

## 2. Introduction

### 2.1 Background to the Review

- The New Zealand Government's decision to establish a unitary authority in the Auckland Region has provided the context and impetus for the Wellington region to review its current governance arrangements to determine whether they are optimal for taking the Wellington region and its communities into the future.
- The Wellington Mayoral Forum agreed on 26 February 2010 to review any current issues in Wellington governance, and identify possible solutions. It was agreed the Review would not start with any presumption of structural change to the current Councils comprising the greater Wellington region.
- It is intended that the Review be received prior to the local government elections in October 2010 to allow the incoming Mayoral Forum to consider issues identified and refer to the incoming Councils for action.

PwC has been engaged by the Wellington Councils to undertake this Review. Our engagement is subject to the Restrictions in Appendix A.

### 2.2 Review Objectives

The Review objectives are to:

- Undertake research and analysis to identify issues, potential opportunities and governance options, taking into account some of the distinctive features of the Wellington region;
- Facilitate workshops with each of the Councils and their Executives to draw out views on the issues;
- Seek external stakeholder feedback on the current operation of the Councils; and

- Develop a report that encapsulates the issues, key questions arising and potential opportunities and governance options to address them.

### 2.3 Scope

The Wellington Councils have specified that the work programme should comprise four steps:

- (i) Research into any issues with current governance arrangements and opportunities to enhance outcomes.
- (ii) Analysis of existing services, infrastructure and local democracy, identification of gaps and opportunities in governance arrangements, and analysis of best practice outcomes and the application in a New Zealand/Wellington context.
- (iii) Identification of opportunities to address issues identified in current governance arrangements.
- (iv) Preparation of a report capturing the outcomes of the work programme, including potential high level governance options.

The Wellington Councils have also identified the following specific exclusions from this Review:

- Consideration of Central Government Agency and institutional arrangements;
- Making recommendations on funding required;
- Consideration of local government functions generally;
- Reviewing the Wellington Regional Strategy; and
- Making conclusions about changes or structural options in governance arrangements.

## 2.4 Approach

To ensure that strategic regional issues are captured, the information gathering stage incorporated a high level review of key documentation including strategic plans and LTCCPs, and other documents of significance. Analysis of this material identified a range of issues which led to the development of broad questions and themes for the subsequent executive meetings and councillor workshops where they were discussed and debated. This analysis took into account a number of key questions, including:

- The issues which will inhibit the region's ability to deliver on its vision;
- The current governance arrangements being durable over the next 20 to 30 years;
- The levels at which functions and activities are best carried out;
- Issues impacting on effective, efficient and sustainable provision of public infrastructure, services and facilities; and
- Problems with current governance and representation arrangements.

This provided an excellent basis for the workshops that we facilitated with each Council and its Executives.

The workshop and research process also enabled the consolidation of views on:

- Successes to date that can be built upon;
- Long term drivers of change;
- Regional visioning and strategic processes;
- Delivery of functions and activities;
- The sustainable provision of infrastructure; and
- Potential flow-on impacts from the current Auckland reforms.

These views were then supplemented through consultation with external stakeholders nominated by the Councils.

### **Good Governance and Practice Principles**

Throughout the Review, PwC accessed and overlaid its extensive national and international governance experience and knowledge.

Good governance principles were also utilised as a benchmark to consider issues, including:

- Enablement of democratic local decision-making;
- Achievement of the unified vision and plan for the region;
- Decisions being taken at the appropriate level of governance;
- Provision for clear accountability to the public for outcomes;
- Efficiency and effectiveness;
- Equity across the region; and
- Resilience into the future.