

Governance for Auckland: Leadership – What Are We Looking For?

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United on the “Big Picture”?

- The Royal Commission and the Government agree on the need for change which includes:
- A structure which can deliver and implement effective decisions at the regional level.
- Positioning Auckland as an international city.
- Powering up the Auckland economy.
- Visionary and inclusive leadership for **ALL** of Auckland.



Status Quo

- Not a viable option.
- Would continue New Zealand's downward slide relative to other economies.
- Our ability to attract and retain the skilled people we need would be further damaged – and it is not all about money – it's about the opportunity to do challenging and exciting work, well supported by resources which match those available internationally.
- Consider the Stephen Jennings argument.



What This Presentation Does

- Looks at the nature of local government leadership and especially parochialism.
- Discusses three separate aspects of future governance needed to underpin effective leadership:
 - Creating an effective decision-making structure at the regional level.
 - Accountable and transparent leadership.
 - Local democracy.
- The focus is on the pre-conditions for effective leadership, regionally and locally.



Leadership in a Local Government Environment

- The impact of globalisation.
- The mayoral role – what it is, and what it needs to be.
- The ‘problem’ of parochialism.
- Toronto as a case study.
- The nature of local politics.



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Creating an Effective Decision Making Structure

- the 'weak mayor' model means the Council will be the decision maker.
- What might the electoral process deliver?
- A risk of parochial dysfunction?
- The lack of any analysis in the Royal Commission report of the preconditions for enabling the 'strong mayor' model for Auckland has left a major gap in the public and political debate.
- There is a need for an in-depth risk assessment of the decision-making capability of the proposed structure.



Accountable and Transparent Leadership

- Currently a high level of discontent over the lack of accountability and transparency of Auckland local government – a view which appears to be shared by the Minister of Local Government.
- Must have credible retrospective AND prospective accountability to meet the needs of:
 - Elected members.
 - Ratepayers.
 - Local boards.



Elected Members

- Will need quality information to make informed judgements about the Council's priorities and performance.
- A CEO performance agreement will be totally inadequate.
- Elected members will need direct insights into and accountability relationships with responsible managers.
- This suggests a stand-alone entity approach for all key services so that elected members can exercise the accountability function through the statement of intent and reporting process.



Ratepayers

- Auckland has been the centre of ratepayer agitation over excessive cost and lack of transparency and accountability.
- Ratepayers will want far better quality financial and performance information and in a user-friendly form.
- A challenging task – for example how on earth can a single LTCCP process be made meaningful for ratepayers from Wellsford to Pukekohe?



Local Boards

- If local boards are decision-makers on local matters as the Minister proposes they will need:
 - Robust information on cost, quality and performance of local services.
 - The ability to compel consequences for non-performance.
 - Disciplines on potentially monopolistic behaviour by the Auckland Council including the right to require the Auckland Council to put services to competitive tender.



Local Democracy

- What do the government's decisions actually mean?
- The government emphasis on local decision-making on local matters may only have substance if local boards are service specifiers and the Auckland Council is obliged to accept their recommendations on matters such as rating.
- The Royal Commission case for strong local democracy is compelling and consistent with international practice.
- Government has a fiscal interest in strong local democracy as a partner in place-based management of social issues.
- For the moment assume government means what it says and require it to deliver.



Concluding Remarks

- The Royal Commission deserves substantial credit for a very well researched and thorough of the issues confronting Auckland governance.
- Both the Royal Commission and the Government have signalled the importance of strong mayoral leadership for Auckland – but will the decisions deliver this?
- There is much to be done to deliver the vision held out for Auckland's future governance both regionally and locally and some very real risks that will need to be well managed if the changes are indeed to “make greater Auckland great”

