

ANNUAL REPORT 2001/2002



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President's Foreword

I am pleased to be presenting to you the report on the performance of *Local Government New Zealand* to the year ending March 2002.

Local Government New Zealand continues to receive strong support from its 86 members throughout New Zealand. This ensures that local government presents a strong, unified voice to Central Government.

Following the elections in October, members elected a new National Council to govern the activities of *Local Government New Zealand*. I am pleased to report that the new Council is full of energy and commitment and is working very well together. I am confident that the new National Council will ensure that *Local Government New Zealand* continues to deliver excellent value to its members and continue our success in lobbying effectively for the sector.

The October elections also saw the retirement of several long standing National Council members. In particular, I would like to recognize and thank John Chaffey, Don Riesterer and Paul Rieger, all of whom have made a substantial contribution to *Local Government New Zealand*.

A major part of 2001/02 was rebuilding the organization following the upheavals of the previous year. I am very pleased to report that we close the year with our reserves restored to a significant extent, and with our reputation and delivery as good as I can ever recall it. Achieving this is a major credit to all involved and I thank them.

One of the major changes during 2001/02 was our re-focus on Zones and Sectors. I believe we have substantially enhanced our engagement with member councils through Zone and Sector meetings. I look forward to enhanced debate and dialogue at these meetings over the year ahead.

During 2001/02 we also made huge progress on a number of key policy issues. The reform of local government legislation is well underway and transport policy is heading in a sensible direction.

None of this would have been possible without the hard work and dedication of *Local Government New Zealand* staff. I wish to thank them all for their work and congratulate them on their outstanding achievements.

Basil Morrison
President



Chief Executive's Introduction

The 2001/2002 year was another exciting one for *Local Government New Zealand* and the sector in many ways. Our close relationship with the current government continues with two Central/Local Government Fora being held. The Local Government Bill was referred to the Select Committee, the Local Elections Act and Rating Act were passed. *Local Government New Zealand* is working in partnership with SOLGM and the Department of Internal Affairs to ensure that the implementation of the new legislation goes smoothly.

The eight top priority areas agreed were:

- Local Democracy and Legislative Framework
- Land Transport
- Environment, Natural and Built
- Economic Development
- Community Development, Social Cohesion and Housing
- Treaty of Wāitangi/Māori participation
- Water and Wastewater
- Ready Response

As well as these *Local Government New Zealand* committed to:

- ongoing policy and advocacy work across a wide range of work areas
- respond to on-going issues e.g. apportionments and Fire Service funding
- develop a research foundation
- increase its liaison with external stakeholders
- develop a higher profile for 'local democracy'
- a timetable of legislative reviews
- member development projects
- the usual ongoing response and support activities of a member organisation such as ours.

I wish to acknowledge the wonderful support that the staff of *Local Government New Zealand* have received from both the National Council and member councils. The last year has been extremely challenging and the workload substantial. We would not have been able to achieve what we have without that support.

I also wish to thank my staff for their huge effort. They devour work and deliver consistently high standards. I am proud of their efforts.

Peter Winder
Chief Executive



Achievements by Work Area

A.1 Local Democracy and Legislative Framework

Central government continued with its desire to develop a much fuller policy framework around the place, role and functions of local government, and to engage in a new and comprehensive dialogue with local government as partners in the governance of New Zealand.

This work area focussed on three major pieces of local government legislation; the development of the Local Government Bill, the new Rating Act, and the local Elections and Polls Act. Each of these areas of work required considerable on-going policy resource and the establishment of real partnerships with central government and within the sector.

Local government has moved towards a significantly more robust legislative framework as a result of this year's activity.

Outputs

- Two fora with Central Government held.
- Discussion paper on Local Government Act Review (in partnership with the Department of Internal Affairs) completed and released at the June Central/Local Government Forum.
- Seminars and workshops on Local Government Act Review with elected members and council officers held.
- Four regional hui held to discuss the Local Government Act Review's strategy towards Maori and the Treaty of Wāitangi.
- Submission on Local Government Act Review completed.
- Submission made to Select Committee on 28 February 2002.
- Local Government (Rating) Act enacted.
- Local Electoral Act enacted.
- Local Government (Remuneration and LATEs) Act enacted.
- Report on voter participation in the 2001 elections commissioned and published.
- Seminar on inter-agency collaboration held with central government and local government officials.
- Report on supplementary sources of funding for community needs completed.

A.2 Land Transport

Central government continued the development of a national transport policy package. *Local Government New Zealand* has consulted and developed within the sector to assist central government to come up with a sturdy framework for legislative change.

Outputs

- Accorded "Government Department" status in the preparation of draft Cabinet papers containing new transport policy proposals.
- Participation in the preparation of 6 Cabinet papers.
- Successful plenary session held at conference 2001 titled "undoing the Arteries".
- Continued liaison with Transport and the Ministry of Transport on policy initiatives.
- Substantial impact on Government announced transport policy.

A.3 Environment, Natural and Built

Local government needed to work with Government to secure environmental legislation that has integrity, improves processes, enhances opportunities to achieve agreed environmental outcomes and recognises community aspirations. Similarly, local government needed to continue improving its processes, lowering costs and upgrading its capacity. Also attention needed to be directed towards waste management, reserves, biodiversity, and historic heritage.

Outputs

- Submission on the National Policy Statement on Indigenous Bio-Diversity prepared and approved.
- Action Bio-Community Project design phase completed and project launched in November 2001 and Action Bio-Community Project workshop called "Bio-diversity Management in Local Government" held.
- National Waste Minimisation and Waste Management Strategy prepared and recommended to members.
- Submission on National Pest Management Strategy prepared and presented.
- Cost reduction proposals/ programmes in relation to Compliance Costs in relation to the Resource Management Act.
- National Energy and Efficiency Conservation Strategy developed and submission finalised in June 2001.
- World Summit / Rio + 10 and a proposed National Sustainable Development proposal completed.
- Seminar at 2001 Conference titled "Rio to Reality" held.
- Climate Change workshop held in partnership with the Ministry for the Environment and co-ordination of sector response and submissions on Select Committee report plus Government proposal.
- Submission on the Public Works Act completed and presented.
- Submission prepared on policy issues arising from the implementation of the Building Act.
- Submission on Oceans Policy prepared and submitted.
- Training opportunities for local government and industry in regard to HASNO developed.
- Establishment of Utilities Advisory Group with utility company representatives.

A.4 Economic Development

The need for economic growth and employment in communities continues to be a major concern for many member authorities. Local government aimed to influence central government actions and policy proposals in this area to support communities' economic and social well-being.

Outputs

- Economic Development guidebook and a document on economic initiatives developed.
- Economic Development Forum held in April 2001.
- Mayors for Jobs supported and a Memorandum of Understanding signed.
- A Statistical Needs steering group convened.
- Memorandum of Understanding with Department of Immigration on the "regional immigration scheme" signed.
- Ministry of Tourism support obtained to undertake a series of workshops around New Zealand in relation to the New Zealand Tourism Strategy.
- Procurement Guide developed.
- Industry New Zealand support obtained to develop Film Friendly Regulatory Guidelines.

A.5 Community Development, Social Cohesion and Housing

Building stronger communities is a concern shared by both local and central government. National policies impact at the local level, and therefore require a local government input to ensure quality decisions.

Issues facing local government in this area included provision of health services, public health, social policy and delivery, housing, law and order, recreation and cultural development, and working with the voluntary sector.

Outputs

- Publication of The Guide to Local Government and Community Management of Social Housing.
- Publication of a paper on good community governance examples.
- Development and circulation of a resource kit promoting the International Year of the Volunteers to councils.
- Acknowledgement as a Government Department in the preparation of draft Cabinet papers in relation to the Health Act reforms.
- Workshop for interested local authorities on the Health Act reforms undertaken.
- Draft submission on the Responsible Gaming Bill completed and sent to members for feedback.

A.6 Treaty of Waitangi

Through the Local Government Act review, the government intend to clarify the relationship of local government to the Treaty of Waitangi. Local government needs to engage in this debate as well as show a responsiveness to the desire of Iwi/Maori to participate more extensively in the sector.

Outputs

- A research project undertaken with Te Puri Kokiri to identify best practice in local government Iwi/Maori relationships.
- Four regional hui held to discuss the Local Government Act discussion document and its implications for Maori.
- Nga Matakokiri completed position statement on Local Government Act review.
- Nga Matakokiri Maori completed meetings for the triennium.
- Campaign undertaken to encourage Maori to stand in the 2001 local government elections.

A.7 Water and Wastewater

Constraints and opportunities exist in the arrangements for the delivery of water, wastewater and storm water. Local government wished to explore the options available to its communities and identify governance, pricing, regulation and institutional arrangement that removed impediments and best met local needs.

Outputs

- Wastewater Technical Group convened to work with officials on developing a robust sewage subsidy scheme that benefits communities.
- Development of Principle for a Sanitary Works Subsidy Scheme.
- Submission made to the Select Committee on the Consumer Protection (Definition of Goods and Services) Bill.

A.8 Ready Response

From time to time legal challenges to the sector arise which may be of critical national and generic importance to the sector and require *Local Government New Zealand* to become involved in, extend support to, or act on behalf of a council or councils.

This budget area is reserved to handle a quick response to these.

Outputs

Issues dealt with in this area included

- Representations made to Government on the Apportionments issue and subsequent development of the appeal to the Privy Council.
- Work with the Chatham Islands Council to try to secure a long-term solution to its financial difficulty.



Ongoing Activities

B.1 Monitoring and Amending Legislation and Policy

Much of the legislation and policy affecting the core business of local government is outdated, complex and ambiguous. Problems arise in implementation which needs to be identified and addressed through amendments or altered practice. This issue applied in particular to the following Areas of activities: emergency management arrangements; rural and urban fire services; Standards New Zealand.

This work area also covered the monitoring of legislation and policy to ensure councils were not prevented or inhibited from undertaking their statutory obligations or meeting community expectations.

Outputs

- Timely and sound advice about possible legislative changes was prepared and given to members.
- Communication and participation opportunities for member authorities, such as seminars and workshops, were co-ordinated where necessary.
- The campaign to remove GST payments on Council fines was initiated.
- Submissions on the Emergency Management Bill were completed.
- Submission on the Prostitution Bill completed and presented to the Justice and Electoral Select Committee.
- Communication with the Insurance Council and Central Government regarding the funding of the Fire Service.
- Donnelly Bill enacted and then overwritten following successful representations to Government.

B.2 Member Development

High quality in local governance is essential for the effective performance of local government. This involves understanding of the nature of the leadership and representative roles, the separation of policy and administration, and the provision of information so both elected members and management can undertake their respective responsibilities well.

Local Government New Zealand activity in this area covered: raising awareness of the requirements of elected office, promotion of a Code of Conduct, increase participation and representation in local government by minorities.

Outputs

- Seminars for newly elected members were held in October/November 2001 throughout New Zealand.
- Seminar for newly elected mayors were held in October 2001 in Wellington.

- Remuneration systems submissions were made to Government.
- Advice to member authorities and elected members on taxation and remuneration matters was given.
- A campaign targeting Maori, women, youth and Pacific Island candidates for the 2001 elections was implemented.
- An 0800 number was set up to assist people wanting information on how to become a councillor.
- Collaboration with District Health Boards to raise awareness of local government elections was undertaken.

B.3 Local Government Financial Framework and Performance

Governments, both local and central, contribute costs to the economy and society at large, through their regulatory and taxing powers, and through the services they deliver. Understanding the extent of this impact, and the degree to which it contributes to or diminishes economic and social well being, is essential for future policy development.

Outputs

- Member authorities kept informed about court decisions concerning rating and local government funding.
- Increased involvement in e-Government issues.
- Analysis of Council annual reports completed.

B.4 Communications

To achieve its strategic goals and advance specific policy and other objectives successfully, *Local Government New Zealand* needs to communicate strongly. It must influence stakeholder opinion effectively on behalf of the sector. It must also communicate well to its internal audience, i.e. to all member authorities.

Local Government New Zealand communications aimed to create credible voice for local government.

Outputs

- Communications audit undertaken and new strategy developed.
- Media liaison for *Local Government New Zealand* and the local government sector was undertaken and significant gains made in relationship building and awareness raising achieved.
- Nineteen publications were produced (13 MemberZ and LGNewZ plus 6 newsheets) plus special publications for one-off activities or events that required communication.
- The Web Strategy has been implemented including creation of news pages, events database, bookshelf and local government FAQs.
- The *Local Government New Zealand* communications strategy was implemented including functions and events held, liaison with central government agencies and NGOs undertaken, a Zones and Sectors strategy developed and corporate branding objectives achieved.

B.5 Research, Publications and Grants

There is very little (in quantity or quality) research and academic debate on local government. Such work is important to explore boundaries, develop thinking, identify issues, analyse charges, and place New Zealand's local government development into a global context.

This work area aims to provide high quality information, debate and research on local government.

Outputs

- Major symposiums and conferences that advanced local government's strategic goals were addressed or attended.
- Initial work for research in the area of career options and opportunities for women in local government undertaken.

B.6 International

To the extent resources allow, *Local Government New Zealand* needs to liaise internationally to contribute to global local government and to gain from others' experiences. This activity focuses on productive relationships with identified international organisations and increased awareness of the challenges facing local government internationally.

Outputs

- Membership of or contributions to international organisations were maintained.
- Attendance at a range of international meetings and conferences were undertaken e.g. the Commonwealth Local Government Conference held in London, the Australian Local Government Association conference in Australia and the IULA-ASPAC conference in Penang.
- Ministry of Foreign Affairs and Trade agreed to request for funding to identify opportunities for capacity building within Fiji's local government.
- *Local Government New Zealand* won the bid to host two groups of Japan local government trainees in July and November 2002.
- Information was provided for overseas enquiries and limited support was given on request.

B.7 Client and Information Management Services

As part of our core business, *Local Government New Zealand* has needed to capture up-to-date information, and add value to it, as an input to policy issues, provide information to member authorities, and promote and support information sharing. *Local Government New Zealand* has had to have the technology platform to achieve this.

Outputs

- A technology platform that supports *Local Government New Zealand* objectives refined and updated.
- A collection of base information, databases, reports and "stories" produced and maintained.
- Intranet and website facilities maintained and upgraded as per the Web Strategy.
- The contacts database for the organization updated and maintained.

- Library and archives collection maintained

B.8 Internal Governance

The success of *Local Government New Zealand* in its work on behalf of the sector is influenced by the nature and quality of the leadership provided by the National Council, the quality and application of its Governance Policy, and the integrity of its constitution.

Outputs

- Governance Policy was updated and adopted by National Council.
- Five National Council meetings and one workshop were held.
- One AGM and one special meeting of members were held.
- A constitutional review was completed and adopted at the AGM in 2001.
- Election of a new National Council was conducted following the triennial local government elections.
- Induction of new National Council members.

B.9 Strategic and Annual Planning

There is a need for National Council as the governance body, to monitor and review the organisation's mission, set long term strategic goals and priorities, and ensure projects and programmes are selected each year for their ability to achieve these ends.

Outputs

- An Annual Work Programme for 2002/2001 was completed and distributed to members for feedback.
- A Draft Strategic Plan was completed and distributed to members for comment.

B.10 Zones and Sectors

Local Government New Zealand National Council and staff need to be aware of and responding to the needs and concerns of its members. Effective leadership and communication with membership through responsiveness to issues as they arise.

Outputs

- Appointment of Manager, Member Services and Events.
- Regular attendance at all zone meetings by at least one Presidential Team member, the Chief Executive and one staff member.
- Reports for zone meetings were completed as required.
- Support for sector meetings was enhanced.
- A workshop for chairs/secretaries of zones was undertaken.

B.11 Conference - Current Year

Production of the conference is a major *Local Government New Zealand* project, and is run on a self-funding basis. The conference aimed to promote national strategic interests and enable networking and information sharing, both within the sector and with external stakeholders.

Output

- The 2001 Conference was held in Wellington from 16-18 July.

B.12 Conference - Future Years

Planning for future conferences is a major *Local Government New Zealand* project. These are run annually and planning needs to begin two years out.

Output

- Planning for the 2002 Conference to be held in Rotorua was initiated.
- Venues and planning began 2003 Conference to be held in Queenstown.
- Policies and frameworks for the Conference were reviewed following the 2001 Conference.

B.13 Governance of the LGITO

Local Government New Zealand has governance ownership of, and responsibility for, the Business Unit it has set up called the Local Government Industry Training Organisation (LGITO). It needs to undertake this role effectively and efficiently as part of its stated goal of enhancing sector performance. The Unit's actual operation is fully self-funding.

Output

- Advice to National Council on the full range of LGITO governance matters.
- Recommendations on appointments to the Board.
- Commentaries for National Council on the quarterly reports from the LGITO Board.

B.14 Contract Servicing - Civic Assurance

Local Government New Zealand provides administrative services to Civic Assurance.

- To negotiate and keep under review quantum and cost of service to be provided.
- To liaise with LGIC to monitor contract operation.
- Outputs services were provided in keeping with service agreements.

B.15 Contract Servicing - Local Government Rural Trust

Output

- The wind-up of the Local Government Rural Trust has not yet been completed.



Office Holders

President

Basil Morrison Mayor, Hauraki District Council

Vice Presidents

Dianne Hale Deputy Mayor, North Shore City Council

Margaret Shields Chair, Wellington Regional Council

Zone Representation

ZONE 1

Dianne Hale Deputy Mayor, North Shore City Council

Jim Peters Councillor, Northland Regional Council

ZONE 2

Don Riefterer Mayor, Opotiki District Council (to 13 October 2001)

Grahame Hall Mayor, Rotorua District Council (from November 2001)

ZONE 3

Paul Rieger horizons.mw (to 13 October 2001)

Mary Bourke Mayor, South Taranaki District Council (from November 2001)

ZONE 4

John Read Mayor, South Wairarapa District Council (to October 2001)

Sue Piper Councillor, Wellington City Council (from November 2001)

ZONE 5

Wynne Raymond Mayor, Timaru District Council

ZONE 6

Frana Cardno Mayor, Southland District Council

Sector Group Representation

METRO

Bob Harvey Mayor, Wātakere City Council (from November 2001)

Garry Moore Mayor, Christchurch City Council

Russ Rimington Mayor, Hamilton City Council (to 13 October 2001)

Sukhi Turner Mayor, Dunedin City Council

PROVINCIAL

Murray Anderson Mayor, Ashburton District Council (from November 2001)

RURAL

John Chaffey Mayor, Hurunui District Council (to 13 October 2001)

David Owen Mayor, Waimate District Council (from November 2001)

REGIONAL

Neil Clarke Chair, Environment Waikato

Hon Margaret Shields Chair, Wellington Regional Council

Local Government New Zealand Staff

Peter Winder Chief Executive

Jacqui Tebbs PA to Chief Executive

Teresa Mollo Receptionist

Suzanne Howard Internal Governance Co-ordinator

Tim Davin Manager, Development and Infrastructure

Angela Gore Support Co-ordinator, Development and Infrastructure

John Hutchings Manager, Environment

Claire Millar Secretary, Environment

Laura Hogg Policy Analyst, Environment

Elizabeth Hughes Manager, Communications

Aroha Tani rau Secretary, Communications

Denise Bush Manager, Member Services and Events

Joedi Hscox Systems/Web Administrator

June Lewis Records, Library and Information Officer

Kathryn O'Sullivan Publications Writer and Editor

Mike Reid Manager, Governance

Felicity Campbell Secretary, Governance

Raymond Horan Policy Analyst, Governance



**New Zealand Local Government Association Incorporated
(trading as *Local Government New Zealand*)
Financial Statements for the Year ended 31 March 2002**
