

# Part 2

# Background

- Options development next step after signing the MoU on exploring the Head Start process
- All information is **exploratory only** and the options are **not exhaustive**
- This stage does **not commit** council to any particular model or outcome, nor **pre-empt any council decisions**
- Important inputs still to come – **public** and **mana whenua engagement** as well as assessment of options

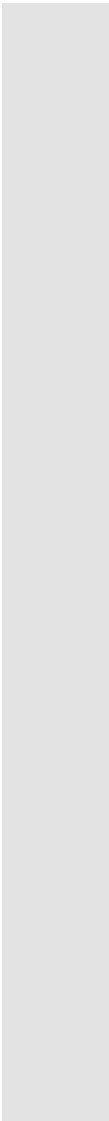
# Proposed approach to options development

- Develop a proposed **vision**, set of shared **outcomes** and **Hawke's Bay-specific principles** to help guide the work and shape up the initial options
- Consider what **high-level reorganisation options** available under the Government's policy settings may be viable for Hawke's Bay
- Consider **possible governance arrangements** for any reorganisation proposal



## **Draft vision for discussion**

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- *A stronger Hawke's Bay, shaped by proud local communities and focused on delivering better outcomes for current and future generations.*
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# Draft outcomes for discussion

## **Effective service delivery**

Delivering efficient and effective services to the community

## **Affordable local government**

Seeking efficiencies, effectiveness and value by leveraging economies of scale and reducing duplication

## **Economic resilience and prosperity**

To be a competitive and prosperous region, coordinated approach to tourism, economic development and our rural economy

## **Community wellbeing**

Improving wellbeing outcomes for all those who call Hawke's Bay home

## **Natural hazard and climate resilience**

How we respond to climate change and improve our resilience as a region

**Draft  
outcomes  
for discussion**  
*contd.*

**Infrastructure sustainability**

Planning, funding and delivering regional infrastructure in a coordinated, affordable and resilient way

**Integrated planning**

Supporting coordinated decision-making across land use, infrastructure, environmental management and economic development

**Strong regional capability**

Building institutional knowledge, elevating own capability across the region and enhancing depth of regional capability, rather than competing internally

**Strong governance**

Creating a model to address regional challenges and opportunities, while retaining meaningful local representation and decision-making close to communities

**Regional identity and local character**

Strengthening Hawke's Bay's collective identity and voice, while preserving the unique character, history and aspirations of local communities

# Draft principles for discussion

- All proposals will be considered by Government against a **set of criteria**:
  - Supports the new planning system
  - Simplifies local governance
  - Economies of scale
  - Maintains local voice
  - Deliverability
  - Treaty settlement arrangements
- In addition, it is recommended that Hawke's Bay councils consider options against a set of **Hawke's Bay-specific principles**.
- The draft principles for discussion are based on the **shared themes** that have come through the initial workshops held with elected members.

# Draft principles for discussion

## DRAFT PRINCIPLE

## WHAT IT CONSIDERS

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**Affordability and financial sustainability**

*Tests whether arrangements improve affordability for communities and the financial sustainability of delivering local government functions*

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**Financial fairness and equity of funding**

*Tests who pays, who benefits, how debt is treated and whether transition costs are fair*

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**Effective local voice and decision-making, with place-based decisions made as close to the place as possible**

*Tests how local communities can still influence decisions*

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**Preserving local service access**

*Tests whether local communities can access services in practical ways*

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**Improving the effectiveness and efficiency of our delivery capability**

*Tests whether the option improves the region's ability to deliver infrastructure, investment and services, minimising duplication and utilising economies of scale*

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**Draft  
principles  
for discussion  
contd.**

**DRAFT PRINCIPLE**

**WHAT IT CONSIDERS**

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**Environmental and catchment coherence**

*Tests whether boundaries and structures support catchments, hazards, biodiversity, water, flood protection and climate resilience*

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**Respecting and maintaining Te Tiriti, mana whenua and settlement arrangements**

*Tests whether iwi/Māori participation, existing agreements and settlement obligations are protected*

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**Transition deliverability and organisational capability**

*Tests whether the region can retain critical people, systems and capability through change*

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**Decision-making for long-term outcomes**

*Tests the ability of arrangements to allow for decision-making that takes into account the reasonably foreseeable needs of future generations*

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**Recognising regional strengths by enabling working together**

*Tests whether arrangements avoid unnecessary duplication and allow for a collective voice, especially when engaging outside the region*

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# Reorganisation options background

- **Government's guidance:**

- Reorganisation must provide for the amalgamation of at least two territorial authorities into a new unitary authority
- More than one unitary authority in a region only when geographically large, large number of TAs with significantly complex issues
- Proposals need to give a high-level description of the proposed structure

# Reorganisation options for discussion

## Option 1

### **A single unitary authority:**

Across Hawke's Bay encompassing Central Hawke's Bay District Council, Hastings District Council, Napier City Council and Wairoa District Council

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## Option 2

### **A two unitary authority model:**

A North/South split – based on Napier City Council and Wairoa District Council joining together to the north and Hastings District Council and Central Hawke's Bay District Council joining together to south (*The Tūtaekurī River could be an indicative boundary between the two unitary authorities*)

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## Option 3

### **A new unitary authority for only part of the region:**

A proposal for a new unitary authority for some, but not all, of the four territorial authorities (*reflecting that one or more of the councils could opt not to proceed with the Head Start process, while others could choose to submit an outline proposal*)

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## Option 4

### **Back-stop approach:**

Do nothing and wait for Government-led reform – the 'back-stop approach' – where the Government will set a standard approach (*with detail expected in 2027*)

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## Any other options?

# Functions and decision-making background

- **Some decisions could be made regionally, while others could be delegated to a more local level – such as to local boards**
- Many different ways this could be managed in practice, e.g.
  - Overall strategies and budgets set regionally,
  - Some aspects operationalised at a local level
  - Local decision-making, including local rate setting for local services
  - Local board delegated responsibility for overseeing spending within agreed budgets and delivery of certain functions
  - Regulatory activities could be managed regionally, but delivered locally
- Considerations for how this could work include:
  - **Scale** – would the region benefit from doing it once and doing it consistently
  - **Interdependency** – does the outcome depend on coordination across council boundaries
  - **Community preference** – would communities reasonably want localised/targeted outcomes

# Functions and decision- making for discussion

## Regional decision-making

- Biosecurity and biodiversity
- Building consenting
- Coastal management
- Civil Defence and Emergency Management
- Economic development and tourism
- Finance, procurement, legal, HR, ICT and shared corporate services
- Flood protection and catchment management
- Gravel extraction
- GIS, mapping, LiDAR
- Oversight of Hawke's Bay Water (excluding Wairoa)
- Public transport
- Rates administration and collection
- Regional cycleways and trails
- Regional facilities and regionally significant assets
- Regional heritage collection storage and management
- Regional infrastructure investment and coordination
- Regional spatial planning, land-use planning and consenting
- Regional transport planning
- Resource consenting
- Roading strategy, planning and delivery
- Water storage/security

## Local decision-making

- Alcohol policies and licensing
- Animal management
- Community facilities, venues and libraries
- Community grants
- Community safety initiatives
- Depots to maintain parks, reserves and playgrounds
- Dog control
- Local advocacy and community engagement
- Local cycleways, local road priorities and street upgrades, traffic management
- Local events and festivals
- Local footpaths and neighbourhood improvements
- Local input into planning
- Local heritage and beautification initiatives
- Local museums and archives
- Local town centre development
- Noise control
- Parking
- Pensioner and social housing

# Governance options background

- **Government's guidance:**
  - Need to reduce complexity, improve accountability and support effective decision-making
  - Innovative approaches (outside of LGA) possible
  - Outline proposal to describe arrangements and division of roles and responsibilities, including:
    - Whether including local/community boards
    - How iwi/Māori participate in and contribute to decision-making

## Governance options background *contd.*

- Following table outlines high-level possible options under a single unitary model
- Several additional design considerations to follow:
  - Ward arrangements – size, location, urban/rural
  - Mana whenua representation
  - Number of members (and how decided)
  - Committees
  - Role for an independent (non-voting chair) or Crown appointee
- Some initial options are detailed in the next table – but there will be many different options – **this is for discussion**

# High-level governance for discussion


OPTION	DESCRIPTION
<b>A: One council</b>	Elections for a regional mayor and ward councillors from across the region. A single governing body makes both regional and local decisions.
<b>B: Unitary authority council + local decision-making boards</b>	Elections for a regional mayor and ward councillors, as well as local elections for a local mayor/chair and local board members. Regional and local decisions are split between the two levels.
<b>C: Unitary authority council (including local mayors/chairs) + local decision-making boards</b>	Regional elections for a regional mayor and ward councillors, as well as local elections for a local mayor/chair and local board members. The local mayors/chairs (plus one other member from each local board) would also sit on the unitary authority council. Regional and local decisions are split between the two levels, with shared membership across the levels.
<b>D: Unitary authority council of local board representatives</b>	Only local board elections are held. Local mayors/chairs plus one or two members from each local board, make up the regional unitary authority council. Additional option of an independent (non-voting) chair for the unitary authority council. Regional and local decisions are split between the two levels, with shared membership across the levels.
<b>E: Unitary authority council + local advisory boards</b>	Elections for a regional mayor and ward councillors, as well as local elections for a local chair and local advisory board members. Local boards provide advice, but all decisions sit with the unitary authority council.

## Next steps

- Agreement on which reorganisation and governance options to take to the next steps of:
  - Community engagement to gather views
  - Further mana whenua engagement
  - Assessment of options
- Council meeting to consider options to shape an indicative proposal – **16 July (NCC)**
- *If council agrees to proceed*, then further council workshops on the proposal ahead of a council decision about whether to submit a proposal
- Reminder that any outline proposal submitted would need to be subject to a number of requirements, including full community consultation



15 June	16 June	17 June	18 June	19 June	20 June	21 June
	OPTIONS PAPER TO MAYORAL FORUM		WORKING GROUP MEETING  ROUND 1 ENGAGEMENT CLOSES			
22 June	23 June	24 June	25 June	26 June	27 June	28 June
WORKING GROUP MEETING  MAYORAL FORUM Considers options paper			COUNCIL WORKSHOP (1/1 on options)   YOU ARE HERE	CEs, INDEPENDENT ADVISORS & COUNCIL REFERENCE GROUP MEETING		
29 June	30 June	1 July	2 July	3 July	4 July	5 July
WORKING GROUP MEETING  PHASE TWO ENGAGEMENT BEGINS		COUNCIL WORKSHOP Multi-criteria analysis  MANA WHENUA HUI				
6 July	7 July	8 July	9 July	10 July	11 July	12 July
WORKING GROUP MEETING			COUNCIL WORKSHOP (1/2 on proposal) IRO indicative proposal			
						PHASE TWO ENGAGEMENT ENDS

13 July	14 July	15 July	16 July	17 July	18 July	19 July
<b>WORKING GROUP MEETING</b> Discuss Council paper			<b>COUNCIL MEETING</b> Agree option/s for outline proposal development			
20 July	21 July	22 July	23 July	24 July	25 July	26 July
<b>WORKING GROUP MEETING</b>			<b>COUNCIL WORKSHOP (2/2 on proposal)</b> Review outline proposal			
27 July	28 July	29 July	30 July	31 July	1 Aug	2 Aug
<b>WORKING GROUP MEETING</b>						
3 Aug	4 Aug	5 Aug	6 Aug	7 Aug	8 Aug	9 Aug
<b>WORKING GROUP MEETING</b>			<b>COUNCIL MEETING</b> Endorsement of outline proposal for submission			<b>SUBMISSION</b> Final outline proposal submitted to DIA/MCERT