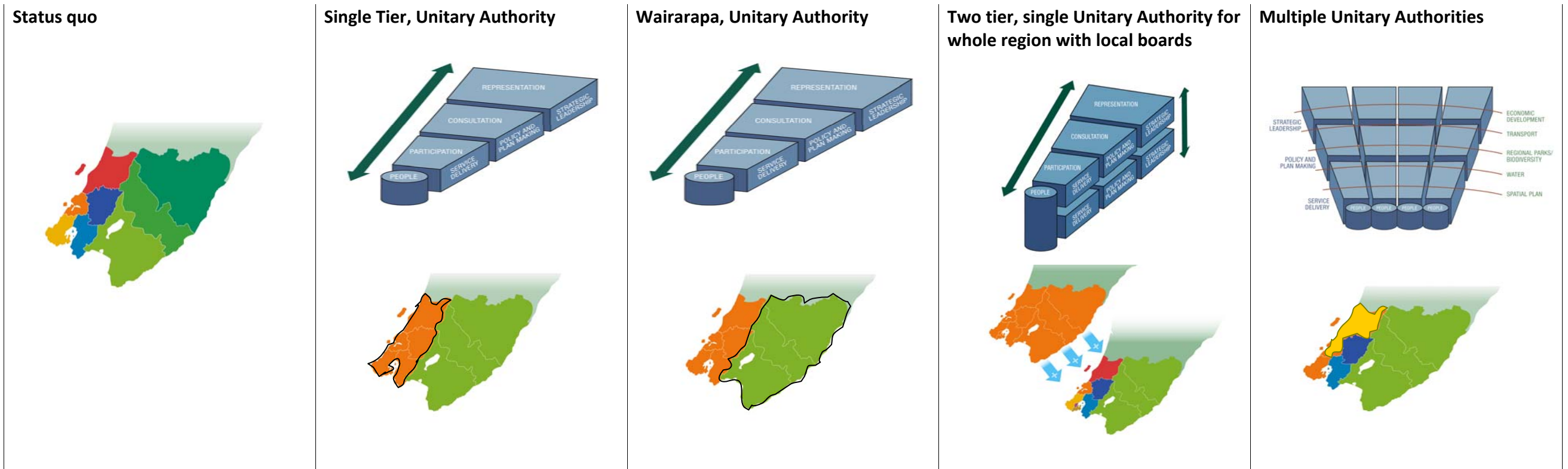
This table provides a summary analysis of how models being considered for local government reorganisation in the Wellington region measure against:

- i. The criteria against which the Local Government Commission will be required to consider as part of any application for reorganisation in the region.
- ii. The characteristics of good governance set out by the Wellington Region Local Government Review Panel headed by Sir Geoffrey Palmer which have subsequently been adopted by the Wellington Region Local Government Reform Working Party (the Working Party).

Table Colour-Code Key

	High compliance with assessment criteria
	Medium–High compliance with assessment criteria
	Medium compliance with assessment criteria
	Low–Medium compliance with assessment criteria
	Low or no compliance with assessment criteria

Options



LGA Criteria

Have the resources necessary to enable it to carry out effectively its responsibilities.

- Smaller councils demonstrate difficulty in attracting specialist expertise.
- Shared service focus has offered mixed success.
- Territorial sovereignties – barriers to greater growth potential.

- Sufficient scale to attract specialist expertise.
- Unified regional approach.
- Significantly improved strategic financial investment capability.

- Improved scale to attract specialist expertise may need to compete from the same pool which is a risk to this approach when assessed on this basis.
- Unified regional approach.
- Improved strategic financial investment capability (compared to fragmentation of current three councils).
- The basis for the reallocation or regional rates remains a factor for consideration.

- Sufficient scale to attract specialist expertise
- Unified regional approach
- Significantly improved strategic financial investment capability
- Additional resources required to provide sufficient support through statutory reporting and planning processes (compared to single tier).

- Some scale constraints present, particularly for Kapiti and Porirua.
- The number of councils will dilute specialist expertise/talent pool.
- Integration of regional and local function across boundaries will require the establishment of new regional bodies, who themselves will require specialist expertise.
- Smaller councils will have increased cost pressures imposed through having to undertake regional and local activities. The basis for reallocation of regional rates remains a consideration.

Options	Status quo	Single Tier, Unitary Authority	Wairarapa, Unitary Authority	Two tier, single Unitary Authority for whole region with local boards	Multiple Unitary Authorities
Have a district or region that is appropriate for the efficient performance of its role.	<ul style="list-style-type: none"> District planning is adequate as local and site variations are necessary. However, service delivery is duplicated and in some cases with significant variance to service levels. Regional planning is reliant upon a shared approach, itself drawing on broad agreements that seek to advance the regional interest. This approach has achieved mixed success on small scales or inefficient performance such as the Wellington Regional Strategy. 	<ul style="list-style-type: none"> No duplication of service delivery. Regional planning streamlined. Allows for systems integration over time, delivering a high degree of efficiency. 	<ul style="list-style-type: none"> No duplication of service delivery. Regional planning streamlined (with emphasis on priorities in the predominantly rural setting). Allows for systems integration over time, delivering a high degree of efficiency. 	<ul style="list-style-type: none"> No duplication of service delivery. Regional planning streamlined. Allows for systems integration over time, delivering a high degree of efficiency. Clear parameters and community understanding of the role of local boards will be required to ensure efficiency in decision-making processes (eg to avoid double handling). 	<ul style="list-style-type: none"> Regional planning is reliant on a shared approach, drawing on agreements of the various unitary authorities. New statutory bodies, imposing cost and complexity, will be required in some instances for the delivery of regional transport or water services required between the Hutt Valley and surrounding predominantly urban Western area of the region. Lack of scale is likely to significantly impact service levels for smaller unitaries such as a Kapiti unitary authority.
In the case of a regional council or unitary authority, enable catchment – based flooding and water management issues to be dealt with effectively.	<ul style="list-style-type: none"> The regional council currently deals with catchment-based flooding and water management issues across the region. TAs are responsible for land use planning. There are some issues integrating planning decisions as land use decisions can impact on natural waterways (including water quality) and require alignment between the council decisions to enable outcomes to be achieved. 	<ul style="list-style-type: none"> Flooding and water management issues would be dealt with effectively and be specific to the area defined in this proposal. 	<ul style="list-style-type: none"> Flooding and water management issues would be dealt with effectively and be specific to the area defined in this proposal. 	<ul style="list-style-type: none"> Flooding and water management issues would be dealt with effectively and be specific to the area defined in this proposal. 	<ul style="list-style-type: none"> Regional planning is reliant on a shared approach, drawing on agreements of the various unitary authorities. All other unitary authority areas, such as would be the case with a Hutt Valley, Wellington City and/or Kapiti unitary authority would split catchments. These issues would almost certainly need to be dealt with by new statutory bodies.
Will facilitate improved economic performance, which includes: productivity improvements, efficiencies and cost savings.	<ul style="list-style-type: none"> Regional planning is reliant on a shared approach, drawing on agreements of the various unitary authorities. Multiple councils creates fragmented and incremental decision making. This results in silos and activity based decisions with less focus on alignment of systems (to generate savings and increased productivity) There is a low potential for savings, even with increased shared services. 	<ul style="list-style-type: none"> A single tier model will be able to provide infrastructure and services in a cost effective way. There is the potential for material savings under this model. 	<ul style="list-style-type: none"> A single tier model will be able to provide infrastructure and services in a cost effective way There is the potential for savings under this model. 	<ul style="list-style-type: none"> A two-tier model will be able to provide infrastructure and services in a cost effective way. There is the potential for a medium to high level of savings under this model. Sufficient clarity in the Local Board Scheme is designed to ensure efficiency is achieved in the local board planning processes – this poses a risk to this approach when assessed on this basis. 	<ul style="list-style-type: none"> Regional planning is reliant on a shared approach, drawing on agreements of the various unitary authorities. Planning processes deliver mixed success but are highly inefficient in any case. There is a low – medium potential for savings, even with increased shared services.
Contain within the district one or more communities of interest.	<ul style="list-style-type: none"> Each of the existing council areas contains more than one specific community of interest. 	<ul style="list-style-type: none"> The overall area covered by the council would cover many distinct communities of interest. 	<ul style="list-style-type: none"> The overall area covered by the council would cover many distinct communities of interest. 	<ul style="list-style-type: none"> The overall area covered by the council would cover many distinct communities of interest. 	<ul style="list-style-type: none"> Each of the unitary authority areas would contain more than one specific community of interest.

Characteristics of good governance

Options	Status quo	Single Tier, Unitary Authority	Wairarapa, Unitary Authority	Two tier, single Unitary Authority for whole region with local boards	Multiple Unitary Authorities
Strategic.	<ul style="list-style-type: none"> There is little or no single directive vision for the region. The participating councils bring to the table their mandate to represent the interests of their areas only. The region is not in a strong position to partner with central government and the private sector on regional scale issues. Regional planning is reliant on a shared approach, drawing on agreements of the various unitary authorities. 	<ul style="list-style-type: none"> This model provides the opportunity for a single directive vision for the predominantly urban part of the region. The single tier council would be in a strong position to partner with central government and it would have the mandate to develop partnerships with other key regional players. Spatial planning and addressing issues that are of a regional scale like climate change would be enhanced. 	<ul style="list-style-type: none"> This model provides the opportunity for a single vision for the predominantly rural part of the region. The single tier council would be in a stronger position to partner with central government but may not be able to compete with urban centres. Spatial planning and addressing issues that are of a regional scale like climate change would be enhanced. 	<ul style="list-style-type: none"> This model provides the opportunity for a single directive vision for the region. The council would be in a very strong position to partner with central government and it would have the mandate to develop partnerships with other key regional players. Spatial planning and addressing issues that are of a regional scale like climate change would be enhanced. 	<ul style="list-style-type: none"> It is highly unlikely that this model would be capable of generating a single directive vision for the region. This is because, as under the current situation, the participating councils bring to the table their mandate to represent the interests of their areas only. The wider region would not be in a stronger position to partner with central government and the private sector (that the status quo). Sufficient scale is not evidenced for improved strategic performance.
Ensuring engagement and decision making occurs at the right level.	<ul style="list-style-type: none"> This model allows for effective engagement and decision making at both regional and local levels in relation to the specific functions of each council. The region-wide decisions that require co-operation between councils are more difficult – this is a significant risk to this approach assessed on this basis. Neighbourhood level engagement is free to develop how, and as required, by residents and the method used can change according to the subject and to need. 	<ul style="list-style-type: none"> The single tier council mandate will ensure that regional issues are dealt with in an integrated way. The model will require the council to be accessible to local communities as local decisions will be made by the single council with greater jurisdiction and responsibility. Neighbourhood level engagement is free to develop how, and as required, by residents and the method used can change according to the subject and to need. 	<ul style="list-style-type: none"> The single tier council mandate will ensure that regional issues are dealt with in an integrated way. The model will require the council to be accessible to local communities as local decisions will be made by the single council with greater jurisdiction and responsibility. Neighbourhood level engagement is free to develop how, and as required, by residents and the method used can change according to the subject and to need. 	<ul style="list-style-type: none"> This model has the potential to enable effective engagement and decision making at both regional and local levels. The region-wide council mandate will ensure that regional scale issues are dealt with in an integrated way. Local boards would allow effective engagement and local decision making and advocacy on some local issues. Within the two-tier structure neighbourhood level engagement is free to develop how, and as required, by residents and the method used can change according to the subject and to need. 	<ul style="list-style-type: none"> This model could enable effective engagement and decision making at both regional and local levels, provided there was an effective regional body/committee in existence with delegations to address regional scale issues. However, access to the regional body/committee is likely to be compromised because it will be one step removed from the local elected councillors. Neighbourhood level engagement is free to develop how, and as required, by residents and the method used can change according to the subject and to need.
Integrated and coordinated.	<ul style="list-style-type: none"> Achieving integration and coordination depends on shared services and/or joint regional committees. The region has struggled to achieve this level of coordination and there are few examples of effective shared services. 	<ul style="list-style-type: none"> This model will enable planning and service delivery for most key networks, infrastructure etc in an integrated way as there will be a single organisation in the area making decisions and delivering the services. The size of the single tier council organisation will bring the benefits of capacity, scale and capability. 	<ul style="list-style-type: none"> This model will enable planning and service delivery for most key networks, infrastructure etc in an integrated way as there will be a single organisation in each area making decisions and delivering the services. The size of the Wairarapa organisation will bring the benefits of capacity, scale and capability. However there is some risk in being able to attract and retain the professional capability required to deliver all services as they currently stand. 	<ul style="list-style-type: none"> A single unitary will enable planning and service delivery for the key networks, infrastructure etc in an integrated way as there will be a single decision making body and organisation making decisions and delivering the services. Under a two tier structure, the region wide networks will all be dealt with by the governing body. The size of the organisation will bring the benefits of capacity, scale and capability. Sufficient clarity in the Local Board Scheme is designed to ensure efficiency is achieved in the local board planning processes – this poses a risk to this approach when assessed on this basis. 	<ul style="list-style-type: none"> Achieving integration and coordination would depend on shared services and/or joint regional bodies/committees. Successfully achieving coordination and integration would not be guaranteed and would most likely be sub-optimal. In particular natural resource planning and public transport provision will be very difficult, if not impossible under this model. Unitary authorities are not likely to be of a scale sufficient to attract and retain the professional capability required.

<i>Options</i>	<i>Status quo</i>	<i>Single Tier, Unitary Authority</i>	<i>Wairarapa, Unitary Authority</i>	<i>Two tier, single Unitary Authority for whole region with local boards</i>	<i>Multiple Unitary Authorities</i>
<i>Resilient and adaptive.</i>	<ul style="list-style-type: none"> ○ The size of councils may limit their ability to ensure resources and capability are available. ○ Local neighbourhood resilience can be supported. However, there are limitations at a regional scale. 	<ul style="list-style-type: none"> ○ The size of the organisation will bring the benefits of capacity, scale and capability. ○ The single tier council will be able to design engagement that is flexible, resilient and able to be adapted. 	<ul style="list-style-type: none"> ○ The size of the organisation will bring the benefits of capacity, scale and capability. ○ However there is some risk in being able to attract and retain the professional capability required to deliver all services as they currently stand. 	<ul style="list-style-type: none"> ○ The size of the organisation will bring the benefits of capacity, scale and capability. ○ The single tier council will be able to design engagement that is flexible, resilient and able to be adapted. ○ Some inflexibility exists with respect to the decision-making scope of local boards which may make them slow to respond. 	<ul style="list-style-type: none"> ○ The size of councils may limit their ability to ensure resources and capability are available. ○ Local neighbourhood resilience can be supported. However, there are limitations at a regional scale. ○ Coordinating across the authorities on issues such as climate change will be challenging.
<i>Representative and responsive.</i>	<ul style="list-style-type: none"> ○ The current model provides opportunities for individual citizens to access decision makers and influence decisions. ○ The councils in each area have the opportunity to provide all citizens with direct access to decision-makers and the ability to influence decision makers. 	<ul style="list-style-type: none"> ○ The single tier council will be accessible to local communities as local decisions will be made by the single council. ○ With representation ratios for the proposed single tier unitary model comparing favourably. 	<ul style="list-style-type: none"> ○ The single tier council will be accessible to local communities as local decisions will be made by the single council. ○ With representation ratios for the proposed single tier unitary model comparing favourably. ○ The Wairarapa makes up 10% of the wider region and 70+% of the land area. A Wairarapa Unitary ensures representative scale for the predominately rural community. 	<ul style="list-style-type: none"> ○ A unitary authority with two tiers will enable opportunities for individual citizens to access decision makers and influence decisions. ○ With representation ratios for the proposed two tiers comparing favourably. ○ Some risk exists in light of potential confusion arising among residents who may not know with who to talk to – mitigation is proposed through clear definition of local board decision-making responsibility. 	<ul style="list-style-type: none"> ○ The multiple unitary model will enable opportunities for individual citizens to access decision makers and influence decisions. ○ Where a joint body exists, there may be some difficulty for citizens to access that body, especially if it is in the form of a CCO as these bodies will be at arms-length from residents. ○ The councils in each area have the opportunity to provide all citizens with direct access to decision-makers and the ability to influence decision makers.
<i>Transparent and accountable.</i>	<ul style="list-style-type: none"> ○ Local Government Act processes and requirements ensure a high level of transparency and accountability. 	<ul style="list-style-type: none"> ○ Local Government Act processes and requirements ensure a high level of transparency and accountability. 	<ul style="list-style-type: none"> ○ Local Government Act processes and requirements ensure a high level of transparency and accountability. 	<ul style="list-style-type: none"> ○ Local Government Act processes and requirements ensure a high level of transparency and accountability. ○ Establishing local boards will impose local board accountability for their decision making. 	<ul style="list-style-type: none"> ○ Local Government Act processes and requirements ensure a high level of transparency and accountability. ○ The size of the unitary authorities would provide relatively good access for citizens to decision makers.

<i>Financially sustainable.</i>	<ul style="list-style-type: none"> ○ In the Wellington region, the nature of the economy and infrastructure networks mean that the more disaggregated the council structure the less financially viable those councils may be. 	<ul style="list-style-type: none"> ○ A single tier council will enable efficiency and cost saving through economies of scale, streamlined statutory processes and avoidance of duplication. 	<ul style="list-style-type: none"> ○ A Wairarapa council will enable efficiency and cost saving through economies of scale, streamlined statutory processes and avoidance of duplication. 	<ul style="list-style-type: none"> ○ A single unitary model will enable efficiency and cost saving through economies of scale, streamlined statutory processes and avoiding duplication. ○ It is important that clarity is provided to avoid duplication and complexity. ○ There will be some costs associated with local boards. 	<ul style="list-style-type: none"> ○ The more unitary authorities there are, the less cost efficient they will be. ○ In the Wellington region, the nature of the economy and infrastructure networks mean that the more disaggregated that the council structure and therefore funding arrangements are, the less financially viable those councils may be.
<i>Options</i>	<i>Status quo</i>	<i>Single Tier, Unitary Authority</i>	<i>Wairarapa, Unitary Authority</i>	<i>Two tier, single Unitary Authority for whole region with local boards</i>	<i>Multiple Unitary Authorities</i>
<i>Effective and efficient.</i>	<ul style="list-style-type: none"> ○ The number of authorities in the region means that efficiency is not optimised. ○ Efficiency is compromised through duplication of services and functions. ○ There is little or no single vision for the region. ○ The participating councils bring to the table their mandate to represent the interests of their areas only. ○ The region is not in a strong position to partner with central government and the private sector on regional scale issues. ○ Preparing and implementing a spatial plan (as Auckland has done) would be very challenging. 	<ul style="list-style-type: none"> ○ A single tier council will have a scale that will mean effective delivery of core local government services. ○ Efficiency will be achieved through removing duplication of services, and functions such as the administrative and support costs for servicing of decision-making/service delivery. ○ The single tier council would be in a strong position to partner with central government and it would have the mandate to develop partnerships with other key regional players. ○ Spatial planning and addressing issues that are of a regional scale like climate change would be possible. 	<ul style="list-style-type: none"> ○ A Wairarapa council will have a scale that will mean effective delivery of core local government services specific and tailored to the needs of the Wairarapa area. ○ Efficiency will be achieved through removing duplication of services, and functions such as the administrative and support costs for servicing of decision-making/service delivery. ○ Spatial planning and addressing issues that are of a regional scale like climate change would be possible. 	<ul style="list-style-type: none"> ○ A single unitary model will have a scale that will mean effective delivery of core local government services. ○ Efficiency will be achieved through removing duplication of services and functions. ○ This model provides the opportunity for a single vision for the region. ○ The region would be in a strong position to partner with central government and it would have the mandate to develop partnerships ○ ○ and other key regional players. ○ Spatial planning and addressing issues that are of a regional scale like climate change would be possible. 	<ul style="list-style-type: none"> ○ The more unitary authorities and the smaller their communities, the less efficient and effective they will be. ○ Some efficiency will be achieved through reducing duplication of services and functions. ○ It is unlikely that this model would be capable of generating a single vision for the region. ○ The wider region would not be in a strong position to partner with central government and the private sector. ○ This is due to each community wanting their own representatives to be leading those relationships rather than having a single regional representative.