

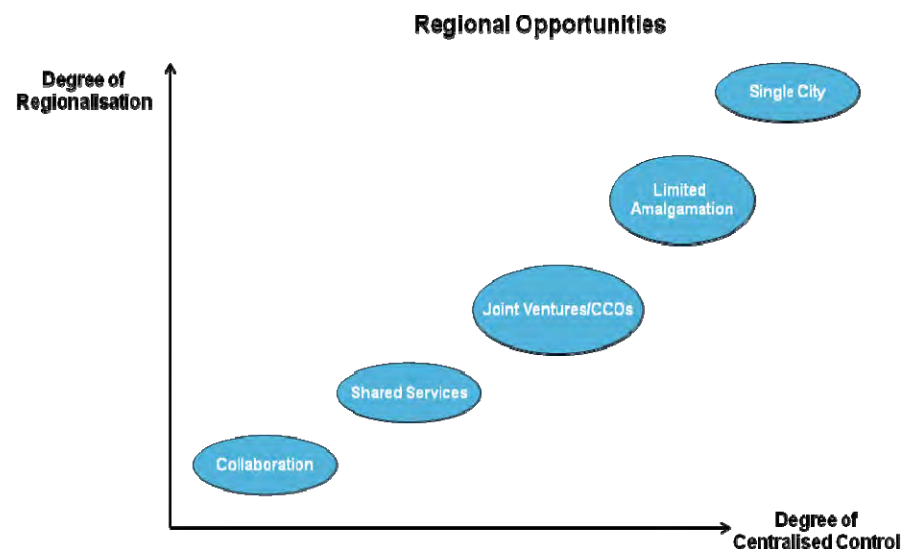
8. Governance Options

Although the identification of governance options was not strictly part of the scope of our Review, they were repeatedly raised during our discussions. We have not analysed the governance options in detail or made a recommendation given they are intended to be reviewed in detail subsequent to the October 2010 elections.

There are six governance options to consider:

1. Status quo;
2. Strengthened Regional Council;
3. Logical clusters;
4. Two tier local government (i.e. regional services delivered by a single regional Council. Local services delivered by local Councils with all services funded through a single regional rating system);
5. Sub regional unitary authorities (Wellington and Wairarapa)²⁴; and
6. A single regional unitary authority.

Each option needs to be considered in the context of the region-wide opportunities identified. A number of these opportunities could be considered adjuncts to options e.g. a stronger regional planning framework and substantive shared services. If pursued, these opportunities would drive changes to all of the options, including the status quo because they fit into a broad spectrum of regional service delivery.

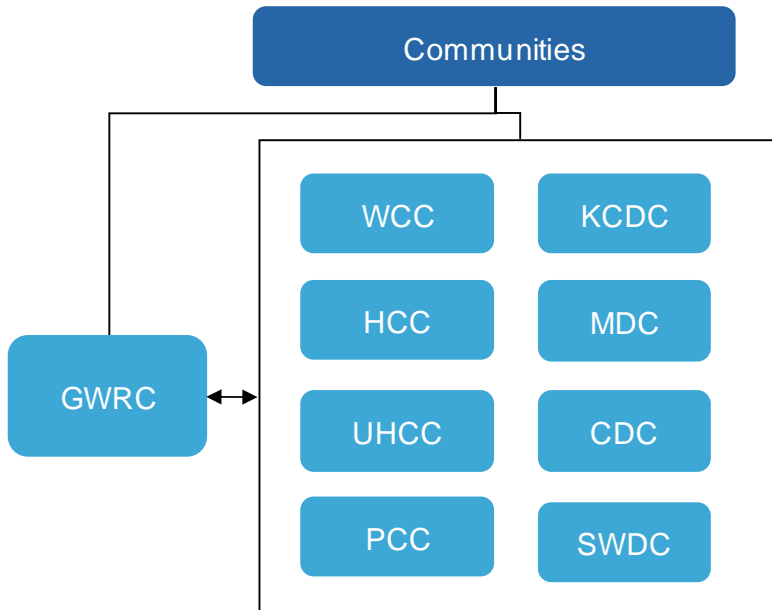


Each option has benefits and limitations. We have undertaken a high level assessment of each option against the following criteria:

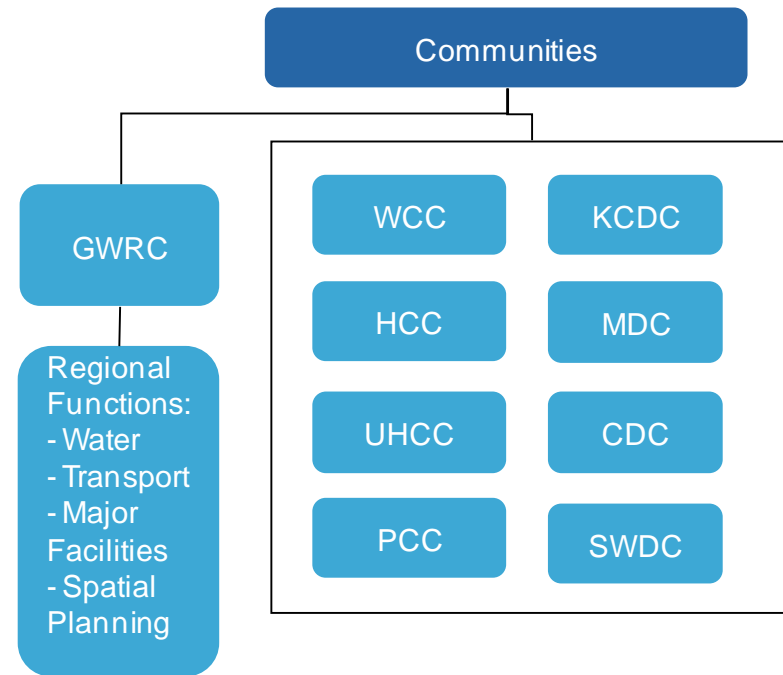
- Regional leadership;
- Duplication;
- National engagement;
- Local engagement;
- Funding allocation and priorities;
- Fragmented decision-making; and
- Lack of a regional framework.

²⁴ Noting that other combinations are possible

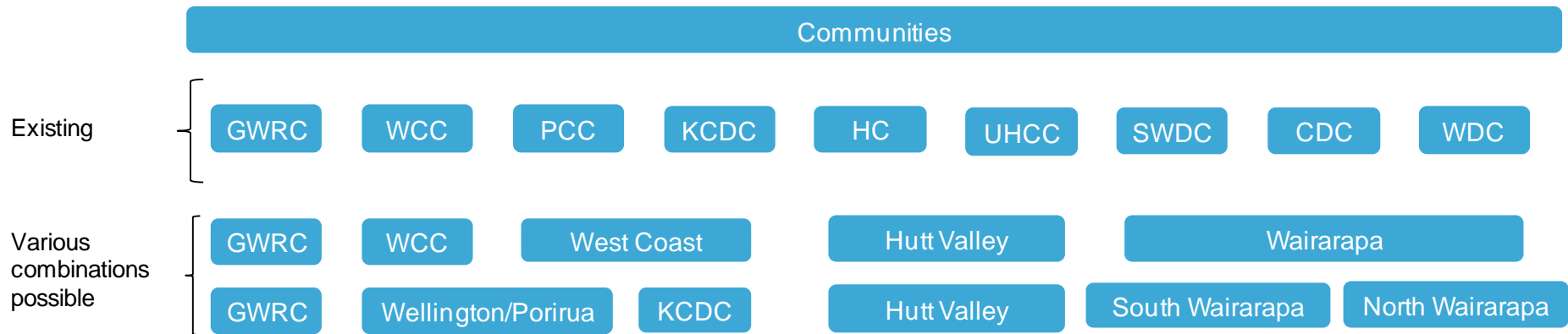
1. Status Quo



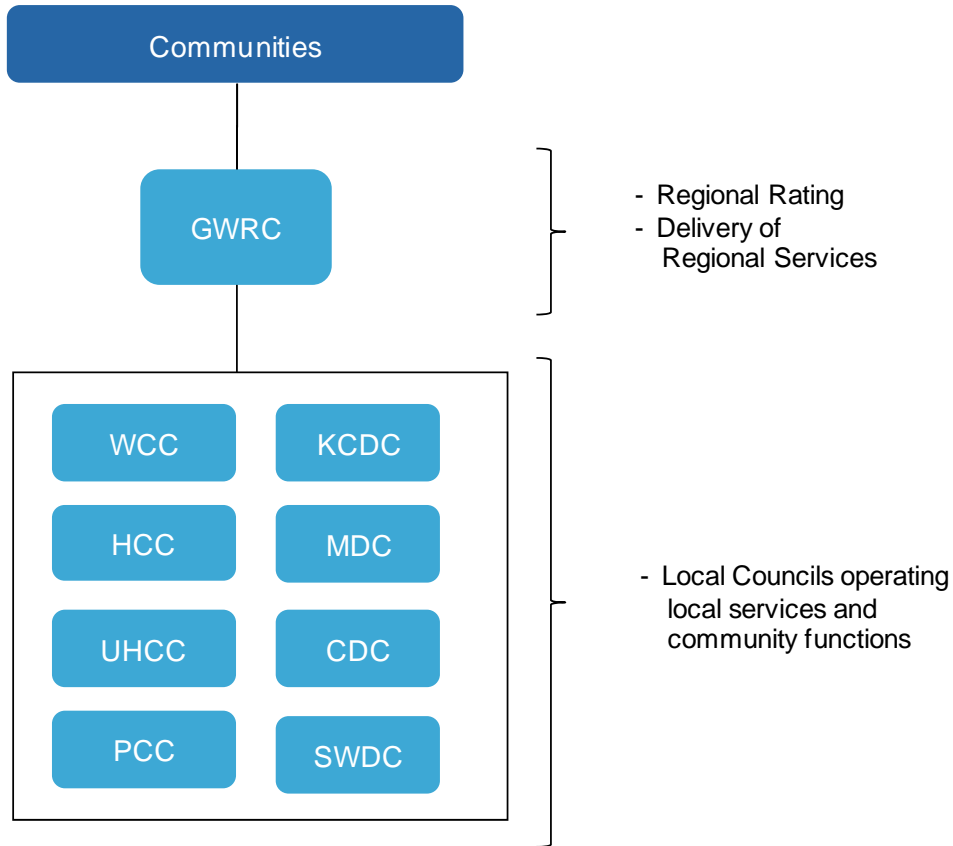
2. Strengthened Regional Council



3. Local Clusters



4. Two Tier Local Government

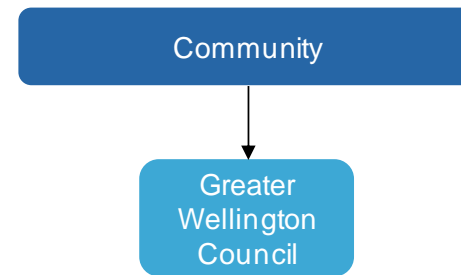


5. Sub Regional Unitary Authorities



(Note: Other combinations are possible)

6. Regional Unitary Authority



High Level Assessment of Options

	Regional Leadership	Duplication	National Engagement	Local Engagement	Funding Allocation and Priorities	Fragmented Decision-making	Lack of Regional Framework
1. Status quo	9 regional leaders - diffuse leadership	Multiple organisations and processes	No change	No change	Ongoing issues of capacity and responsibility for funding	Nine sovereign authorities with no primary/secondary decision making mandated	Some framework in place, non-binding
2. Strengthened Regional Council	Single regional leader on certain issues	Multiple organisations with less duplication of regional functions	Improved	Engagement on local issues only	Better prioritisation of regional projects	Fragmentation improved	Regional framework enhanced; non-binding
3. Logical Clusters	Several regional leaders - diffuse leadership	Multiple organisations with less duplication	Unlikely to materially improve current engagement issues	Unlikely to change public perception or citizen involvement	Unlikely to materially improve current regional issues	Some fragmentation remains	Framework may improve; lack of binding mandate likely to remain
4. Two Tier Local Government	Single regional leader on certain issues	Multiple organisations with less duplication of regional functions	Improved	Engagement on local issues only	Prioritisation of regional projects	Fragmentation improved	Regional framework enhanced with possible binding mandate

High Level Assessment of Options (continued)

	Regional Leadership	Duplication	National Engagement	Local Engagement	Funding Allocation and Priorities	Fragmented Decision - making	Lack of Regional Framework
5. Sub Regional Unitary Authorities	2 regional leaders	Substantial duplication removed	Likely to be more effective with two sub-regions engaging	Likely to change public perception and citizen involvement	Funding of regional activities remains an issue and more costly	Fragmentation substantially reduced	Regional framework will have to be recreated, lack of binding mandate likely to remain
6. Regional Unitary Authority	Single regional leader and leadership structure	Single multi-functional authority without duplication	Single point of engagement	New model of community involvement required	Authority able to accept responsibility for regional and local activities and make trade-offs	Fragmentation eliminated	Single multi-functional authority able to plan and mandate regional framework

We are firmly of the view that some change of a structural nature provides the opportunity to be more effective than the collaborative model if the region wishes to:

- Achieve a unified vision and plan;
- Enable better governance and decision-making;
- Be cost effective and efficient;
- Deliver equitable impacts across the region; and
- Be resilient and sustainable into the future.