

**RODNEY DISTRICT COUNCIL**

**SUPPLEMENTARY AGENDA**

4 March 2010

**ITEM NO: 2A**

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**REPORT**



**TO** Council  
**ON** 4 March 2010  
**SUBJECT** **CONFIRMATION OF MINUTES**

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**CONFIRMATION OF MINUTES**

- Notes:
1. Minutes for Council and Committee meetings are distributed through the month as they are published and are available for public inspection at Council offices and libraries.
  2. The purpose of the item is confirmation of correctness of the minutes only. Any recommendations to the Council from the Committees are shown as separate items in the next section of the agenda.
  3. Minutes produced after the publication of this agenda but prior to the meeting will be tabled as a supplementary item at the meeting.

**RECOMMENDATION:**

		<b>Page Number</b>
<b>(q)</b>	<b><u>Extraordinary Council –10 February 2010</u></b>	
	That the minutes of an Extraordinary Council meeting held on 10 February 2010, as circulated, be received and confirmed.	<b>020867-020878 (Blue)</b>
<b>(r)</b>	<b><u>District Plan and Regulatory Committee – 17 February 2010</u></b>	
	That the minutes of a meeting of the District Plan and Regulatory Committee held on 17 February 2010, as circulated, be received and adopted.	<b>020887 - 020896 (White)</b>
<b>(s)</b>	<b><u>Resource Consents Hearings Panel – 5 February 2010</u></b>	
	That the minutes of a meeting of the Resource Consents Hearings Panel held on 5 February 2010, as circulated, be received and adopted.	<b>020897-020910 (White)</b>

ITEM NO: 18

REPORT



**TO** Council  
**ON** 4 March 2010  
**FROM** Kevin Ramsay – Director: Corporate Services  
**APPROVED BY** Kevin Ramsay – Director: Corporate Services  
**SIGNATURE**

A handwritten signature in black ink, appearing to read "Kevin Ramsay", written over a horizontal line.

**SUBJECT** UPDATE ON AUCKLAND REGIONAL GOVERNANCE  
**FILE REF** CF/1/1

**PURPOSE OF REPORT:**

<input checked="" type="checkbox"/> Information only	<input type="checkbox"/> Strategic decision	<input type="checkbox"/> Policy decision	<input type="checkbox"/> Statutory process
<input type="checkbox"/> Community issue	<input type="checkbox"/> Contract decision	<input type="checkbox"/> Delegation	<input type="checkbox"/> Appointment
<input type="checkbox"/> Administrative matter			

**IMPLICATIONS:**

(i)	Is this matter significant in terms of Council's Policy on Significance? No
(ii)	Implications in terms of Vision Rodney? No
(iii)	Implications in terms of Long Term Council Community Plan / Annual Plan? No
(iv)	Implications in terms of other Council Strategic documents or Council Policy? No
(v)	Is a budget amendment required? No
(vi)	Have the views of affected or interested persons been obtained and is any further public consultation required? Not applicable
(vii)	Does a decision on this matter require Auckland Transition Agency approval? (yes / no / advice being sought?) No

## FINANCIAL IMPLICATIONS:

Capital cost implications	Nil
Is it currently budgeted for?	Not applicable
Funding source of capital costs	Not applicable
Ongoing operational cost implications	Nil
Is it currently budgeted for?	Not applicable
Funding and rating impact (whether resulting from capital expenditure or arising directly)	Not applicable

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## SUMMARY:

A Third Bill has now been tabled and submissions requested through a Select Committee process. This is the largest piece of legislation yet concerning the review of Auckland Governance and provides details around some of the more specific processes and transitional issues.

The Auckland Transition Agency continues to coordinate a series of workstreams to implement the transition to a new Auckland Council that it has been tasked with.

Rodney District Council (RDC) is involved through officer participation in the workstreams and secondment of staff to projects and reviews of legislation, such as the Third Bill.

The purpose of this report is to update the Council on the current situation, to outline the approach being taken by the Transition Agency in implementing the legislation and outline the level of involvement of RDC staff to date.

## RECOMMENDATION:

**That the update on Auckland Regional Governance be received.**

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### 1.0 Background

The Local Government (Tamaki Makaurau Reorganisation) Act 2009 came into force on 24 May 2009. The Local Government (Auckland Council) Act 2009 came into force on 22 September 2009, after a select committee process involving several thousand submissions.

Both of these Acts are proposed to be substantially amended by a third piece of legislation, the Local Government (Auckland Law Reform) Bill, which has now been introduced to Parliament and is proceeding through the select committee process.

### 2.0 Issues

#### 2.1 Legislation

The Local Government (Tamaki Makaurau Reorganisation) Act 2009 (First Act) established the Auckland Transition Agency (ATA), placed some restrictions around the decision making powers of the existing councils, outlined their disestablishment and the establishment of a new Auckland Council as of 1 November 2010.

The Local Government (Auckland Council) Act 2009 (Second Act) advised that all of Rodney district would be included in the new Super-City, more formally established the Auckland Council, described the governance arrangements including the Mayor, councillors and local boards, and stated obligations around annual plans and annual reports.

The third piece of legislation, the Local Government (Auckland Law Reform) Bill, was introduced to Parliament on 15 December 2009 and is currently going through a submission process. The Council has made a submission and is now waiting for the select committee to complete its process, with an expected report back date to Parliament of 4 May 2010.

As already discussed in a series of Councillors' workshops, the Bill goes into much more detail than previous legislation around the roles and functions of various organisations and the processes to be followed. In preparing the Council's submission consideration was given to the following fifteen main areas covered by the Bill:

1. Role of Auckland Transition Agency
2. Local Boards
3. Elections
4. Rating
5. Council-Controlled Organisations
6. Auckland Transport
7. Water Supply and Wastewater Services
8. Spatial plan
9. Maori
10. Development Contributions
11. Property
12. Employment Provisions
13. Bylaws
14. Transitional Provisions
15. Repeals and Amendments.

The Third Bill is a somewhat cumbersome piece of legislation to work through; so much of it relates to the amendment of existing legislation that three or four pieces of legislation are required to be reviewed at one time to work through the implications. To give a sense of the scale involved, of its total 194 pages, 34 pages outline amendments to the First Act, 59 pages outline amendments to the Second Act, and another 28 pages are amendments to other Acts. In other words, around 121 of the 194 pages are amendments to other pieces of legislation.

## 2.2 Local Government Commission

The Local Government Commission recently completed a process seeking responses on its proposal for the final lines for the northern and southern boundaries of the Auckland Council, as well as internal boundaries for local boards and electoral wards.

The Commission is now considering the feedback received, with an intention of revising the proposal if necessary during February and approving final determinations as per the requirements of the Second Act by 1 March 2010. It expects to release its findings around a fortnight later.

## 2.3 Auckland Transition Agency Actions

Work continues within the sixteen workstreams that ATA has identified as making up the overall transition programme:

- Governance
- Workforce and Human Resources
- Community Services
- Customer Services
- Finance and Treasury
- Communications and Public Affairs
- CCOs, Trusts, Investments and Infrastructure
- Business Processes and Systems
- Legal
- Planning and Environment – Environment
- Planning and Environment – Policy and Planning
- Planning and Environment – Regulatory
- Property and Assets
- Economic Development
- Transport
- Watercare.

These workstreams have been broken down into sub-streams, resulting in 98 sub-streams. A substantial amount of work has involved reviewing the interdependencies between these sub-streams to ensure that all aspects of the transition are covered by one of the assigned project teams.

A discovery process has generally been completed for each of these sub-streams, meaning that a vast amount of information has now been collected to inform the next stage, strategy and design. This involves identifying what needs to be completed prior to day 1 (1 November 2010), as opposed to what can wait until after this date, and developing appropriate processes for the new Auckland Council.

#### 2.4 Structure for New Auckland Organisations

As well as the new single Auckland Council, which will be a unitary authority having the powers of both a regional and local Council, there are to be a set of Council Controlled Organisations (CCOs) to undertake various functions.

To date the following seven CCOs have been mentioned:

- Watercare Services Limited – existing organisation with functions and powers to be extended as outlined in First Act.
- Auckland Transport – established as part of Third Bill.
- Waterfront Development Agency – instruction to establish within the Third Bill.
- Property Holdings and Development – mentioned in Cabinet Minutes and ATA discussion document.
- Economic Development, Tourism and Events Agency – mentioned in Cabinet Minutes and ATA discussion document.
- Major Regional Facilities – mentioned in Cabinet Minutes and ATA discussion document.
- Council Investments – mentioned in Cabinet Minutes and ATA discussion document.

#### 2.5 Recruitment within the New Structure

Recruitment has now been initiated at the top levels for three of the organisations involved in the transition process, namely Auckland Council, Auckland Transport and Watercare Services Limited.

Positions have been advertised and closed for the top two levels of these three organisations, with the only appointment to date being Ian Parton to the position of Watercare Transition Chief Executive (appointed on 11 December 2009).

Tier three positions have also been advertised and are still open for the Auckland Council and Auckland Transport.

Work continues on the structure beneath these levels with a 'mapping' process intended to identify the functions that fit within each reporting area. Following this a 'matching' process will be undertaken to determine which existing individual positions match positions in the new structure, meaning that those employees can immediately be offered a role. Those not immediately matched will then most likely have an opportunity to apply for the remaining unmatched jobs.

#### 2.6 RDC Involvement

Work on the various workstreams established by the Auckland Transition Agency (ATA) continues with more involvement from staff than previously reported.

Of the 98 sub-streams officially recognised by ATA, RDC has representation on approximately 68, with around 40 staff having official roles on the project teams. Additionally there are other staff providing administrative and technical support to RDC representatives.

From Council's transition time recording system there are now over 100 staff with time recorded against the various workstreams or transition work in general (e.g. review of legislation), with a total of around 10,500 hours recorded to the end of January 2010.

The following table shows the number of hours entered into the Council's time recording up to 31 January 2010 against each of the identified workstreams or against 'Transition' in general. A calculation is then made using average bands of salaries to estimate the cost of those hours.

<b>Workstream</b>	<b>Sum of Time (Hrs)</b>	<b>Sum of Cost \$</b>
Business Processes & Systems	1327.0	\$ 65,485
CCOs	43.0	\$ 2,080
Communications & Public Affairs	87.5	\$ 5,250
Community Services	1014.5	\$ 48,205
Customer Services	420.5	\$ 22,470
Economic Development	213.0	\$ 12,900
Finance & Treasury	1388.0	\$ 75,975
Governance	329.0	\$ 18,245
Legal	42.0	\$ 2,490
P&E: Environment	270.0	\$ 12,520
P&E: Policy & Planning	300.0	\$ 17,020
P&E: Regulatory	737.0	\$ 34,995
Property & Assets	65.0	\$ 2,920
Transition	2225.5	\$ 147,915
Transport	741.0	\$ 44,750
Watercare	736.0	\$ 34,635
Workforce/HR	615.0	\$ 30,610
<b>Grand Total</b>	<b>10554.0</b>	<b>\$ 578,465</b>

On top of these direct hours worked there are associated overhead costs (e.g. office, electricity, parking, travel) and some external costs where extra resourcing has had to be contracted. The following table identifies the estimated total costs including these additional factors, bringing the total cost to 31 January 2010 to approximately \$1.4M.

Staff costs	10554 Hours	\$578,465
Overheads	(double staff costs)	\$578,465
External Costs		\$266,323
<b>Grand Total</b>	<b>Indicative</b>	<b>\$1,423,253</b>

For information, the most significant work demands to date have been around the following elements:

- Watercare due diligence (Aug 09)
- forming of Auckland Council Workstreams (mid Sept 09)
- Auckland Council Discovery Information Requests (Sept 09)
- Development of Candidate Projects (Sept/Oct 09 to date).

Communication remains a key focus for the organisation, with staff forums being held, a series of intranet pages being made available and regular updates as new information comes to light.

A project office has been established out of existing resources to provide overall coordination and advice on issues such as decision confirmations, time recording and information requests.

## 2.7 Decision Making

A requirement of the First Act is for certain decisions to go to ATA for confirmation. To date this Council has forwarded 21 requests for confirmation to ATA, which has so far received over 400 such requests from all of the councils, and none have been rejected.

## 3.0 **Conclusion**

This report has provided the Council with an update on the review of Auckland's Governance. Further information will be provided at each future Council meeting.