The Impact of Local Government Reform on the Role of the Councillor: The New Zealand Experience

Jean Drage and Karen Johnston

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New Zealand’s local government has been through a significant period of change in the last two decades, change that has seen this tier of government restructured, reformed and refocused. Today, our local councils are charged with managing large corporations and ensuring all infrastructure is developed and maintained in a sustainable way whilst also promoting community well-being and engaging local communities in public participation around long-term planning and significant decision-making under the umbrella of enhancing local democracy.

Along with a substantial increase in workload, locally elected councillors now juggle a range of roles and competing interests. They need a range of skills as leaders and regulators; they need an understanding of policy development, planning, financial and legal processes and resource management; and they need to work within the governance / management model. On top of this they also need to stay connected to their communities, to know the local issues and to be the community’s voice on council. In essence, they now manage a real balancing act between the demands and processes around decision-making and the role of representing their community.

Added to this is a new round of reforms in New Zealand’s largest metropolitan area, reforms that signal further significant change for local government and its elected representatives. In 2009, the centre-right National-led government announced a new institutional structure for governing Auckland, a structure that will be in place for the next local government elections in October 2010. This will further stretch the balancing act that councillors must manage.

This paper considers the debate that has arisen over the role of councillors in New Zealand’s local government against a background of considerable reform. It describes the impact that this change has had on our elected representatives and it discusses the increasing tensions that have developed between the representative role and the demands of the new governance model. It also considers the new challenges and

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The initial research for this paper was done as part of Drage’s 2008 publication, A Balancing Act. Decision-making and Representation in New Zealand’s Local Government, although it has been updated to cover the considerable changes currently occurring.
tensions facing elected representatives on the new Auckland council. The aim is to offer local government researchers across Europe some comparative material on the way the councillor role has developed within what has been a rapidly changing political environment.

We start by outlining the body of reform that began in the 1980s against a background of significant economic, political and social change in New Zealand. In particular, the impact that these reforms have had on those elected to decision-making positions in local government (the councillors) is discussed, as is the way this role has been applied, using both historical data, information from local councils and evidence from recent case studies. Then we review the current changes occurring in the Auckland area in light of the ongoing effects these are likely to have on local political representation. Our argument is that the greatest change to the councillor role over this period of reform has been the increasing prominence of the ideas and practice of governance as opposed to the representative role.

In light of the comparative nature of the ECPR workshop, it is important to first briefly describe New Zealand’s local government system.

New Zealand’s Local Government
New Zealand has a highly centralised political system with very limited devolution of major services such as health, education and social welfare. Despite this, local government has an increasingly vital role in the provision of local services, in the management of natural resources and in working for the social, economic, environmental and cultural well-being of local communities. In addition, the taxation and regulatory powers exercised by local authorities have significant influence on New Zealand’s economy at both local and national levels as local authorities are large employers and local government activity accounts for almost 4% of NZ’s GDP.

While not undertaking the breadth of service provision of many European countries, nonetheless New Zealand’s system of local government is one of the most financially autonomous of all OECD countries with 60% of its income coming from local property rates and only 13% from central government grants. This high level of autonomy enables local government to basically get on with its prescribed role and also to complement services provided by central government where they are failing to meet community needs. Further, it has resulted in, what has been called, “a state of mutual interdependence” although the reforms of the last couple of decades have demonstrated clearly to communities the strength of the unitary state.

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3 The rest comes mainly from user pays and interest on investments
4 Examples of this, according to Mike Reid, Governance Manager, Local Government New Zealand have been employing a local dentist or providing medical centres
Recent Reforms
Local government reform in New Zealand brought this tier of government into line with other major economic and political reforms occurring in the public sector in the 1980s and widened the focus of local government from service provision only to encompass strategic planning and policy development. The driving force behind this reform process was based on an enthusiasm at the time for the ideas around public choice (which, in bringing an economic analysis to political decision-making, supports a regime of contracts, contestability and clear divisions between the political and policy/managerial side of government activity) and managerialism (which suggests the public sector will be more efficient and effective if it looks more like the private sector with outputs, the market and a corporate culture). Initially the number of local authorities was slashed, financial accountability and transparency was strengthened and a clear separation between governance and management introduced.

The new millennium saw this momentum continue with comprehensive new legislation adding a limited power of general competence to this tier of government, strengthening the emphasis on governance and accountability in decision-making and providing for considerable change to the electoral framework of local government.

Further reform is currently underway in the Auckland region, reform aimed at resolving the issues that arise from extensive urbanisation occurring in a relatively short period of time. A third of New Zealand’s population lives in the Auckland region, an area with rapid population growth, increasing diversity and growing problems associated with regional coordination and effective representation of the many and varied interests in this metropolitan area.

The Impact of these Reforms on Councillors
While these reforms have rejuvenated and modernised this tier of government, it can also be argued that they have had a major impact on those elected as decision-makers in this level of government. In particular, restructuring resulted in a significant reduction in the number of elected representative positions and an increase in non-elected decision-makers. At the same time, the councillor role has changed. First, the changing role of local government has seen some services and technical activities excluded from the democratic decision-making process. Second, a greater focus on participatory democracy has created confusion around the role of elected decision-makers. Third, the changing role of elected mayors has led, in some cases, to the disempowering of councillors. Fourth, the ongoing political differences in ideas and attitudes towards local government (highlighted during this period of reform), particularly from some central government political parties and the business sector, have shown how these can also ultimately undermine the councillor role. Finally, the latest reforms have had a strong

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6 See Boston, Jonathan, Martin, John, Pallot, June and Walsh, Pat, Public Management: The New Zealand Model, 1997
7 The Local Government Act 2002 and the Local Electoral Act 2001 and its 2002 amendments
focus on governance and make little mention of the councillors’ other main role, their representative role.

These changes are briefly outlined below before we move on to discuss the current focus on governance and the ways in which the most recent changes are being played out within the local government sector, particularly in the Auckland region.

Reduction in elected representative positions

The restructuring of local government has resulted in a significantly reduced number of elected positions at this level of community decision-making. There are now far fewer local authorities in New Zealand and their focus is more general than in the past when there were both special-purpose and general-purpose authorities.

Previously, this sector was made up of city, borough and county councils, all of which were largely service providers in urban and rural communities. As well, a second-tier of special-purpose local authorities provided specific services such as health and hospital care, electricity services and water services. Post reform, the structure of local government now consists of territorial authorities (city and district councils) and regional councils, a one-tier system that focuses on planning and management with some services provided by commercially based companies. Some of the larger councils also have community boards that act as a communication link between communities and councils. Most special-purpose local authorities have been abolished.

Table 1.1 shows the decrease in the number of local authorities in the past two decades. Territorial authorities (city and district councils) have taken over the general roles of community and economic development, environmental health and safety, the provision of key infrastructure, and recreational and cultural activities. Regional authorities have taken on the role of many of the special-purpose bodies that was tied to the protection and management of resources and environmental sustainability. Other special-purpose authorities, such as area health boards, were initially disbanded and turned into Crown entities but later re-established as partly elected district health boards.
Table 1.1: Number of local authorities in New Zealand, 1988 and 2006

<table>
<thead>
<tr>
<th>Local authorities</th>
<th>1988</th>
<th>2006</th>
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<tbody>
<tr>
<td>Territorial authorities</td>
<td>217</td>
<td>73</td>
</tr>
<tr>
<td>Community councils and boards</td>
<td>136</td>
<td>144</td>
</tr>
<tr>
<td>Regional authorities</td>
<td>22</td>
<td>12</td>
</tr>
<tr>
<td>Special-purpose authorities</td>
<td>453</td>
<td>21</td>
</tr>
<tr>
<td>Total</td>
<td>828</td>
<td>250</td>
</tr>
</tbody>
</table>

Source: Based on figures in Officials Co-ordinating Committee on Local Government (1988) and Department of Internal Affairs (2006).

This large decrease in the number of local authorities also saw a dramatic drop in the number of elected representative positions. In 1983, there were 5,129 seats on both general-purpose and special-purpose local authorities. By 1989, the number of seats had reduced to under half – 2,234. And of the 2,234 seats, 948 are on community boards that do not, as a rule, have a decision-making role.

While this decrease in councillor positions was certainly significant, it did not stop there. In the decade since the 1989 restructuring, the number of elected representative positions has continued to decline - to 1,699 in 2007. This is due to decisions made as part of the representation review process. Local authorities must undertake a representation review before the local government elections to decide the number of councillors needed and the basis on which they will represent their communities (either through wards or an at-large system).

The starkness of this overall reduction in representative numbers can be seen in Figure 1.1. The figure shows the decrease in elected positions from 5,129 to 1,699 in the two decades between 1986 and 2007.

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8 Department of Internal Affairs, *Local Authority Election Statistics 1983, 1985*, p 6

9 Department of Internal Affairs, *Local Authority Election Statistics 2001*, 2003 p 13

10 The representation review process decisions are now solely based on population numbers. Previously there had been allowances made for geographic size, rateable value of land and relevant local characteristics.

11 The representation review process was instituted under the Local Government Act 1974 when it was a three-yearly requirement. Under the Local Electoral Act 2001, councils are now only required to do this review every six years.
The most significant impact of this reduction is, of course, in the number of electors now represented by each local councillor. As seen in Table 1.3, the ratio of electors to the number of elected members has risen significantly. The average representation ratio on regional councils is now 20,147; on district councils 1,982 and on city councils 7,973 (although this varies significantly between councillors in larger cities who can represent over 19,000 electors and others in smaller cities who represent approximately 2,500 electors).  

Table 1.2: Increasing representation ratio in New Zealand local government, 1983–2007

<table>
<thead>
<tr>
<th></th>
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<tbody>
<tr>
<td>Regional</td>
<td>15,301</td>
<td>16,786</td>
<td>18,543</td>
<td>20,147</td>
</tr>
<tr>
<td>City</td>
<td>4,467</td>
<td>5,136</td>
<td>6,622</td>
<td>7,973</td>
</tr>
<tr>
<td>District</td>
<td>597</td>
<td>1,481</td>
<td>1,696</td>
<td>1,982</td>
</tr>
</tbody>
</table>

Note: The numbers cover only general-purpose authorities, not community boards.  
Source: Department of Internal Affairs (2007).  

**Decision-making outside the democratic process**

One of the main drivers of the 1980s reforms – economic efficiency – introduced the elements of competitiveness and managerialism into local government. This saw, in particular, a move to arm’s length service-delivery structures and corporate-style council organisations. The result was the establishment of council controlled organisations (CCOs)\(^\text{13}\) to manage some council services; a clearer separation of the governance and management roles within this sector; and a strengthening of financial management. All these changes resulted in the removal of some public services and technical activity from the democratic decision-making process, thus affecting the councillor role. CCOs

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\(^{12}\) Data drawn from Department of Internal Affairs Election Statistics, 2007  
\(^{13}\) Council Controlled Organisations were initially called LATES – Local Authority Trading Enterprises. The name change was made in the Local Government Act 2002.
took over responsibility for many of the services previously provided by councils such as ports, airports and trading enterprises. The strengthening of the council’s chief executive role and the technical and theoretical requirements of financial planning worked to exclude elected representatives and to encourage the use of managers and consultants, who were seen as more skilled in determining such things. These changes resulted in what Mike Reid called a tension between “political” and “technical” decision-making, a tension that has increased with subsequent legislative changes. In particular, the Local Government Amendment Act (No 3) 1996 introduced more precise financial management provisions (such as the need to identify the public and private benefits of council services) that were based on technical considerations and depreciation requirements. Reid contends that this:

had the effect of removing a large share of council expenditure from political discretion. Where the first stage of reform placed an area of political decision-making ‘off-limits’ through the use of corporate service delivery structures, the Local Government Amendment Act No. 3, which required that decisions conform to an economic framework, had similar effect.

It is of note that the Local Government Act 2002 strengthened the accountability of these organisations to the local authority(ies) in which they operate. This resulted from the considerable concern expressed within local government over the independence of these trading enterprises, and the view that they “should be publicly accountable and … subject to an authority overseeing their proper operation”.

This emphasis in the 1980s and 1990s on corporate models and competition in government also heightened the debate on decision-making outside the political arena, particularly in relation to elected representatives being replaced by non-elected, government appointees. This debate has been based on the ideological shifts in arguments about the roles of ‘representatives’ and ‘experts’; arguments based on the relative experience of decision-makers and where their accountability should lie. Health has been one policy area where elected community representation has been significantly affected. In 1991, the National government disbanded all elected area health boards as part of its Budget announcements, so replacing 201 elected health board members with 23 non-elected boards to manage public hospitals. This restructuring was based on the premise that government-appointed managerial and financial expertise would safeguard a large area of state expenditure and curb the influence of interest groups.

While the Labour–Alliance government elected in 1999 reversed this decision, holding elections for about two-thirds of the seats on the newly created district health boards in 2001, the cost of returning to the elected representative model has drawn much

15 Reid, 2002, p 317
criticism in an area where there has been a high level of debt. As a result, elected representation is no longer seen as an essential part of decision-making on health care within our communities. Instead, it is seen by many as a drain on the public purse in a policy area with significant fiscal restraint. More recent debates on the accountability of those elected by their community to district health boards has added a further point of contention to these arguments.¹⁷

**Greater focus on participatory democracy**

While the political decision-making role was squeezed from one side by the drive for efficiency, it was also pressured from the opposite side by citizen participation mechanisms introduced under the umbrella of enhancing local democracy as part of the 1989 and 2002 reforms. These participation provisions included the requirement that all local authorities go through annual, and, more recently, long-term planning processes. These processes incorporated a special consultative procedure that provided citizens with “the right to have information about their local authority’s planned programmes, activities and expenditure and the right to make submissions conveying their views about those proposed activities and spending”.¹⁸

This increased emphasis on consultation, planning and public participation, while leading to greater involvement of communities in their local authority activities, also added confusion about, and distrust of the role of those elected to be decision-makers. As well, it led to greater demand to participate in policy development through processes such as referenda. While it may be difficult to argue against the benefits of participatory democracy there is no doubt that increased community involvement sometimes resulted in increased dissatisfaction with the final decisions made by locally elected representatives. A report from the Controller and Auditor-General on the consultation and decision-making process listed the problems that had arisen in the time since the process had been introduced, and outlined the confusion of some members of the public who had assumed “that their views would determine the outcome … People tended to see the consultation process as a referendum or survey that the local authority would treat as binding”.¹⁹ Subsequently, the Controller and Auditor-General has published a guide to assist local authorities and their communities with a way through the tensions and pressures inherent in the decision-making and consultative requirements of the Local Government Act 2002.²⁰

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¹⁷ The 2007 district health board elections highlighted this ongoing debate on the accountability of members elected by their communities. With district health boards funded directly from central government (as opposed to being funded from local government rates), elected members report that they are expected to be “answerable first, last and always to the Minister of Health” so setting up the dilemma they have as elected representatives. See Carter (2007, p A21) and Kiong and Johnson (2007).


One example of how dissatisfaction can develop from unsatisfactory public participation processes was the Wellington City Council’s use of a citizens’ jury in 1995 to help with its decision on selling its interest in the local electricity company. This process raised community expectations that the council was prepared to listen and act on the basis of the strong opposition that was being voiced about this sale. However, despite the jury’s majority recommendation that the council not sell its share, the council did not uphold this decision.\textsuperscript{21}

Although the verdicts from citizens’ juries are not binding on councils, it can be argued that the council raised the expectation that decisions made as part of consultation processes would carry some weight with council. The tension, in this instance, was over just where and with whom such decisions lie, the need to be clear about this when establishing required processes for citizen participation, and the ongoing role of elected decision-makers in relation to such processes.\textsuperscript{22}

\textit{Changing relationships within councils}

Changes in local authority election campaigns and outcomes have also affected the councillor role, particularly in more recent years. There has been increased competition for leadership positions, high-spending election campaigns (despite caps on election spending introduced in the Local Electoral Act 2001), more mayors elected who have little or no background in local government, and, in some cases, mayors who approach their job with a more presidential style than has been seen in the past. These changes can be attributed to the reduced number of elected positions available overall in local government, the pivotal community leadership position gained, greater media attention on ‘leaders’ with the personalisation of political life, and a desire to add a new style of managerialism to the governance model to enhance the power of the mayoral position.

New Zealand’s local government system reflects what is knows as the ‘council-manager’ model, a model in which the political role of government is filled by a mayor and councillors and the administration tasks are fulfilled by a council appointed chief executive who employs all staff and implements all council policy. Within this model, New Zealand’s mayors operate under the ‘weak mayor’ model as they have no executive power and so share governance with the other elected members on the council. However, the fact that mayors are elected at large (by all electors in the district) unlike most councillors (who are elected in a particular ward), tends to give mayors a broader mandate.\textsuperscript{23} Mayors also have demanding workloads, often work full time due to their position as leaders and advocates for their communities, and earn higher remuneration packages than councillors do. Informally, this role can hold a great deal of

\begin{footnotes}
\footnote{21} Sinclair, Jan, \textit{Summary of the Decision reached by the Citizens’ Jury which considered the Wellington City Council’s Controlling Interest in Capital Power}, 1996, p 3


\footnote{23} In the 2007 local government elections, councillors were elected as ward representatives in all but eight of the 85 local authorities (although five councils had mixed ward and at-large electoral structures).\end{footnotes}
power, particularly in terms of access to information and corporate decision-making. In some instances, mayors have attempted to gain a similar power base to that accorded to the new style of management developed through the separation of management and governance roles in local government. One early example of this occurred in Hutt City where a review of governance structures resulted in fewer council committees, with council officers subsequently doing much of the committee work. This disempowered councillors and enhanced the power of the mayor, who acts as the link between management and the council. The case studies outlined later in this paper illustrate this point in detail.

Ongoing ideological debate

The reforms also highlighted the ideological debate about the appropriate role of local government and size of councils. In particular, both the business community and the parties on the right of the political spectrum have argued for local government and its elected representatives to have a smaller role.

Many in the business sector believe that local government and local democracy increase costs by driving up inflation and contend that “local government too often obstructs the market and should be reconstructed so that it doesn’t”. Those who have promoted this strong neo-liberal economic agenda argue that the 1989 reforms did not go far enough, further privatisation and corporatisation should occur and central government should step in again to initiate a new wave of reform, refocusing councils back to their core public goods functions. Some of this debate has been played out in the right-wing weekly newspaper the National Business Review where the ability of local councils to run commercial activities better than the private sector has been questioned. In particular, one editorial suggested that “they remain the last bastions of socialism, providing livelihoods for bureaucrats and councillors who would not otherwise be gainfully employed” and they “shamefully use legislation … to tax, stop and retard development”.

Two reasons have underpinned this push for continued change. First, the rating system has been a major cause of these complaints. Some of the larger cities in New Zealand have had differential rating systems for commercial property and residential property, with businesses paying higher rates on commercial land, which ultimately increases costs for businesses. However, Local Government New Zealand has argued that annual

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24 See Nahkies, Graeme “Hutt City Council Committee Structures: A Review and Proposals for Change”, 1999. Following this review, the number of committees was reduced and the council’s standing orders were revamped to tighten up meeting procedures. As a result, the council dealt with much of the council’s business directly. According to one councillor, this resulted in less time for discussion before decisions were made. Further, a newspaper report of the council conflict following these changes, suggested that an experienced long-term city councillor was overlooked for leadership positions in the new regime because she was not a member of the mayor’s team and had been critical of the changes made. See ‘Chair’s dumping the price of criticism – claim’, Hutt News, 2 May, 2000, p 1


26 See, for example, Kerr, Roger, The Problem with People’s Republics, 1998

27 As quoted in Kerr, 1998, p 2
rates rises have little impact on inflation, as they do not take into account changes in the level of services provided, actual growth in population and development, and the costs to local government of central government withdrawing services that local government must then pick up by default.  

Second, the business sector has grown increasingly concerned at the changing nature of local government, especially the strengthening of local democracy. Moira Rayner has suggested that the real issue here is not one of whether further change is needed or whether local government is capable of being a player in the market; rather the underlying issue is that local government today is completely different from the creature set up by our forefathers. With the widening of the franchise over time – from a property qualification to universal suffrage – alongside the demand for publicly provided community and social services, and the growth of local democracy, local government has, according to Rayner, “acquired a democratic flavour and a public interest focus”. Rayner suggests that the attitude of much of the business sector is related to the self-interest of those who have historically been the decision-makers. Local government was established as an administration system, not a form of local democracy. It was set up and run by property owners, who as the “ratepayers, the only electors and the councillors too had an interest in keeping rates as low as possible and to benefit directly from their spending”.

New Zealand’s strongly centralised system of government has also taken a similar approach to local government. Despite much rhetoric advocating the need for central and local government to work together, the attitude of central government has more often been close to ambivalence or indifference. In particular, political party differences have been significant. For instance, while the Labour-led government elected in 1999 initiated a closer working relationship (initially to facilitate a major review of local government legislation), the approach of the current National-led government (with a Minister of Local Government from the right wing Act party) has resulted in increased tensions around just what the role of local government should be. The ensuing debate saw the Minister propose to Cabinet that ratepayers and citizens be given better tools for controlling council costs, rates and activities. Councils were to be provided with a list of mandatory core services that they could provide and if they wanted to provide more than this, they needed to get ratepayer permission to do so through the regular use of referenda. While these proposals were not supported by the current government, nevertheless they raise important issues around the devolution of services, responsibilities and decision-making to communities whilst also prescribing what can

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29 Rayner, Moria “Rooting Democracy: Growing the Society we want”, speech to the Local Government New Zealand Conference, 12 July 1999
30 Rayner, 1999, p 6
31 Rayner, 1999, p 6
32 While New Zealand’s local government operates within a strongly centralised unitary system of government, it is nevertheless economically significant as it contributes nearly 4% of New Zealand’s gross domestic product and has operating and capital expenditure of $4 billion.
and can’t be done, particularly if central government is not providing the resources. And it raises several questions related to how this enhances local democracy.33

The Increasing Focus on Governance
Ironically, new legislation enacted in 2002 set out to liberate local government from its prescriptive and regulatory past, endorse its place as a legitimate form of local democracy and provide it with the freedom to initiate and coordinate local initiatives and services within the framework of a qualified power of general competence. The purpose of local government was clearly defined as enabling:

local decision-making by and on behalf of citizens in their local communities
to promote their social, economic, cultural and environmental well-being in the present and for the future.34

For the locally elected councillors, their role was closely tied to the governance model.35 In particular, Part 4 of the Local Government Act 2002 (Governance and Management of Local Authorities and Community Boards) requires local authorities to ensure that:

- the governance role is clearly understood by elected members and the community;
- governance structures are effective, open and transparent;
- responsibility for decision-making for regulatory and non-regulatory responsibilities is kept quite separate;
- they are good employers; and
- the relationship between elected members and management is effective and understood.

In order to do this, the legislation prescribed that local authorities prepare a local governance statement every three years to include information that would enable citizens to understand the council’s representation arrangements, member’s roles and conduct, and governance structures and processes. However, the elected member role, while shaped within the parameters of conduct and ethical behaviour, remained open to interpretation.

Defining the Councillor Role within New Zealand’s Local Government
It is relevant, at this point, to look at how the councillor role has been defined within the local government environment. The focus of early local government legislation was primarily on the functions of local bodies and the criterion for membership of decision-

33 These questions are discussed in a paper by Mike Reid, “Why defining core services is a dumb idea”, Local Government New Zealand. www.lgnz.co.nz/news/pr1246489976.pdf
34 Part 2 of the Local Government Act 2002 (purpose of local government, and roles and powers of local authorities).
35 Whilst the governance / management split had been a hallmark of earlier reforms, it had not, in fact, been defined. One of the major purposes of the 2002 legislation was to complete and strengthen the 1989 reforms.
making positions, not the representative role. Local government was service oriented and local councillors were expected to ensure the services were provided.

While service delivery broadened over time to take more of a planning, social and community perspective, it wasn’t until the significant changes in 1989 that the role of those elected to make decisions became a subject of any significant debate. In particular, the clear separation of the governance and management roles within local authorities had, according to Howell et. el:

perhaps the greatest influence over the reform of local government structure [as] amendments to the Local Government Act also sought the partial or even complete severance of trading activities, the adoption of a business model, the separation of policy, regulation from service delivery, and the creation of the equivalent of a [chief executive officer] position for the general manager.\(^{36}\)

But although this legislation did set out the purposes of this tier of government and clearly defined the chief executive role, reference to the elected representatives was confined to membership, qualification for membership, election and remuneration rather than to defining councillors’ roles. As Palmer points out, the duties of the members of a local authority were largely determined by the size of the region and district, and the functions undertaken in that council area, the assumption being “that the members will attend to their statutory functions diligently”.\(^{37}\)

However, debate surfaced during the reform process about the councillor role, as seen through the significant number of council submissions made during the consultation stages of the 1989 reforms regarding the failure of the proposed legislation to address the role of the elected member.\(^{38}\) Councils wanted more clarity about the line between the representative role and the management role.

While these submissions were considered by the Officials Co-ordinating Committee on Local Government, the committee did not recommend the reform legislation be altered. Its reasons were threefold. First, the fact that local authorities would be larger and have more responsibilities were seen as limiting the ability of the elected representative to intrude in management. Second, it was felt that the new accountability mechanisms being introduced would help to clarify the governance role. Third, the governance–management split was expected to further clarify the differences in roles.\(^{39}\)

Szabo’s view was that:

It is a strange situation that a whole Act of Parliament (Local Elections and Polls Act) deals with how candidates become members of councils, several sections of

\(^{36}\) Howell, Robert, McDermott, Philip and Forgie, Vicky, Governance and Management in New Zealand Local Government, 1995, p 11
\(^{37}\) Palmer, Kenneth A., Local Government Law in New Zealand (2nd ed.) 1993, p 163
\(^{38}\) Szabo, Miklos, The Role of Elected Members, 1999, p 13
\(^{39}\) Howell et al, 1995, p 1
the Local Government Act address disqualification and removal from office, but the legislation is silent on the question of what elected members do while in office.\textsuperscript{40}

Howell et al went further in suggesting that governance failures lay at the root of many of the problems being experienced in local government. In observing the difficulties being experienced in governance–management relationships, Howell et al called for fewer councillors, job descriptions for mayors and councillors, governance policies and training programmes.\textsuperscript{41}

However, it can also be argued that it is not surprising that officials might be reluctant to recommend to parliament that the representative role be more closely defined when there is no such precedent at central government level. And there is no doubt that while there needs to be greater clarity and strengthening of the councillor role, the argument that many problems experienced in local government will be alleviated by more controls over fewer councillors is a little simplistic. On the one hand, it assumes the business model of a small board of directors is appropriate for local government. On the other hand, it overlooks the arguments for legitimate political participation and democratic decision-making within local communities.

Not surprisingly, there was a similar debate in the lead-up to the most recent legislative changes to local government in the Local Government Act 2002. When a local government review was initiated in 2000 (before new legislation was drafted) the role of councillors was debated, the intention being to push for clarity on this role. However, the consultation document circulated as part of this legislative review, stated that it was not possible to legislate for “good governance practice”. Rather, good practice guides on local governance would be developed within the local government sector. Within this context, the governance role was defined as being based on two critical relationships: the first with a council’s community and the second with the chief executive and the organisation. The former involved:

- leading and identifying community views;
- translating community wishes into defined outcomes; and
- monitoring, evaluating and reporting on outputs and performance.

The latter described the role of the chief executive.\textsuperscript{42}

Mike Reid, governance manager for Local Government New Zealand,\textsuperscript{43} also argued for clarity on the councillor role in the new legislation with a committee of local and central government officials during the review period, but despite the committee’s interest in

\begin{thebibliography}{9}
\bibitem{1} Szabo, 1999, p 13
\bibitem{2} Howell et al., 1995
\bibitem{4} Local Government New Zealand is the national organisation of all local authorities in New Zealand. This organisation’s role is information, policy, lobbying and development.
\end{thebibliography}
addressing the issue, in the end it was regarded as too difficult. Reid described the result as an example of “the gap between the rhetoric and the reality” that occurred on such issues.\textsuperscript{44} Instead, the intention was that the new legislation would require councils to write their own governance statements.

Five years on (in 2007) an analysis of local authority governance statements (the one place where councils must stipulate the role of their councillors) shows that the majority of councils refer in some way to the four key roles for elected members of:

- setting the policy direction of council;
- monitoring the performance of the council;
- representing the interests of the district or residents; and
- employing the chief executive.

However, very few councils appear to have debated these roles and what they meant in practice for an elected member. The representative role was not further explained. In many cases, it was diminished in significance by the statement saying it was the council’s role to represent the interests of the district or merely to report to ratepayers. The added proviso that all elected members must act in the best interests of the district, while being a legitimate statement, does not clarify how councillors balance this with representing individual or groups of residents.\textsuperscript{45}

*What the Councillors think*

It is also useful to look at how councillors themselves define their role. This is done by looking at some recent research.

In 1998, Szabo surveyed New Zealand’s mayors and councillors to ask them about the time they spent on council duties and issues of concern. Based on a 40% response rate, Szabo found, what he termed:

- a hard-working, fair-minded supporter of local democracy and independence,
- quite protective of the role of both the institution and the individuals, but feeling somewhat ambivalent about the senior officers and their role.\textsuperscript{46}

It is notable that 96% of those surveyed agreed that elected representatives should represent the views of all the people in their ward, not just those who voted for them. Eighty-seven percent said the most important role of local government is to represent the interests of the people in an area; and that local councillors rather than central government should determine local needs and priorities.\textsuperscript{47}

\textsuperscript{44} Comments made by Mike Reid in an interview on 28 August 2002.
\textsuperscript{46} Szabo, 1999, p 33
\textsuperscript{47} Szabo, 1999, pp 31–32
A further study by Howell et al focused looked at how the relationship between elected members and managers could be improved.48 This study, based on interviews with the mayor, the chief executive and one councillor from each of 10 local authorities in 1995, found that 77% (23) of those interviewed cited the large number of councillors as a factor contributing to the difficulties that arose in council working relationships. According to Howell et al, this group felt:

excessive numbers mean creating extra committees and finding unnecessary work for councillors. The preferred number of councillors differed among authorities, but a common suggestion was for a single digit number.

Further:

some respondents offered the opinion that the poor quality of councillors often adversely affected the ability to maintain a proper demarcation between council and management. One mayor stated that a third of councillors were very good, a third were just average, and a third were “hopeless”. 49

While calling for a reduction in the number of councillors and the issuing of job descriptions, the authors also advocated the use of governance practices based on the work of John Carver.50 Carver’s model recognises the involvement of both governors (that is, councillors) and managers in the development of policy, with the governing role being to address the end to be achieved, the means to these ends, the broad relationship with staff and the process of governing.

The substantive role of a councillor was the subject of research by Drage. Fifty candidates standing for councillor positions on the Wellington City Council in 2001 were interviewed to gain an understanding of how the candidates (incumbents and aspirants) practised or intended to practise the councillor role and how the local government environment might impact on them doing this. A clear focus was found on both the representative and governance roles with 80% of respondents defining the councillor role as being to represent local interests and provide a link between the community and council. While governance (decision-making and policy) was also seen as a major part of the role, the act of representing others took precedence.

However, this research also found that once the person was elected, their focus for the councillor role could shift. Almost half of the incumbents standing for election reported having changed the way they practised the role as a result of experience in office. This change was most evident in the trustee–delegate debate. Incumbent candidates leaned towards the trustee role while new candidates were more likely to see themselves speaking for and accountable to their communities as delegates. And while the terms

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48 Howell et al, 1995
49 Howell et al., 1995, p 38
50 John Carver’s model is based on his work with non-profit, government and other public boards in the United States and Canada. In New Zealand, this model has been promoted by Graeme Nahkies, a local government consultant who advises local councils on governance matters.
‘trustee’ and ‘delegate’ were not ones respondents readily identified with, nevertheless for a significant number of incumbent candidates, experience in the local government environment changed the way they carried out the councillor role.\textsuperscript{51}

**Representative / Governance Roles**

Defining the representative role within the ambit of governance has become popular. David Judge argues that while the principle of representative democracy continues to be accepted, it is the practice of representation that is being challenged. The focus on governance, in which the represented have a range of relationships with the institutions of government, is a quite different notion to that of government, in which there are clearly defined links between those represented and those representing. In acknowledging the debate that enhancing local democracy involves additional forms of participation, Judge notes arguments in support of representative democracy without which “the legitimacy conferred through popular elections, the necessary consent for and authorisation of, local decisions would be difficult to generate”.\textsuperscript{52}

Denters and Rose outline five main challenges to local government worldwide that have contributed to the rise of local governance as the new way of collective decision making. Three of these challenges are macro level challenges: urbanisation, globalisation and Europeanisation. The other two challenges are micro challenges: the demands for increased efficiency and effectiveness based on New Public Management and increasing demands for citizen participation in local decision-making.\textsuperscript{53} In New Zealand, the comprehensive and systematic reforms to local government since 1989 have attempted to meet four of the above challenges (Europeanisation\textsuperscript{54} has not been an issue for us).

So with the term ‘governance’ now in vogue in New Zealand, it is worth looking at how it is interpreted. The current Minister of Local Government use of the term generally implies that it is the arrangement of councillors and directors of CCO’s and how they make their decisions efficiently and effectively.\textsuperscript{55} It could be inferred that the actual proposals that he is implementing are what Rhodes terms, governance as the minimal state (where there is a clear preference for less government with public services being delivered by markets\textsuperscript{56}) and governance as good governance (a concept introduced by the World Bank, which includes greater transparency, efficiency and accountability\textsuperscript{57}). Bad governance is identified as a reason for the poor economic conditions in many of the countries that it lent money to. It therefore required ‘good governance’ practices to

\textsuperscript{52} Judge, David, *Representation, Theory and Practice in Britain*, 1999, p. 164
\textsuperscript{53} Denters, Bas and Rose, Lawrence E, *Comparing Local Governance. Trends and Developments*, 2005, p.2-6
\textsuperscript{54} Europeanisation, based on Cowles, et al. 2001, is defined as the emergence and development at the European level of distinct structures of governance
\textsuperscript{55} Minister of Local Government Speech 2009
\textsuperscript{57} Kjaer, 2004, p.172
be in place in order for those countries to receive money. Rhodes points out that what the World Bank did was to connect new public management with liberal democracy.\(^{58}\)

In this paper, we define local governance as being a move from local government which provides services and makes resource allocation decisions over areas which they had almost total control, to local governance where councils take on a broader community governing role and work towards a common vision in a wide range of areas. Often in these situations councils act as facilitators or enablers. They ‘steer rather than row’.\(^{59}\)

This means that local government is now involved in a multitude of partnerships, working groups and relationships with other levels of government (regionally based central government departments, regional councils and neighbouring local councils), to partnerships and agreements with community and private sector organisations, to large scale public participation exercises with the public. While it is undeniable that the governance model with its emphasis on ‘working together’ to solve intractable issues and the wide use of public participation processes, is laudable, there are very real tensions with representative democracy and accountability of councillors to their electorate.

The governance tag also connects the elected council to a board of directors model. One vivid example of this is in the debate that occurred around the remuneration paid to elected local body representatives following an amendment to the Local Government Act.\(^{60}\) The Higher Salaries Commission, which already had responsibility for determining the salaries paid to members of parliament, the judiciary and senior public servants, were tasked with establishing a new salary framework for councillors. In order to do this, the commission defined the fees and the principal roles undertaken by elected members and compared them with fees paid to members of statutory bodies appointed by the Crown while also building in a 25% reduction for what they called the ‘public good’ aspect of the role.\(^{61}\) It is of note that while the commission acknowledged both the representative and governance components of the councillor role it was critical of what it saw as “an undue focus on representation at the expense of the governance role”.\(^{62}\) Not surprisingly, this argument drew considerable criticism from Local Government New Zealand, which argued that the representative role was every bit as important as the governance role and that the criteria set for calculating the amount of money available to pay councillors failed to acknowledge the considerable demands, responsibilities and changes that occur in this level of government. In accusing the commission of treating representation as an “incidental” activity, Local Government New Zealand maintained that the councillor role “is as much one of representation as governance”, the very

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\(^{58}\) Rhodes, 1996, p. 653  
\(^{59}\) See Rhodes, 1996  
\(^{60}\) The Local Government (Elected Member Remuneration and Trading Enterprises) Amendment Act 2001  
It is interesting to note that the salaries of members of parliament are not subject to a reduction for public service.  
\(^{62}\) Higher Salaries Commission, 2002, p 35
“reason that the elected members’ position exists in the first instance” and the factor that “distinguishes an elected member from a company director”.63

Interpretations of the way in which New Zealand’s local government has adjusted to the governance model are also revealing. We now discuss three case studies which demonstrate clearly many of the changes that have occurred to date. We examine councils in three geographic areas: Christchurch City, MacKenzie District and the Auckland region. Christchurch and MacKenzie were chosen because they are very different in size and character. Auckland is included because it is currently undergoing substantial change and shows us some of the issues related to the future of local government, particularly those related to metropolitan government.

*Christchurch City Council*

Christchurch is the second largest city in New Zealand, its economy being based on its association with the large rural economy of Canterbury, its export orientated manufacturing and substantial tourism. The Christchurch city council was halved in size in 2004 as the result of a rather zealous approach taken to the representation review process by the Local Government Commission. As a result, it initiated a completely new decision-making model and has become an example of a large metropolitan council working within a corporate model.

The first signs of change came with a restructure of the way the council worked. Weekly council meetings were introduced (as opposed to monthly) and standing committees abolished. In addition, council seminars provided information for discussion but no decisions were made. Initially, most of these seminars were held in committee (that is, not open to the public) but this changed after considerable debate in the media about the lack of transparency. Councillors were assigned portfolios and three portfolio group meetings introduced. Their meetings were not open to the public. The portfolio groups were designed to initiate reviews and updates of strategies and monitor the progress of work as it was being prepared for presentation at full council meetings.64

Previously, standing committees had met regularly to consider particular services, topics and issues (such as planning, strategy and finance, arts and culture) before these matters are dealt with at council. While several councillors were members of the committee and so had voting rights, others could attend and contribute to the debate. The chair of the committee developed expertise in the area and worked with senior staff and councillors to set a monthly agenda. The recommendations of that committee go to a full council meeting where the full council can debate the issues again or simply accept the recommendations.

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The decision-making structure of weekly council meetings that the Christchurch City Council adopted for its 2004–2007 term meant councillors had only one opportunity to debate issues. And because it was at a council meeting, standing orders (if strictly enforced) would mean councillors had only three minutes to contribute to the debate on a particular issue. Councillors also had limited time in which to become familiar with an issue, because the agenda would be distributed on a Friday for the council meeting on the following Thursday. Under a committee system, although there can be the same time constraints between receiving the order paper and attending the meeting, councillors usually have more time to research and talk to constituents and others before the final decision is made at the council meeting at the end of the month.

One councillor who was critical of this new decision-making structure said:

There is no scrutiny with this system. It doesn’t allow effective scrutiny by councillors [or] public input. The checks and balances are gone. Other councillors feel differently. There are two approaches to this issue. One which I suppose you could call the government model and the other the corporate model where you get things through quickly. This corporate model was not there before 2004. It has a different value system and a different way of viewing local government.

The changed decision-making structure frustrated some councillors. With no standing committees, councillors’ ability to debate and make changes to recommendations on policy reports that came before them was limited. While standing orders for council meetings allotted councillors three minutes to speak, sometimes extending this to five minutes, a notice of motion was required to get issues re-examined by staff. The councillor quoted above went on to say:

Because there are no committees many planning issues go straight to the council. It is very difficult to implement necessary change. At a council meeting a councillor would need to move a notice of motion to get issues re-looked at e.g. non notified resource consents. You can’t drive action on any planning issues. There is no structure to work within and make significant changes to benefit the community. There was an expectation that councillors would rubber stamp what was put in front of us. You could put this down to the personalities involved rather than a structural issue. I like to go and talk to people about issues. That ability is not appreciated. Councillors were marginalised under this structure.

The reduced opportunity for public input into this process was another issue raised by councillors. A committee meeting is a more relaxed environment for the public to attend and provides greater opportunity for the public to mount a case for or against an issue.

One councillor, retiring from the council in 2007 after 12 years, described the loss of democracy in her last term at the council after the big changes at the 2004 election. She said that the new decision-making systems were not working, leading to rushed and “ropey” (poor in quality) decisions. Under the old standing committee structure, reports would have gone to committees and there would have been more supporting information and more time for debate. A recommendation would have then been made to the full council. Committees also allowed greater public participation. In the previous
system, there were many more public deputations than occur with weekly council meetings.\textsuperscript{65}

However, the mayor welcomed this ‘corporate model’ of decision-making. An article in the \textit{Listener} stated that:

Traditional council standing committees were abolished – Moore [the mayor] claims these had been used by committee chairmen “as power bases to keep others in the dark” – and replaced with broad “portfolio groups” where ideas were thrashed around by councillors and staff away from the public gaze, before being refined in open-forum “seminars” and then presented to full council for adoption or rejection.

For Moore, it was all about making local government more like corporate governance – less time spent on parish pump detail, more attention to big-picture strategy.\textsuperscript{66}

Some councillors liked the new decision-making structures and some did not. The \textit{Listener} interviewed two councillors with opposing views on this issue:

The reformed system has its fans, including [mayor] Moore’s former deputy mayor Carole Evans. “I’ve worked with three mayors,” she says, “and this term of office would probably be the most productive and forward-moving council of all”.

But many of Moore’s old allies on the left, such as recently re-elected 2021 councillor Chrissy Williams, complain bitterly that his corporate model has led to a loss of democracy, transparency and community input.\textsuperscript{67}

Arguably, the new decision-making structures also resulted in councillors having less information about projects that staff were working on. In a letter to \textit{The Press} Pauline Cotter (a resident of Christchurch) reported on a public meeting held with councillors.

On November 28, seven councillors attended a public meeting and told more than 100 people that none of them knew of the plan to demolish the Edgeware Pool. When asked who made the decision, they informed us that it was a staff decision.

[Councillor] Helen Broughton has also spoken out about the loss of the crèche in the Jelly Park development, once again a staff decision about which councillors were not informed.\textsuperscript{68}

The relationships between staff and councillors also changed. The chief executive was quoted in \textit{The Director}, saying there had been a climate of nepotism between staff and councillors but that had now ceased. Relationships were now more professional and distant.

\textsuperscript{67} Macfie, 2007, p 26.
\textsuperscript{68} Cotter, Letter to the Editor, \textit{The Press}, 5 March 2007.
The [Local Government Act 2002] redefines the role of elected representatives and provides greater clarity on the differences between local body governance and management. In the past, councillors were too often involved in management issues. Under the new act, employees no longer work with politicians to skew the advice given to council.\textsuperscript{69}

This approach certainly affected how staff and elected members interacted. One community board member reported that after community board meetings, staff were instructed not to talk to the elected members.

There is now more bureaucracy. The bureaucracy is supposed to be for accountability purposes but it means that reports go back and forth between the community board and the council. Ideas or concerns from the community take a back seat compared with council projects ..... People in the community worry about the little things that affect them like parking and street issues. The council is not responding to those issues like it used to. There are now lots of new council staff. These staff do not champion the community as staff used to do in the past. They do not have a lot of local government experience. In the past, staff would go with a Community Board member or Councillor and have an on-site meeting. Now staff say that they can't do that. They have to have reports and follow a process. Very bureaucratic. Can't just turn up and meet.

Representation and decision-making on the Christchurch City Council has undergone radical reform since 2004. At the same time, its management structures and staff have also undergone major change. While this change is attributed to the Local Government Act 2002, a great deal of what has occurred must be attributed to the ideology of those who made these decisions. The impacts of these decisions have been considerable. The loss of political representation, the way in which decisions have been made and the lack of opportunities to consult and to ensure participation have led to increasing dissatisfaction within this council and within the Christchurch community.

Evidence of community dissatisfaction can be found in council surveys of residents’ satisfaction with council services. A report to the Christchurch City Council in August 2007 found that only 34% of respondents were satisfied with the way council involved the public in decision-making. Just under half (48%) of the respondents were satisfied that council made decisions in the best interests of the city.\textsuperscript{70}

\textit{MacKenzie DC}

Mackenzie District Council provides a stark contrast to Christchurch City Council in that it is a small rural council covering a vast geographical area. Its representation remained

\textsuperscript{69} “Governance & management: Up close and personal – Governing politics, passion and performance”, \textit{The Director}, 3 (1) 2005, p 12

\textsuperscript{70} Christchurch City Council, Christchurch City Council Performance Report (as at June 2007), report to Christchurch City Council meeting 9 August 2007
stable until 2004 when its councillor numbers were reduced from 10 to 6 in a Local Government Commission review.

The Mackenzie District Council also changed its decision-making structures following the 2004 representation review. Council meetings were held every two weeks and there was no committee structure. However, the mayor found that his workload grew significantly under this structure, and the work needed to be more reasonably shared among the councillors. A committee structure was reinstated to ensure leadership responsibilities could be shared among the three committee chairs, one of whom is the mayor.

The council now meets six weekly and has three standing committees: Finance, Planning and Operations. All elected members on council have been appointed to each committee with the chairs of each committee being appointed by the council. These three committees also meet every six weeks.

The Mackenzie District Council is more of what could be called a ‘hands-on’ type of council, taking much interest in the happenings of the district. At a council meeting in September 2007, we observed a considerable sharing of local knowledge and familiarity with the district by the councillors. Interestingly enough, this ‘grass-roots’ interest appeared to take precedence over the larger issues of local government. For instance, the chief executive in reporting to the council on the findings of a government initiated Rates Review Inquiry, suggested a workshop for councillors to discuss the issues in this report and the council’s position on these. The majority of councillors did not welcome another workshop: their opinion being that discussing the issues and deciding the council’s position were tasks for the chief executive.

Much has changed since 2004 for the Mackenzie District Council. While the previous county council and residents successfully fought to retain their independence, it was not until the new requirements of the representation review that this council was forced to make changes to its representative and decision-making structures. Interestingly, this review showed the community’s strong desire to retain community board representation as opposed to having more seats at the council table where the decisions are made.

In a vast rural community such as Mackenzie District with distinct townships, residents feel strongly that representation of their communities of interest lies with community boards. In fact, although councillors are very involved in their communities, it is clear that community boards are seen as integral to the practice of representation. Citizen participation occurs at this community level as residents attend public meetings on local issues, but participate little at council meetings. The community would usually have

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71 The Rates Review Inquiry was initiated by the Labour-led government in 2007 to provide an independent assessment of New Zealand’s local government. rating system and identify options to enhance rates as a funding tool for local authorities
raised an issue with a councillor before a council meeting. Perhaps another sign that representative democracy is in good heart in Mackenzie is the voter turnout for elections. In the 2001 elections, the 71% voter turnout in the Mackenzie District was in contrast to the New Zealand average turnout of 49%. It decreased slightly in the 2004 elections to 66%.\footnote{This high voter turnout is also evidence of the low representation ratio in the McKenzie District. As shown in Department of Internal Affairs statistics, the lower the representation ratio, the higher the voter turnout.}

While the representation review also resulted in the council re-examining its decision-making structures, it is clear that the demands inherent in the councillor role have played a part here. With only six part-time councillors, the workload is now higher. At the same time, the level of remuneration has been lowered and is stretched across the district’s community boards. As a result, it is difficult to find candidates to stand for council positions. It appears that some issues fundamental to the future of local government (such as the rates review) have been shifted into the hands of management as a way of councillors balancing the demands of their job.

**The Auckland region**
The Auckland region provides a very different picture of local government to the rest of New Zealand. The size of this area coupled with the demands of a rapidly growing and diverse population within a very political environment makes for difficult solutions. During the past 45 years there have been many attempts to create new governance structures and undertake regional strategic planning. Each change has been hailed as a significant step forward. However, progress has been varied as the establishment, reorganisation and demise of decision-making bodies have largely been in response to political disagreements within local government, combined with the intense growth pressures and associated infrastructural needs facing the region.

Auckland highlights the tension around decision-making and representation that is caused by rapid growth and the urgency to plan and coordinate this growth. These tensions are present all around the country but are more obvious in Auckland. There are very real issues around, on the one hand, having a co-ordinated and strategic view of growth and infrastructural needs, and on the other hand representing communities of interests.

Currently this region includes seven territorial authorities: three district councils and four city council plus Auckland Regional Council. One third of New Zealand’s population lives in the Auckland region, the population is growing rapidly, its diversity is increasing and it has significant problems with both regional coordination and with ensuring effective representation of the many and varied voices of those who live in this metropolitan area.

Regional government was initially seen as the solution to manage bulk water supply, sewerage, public transport and the airport, building regional roads, developing regional
reserves, overseeing civil defence and undertaking regional planning.\textsuperscript{73} It was not long, however, before infrastructure and service delivery functions were managed through corporate bodies which ultimately had an impact on the Auckland Regional Council’s ability to function as an effective, strategic metropolitan regional planning authority.\textsuperscript{74} Various regional planning initiatives also occurred during this period of structural change in attempts to resolve some major regional issues.

However, central government grew increasingly frustrated over regional issues that impacted on national policy and eventually stepped in and established a royal commission of enquiry to look at how Auckland should be governed in the future.\textsuperscript{75} The Royal Commission on Auckland Governance was given wide powers to identify the local and regional government arrangements needed for Auckland to be a successful city in the Asia–Pacific region. This Commission was basically charged with coming up with governance arrangements which would provide leadership for the region and facilitate citizen participation in local government decisions.

After receiving more than 3,500 submissions, holding countless hearings, commissioning a great deal of research and visiting many other large cities, the Commission’s recommended that the Auckland region be governed in the future by a single unitary authority with a mayor and 23 councillors (including 3 seats for Maori) in order to provide the region with an overall plan, one voice and one rates bill. This Auckland council would hold all assets and employ all local government staff. In addition, it also recommended that 6 elected local councils (largely based on existing local authorities) be established to oversee the delivery of services and to ensure the ongoing engagement with communities.\textsuperscript{76}

One of the Commission’s most significant proposals was for the establishment of a shared governance model between central and local government as a way of working collectively on economic development, regional transport and social issues in this region. In what has been described as “an entirely new model of local government, one that shifts the locus of decision making from our traditional top-down centralised model to more of a partnership approach”\textsuperscript{77}, the Commission championed the need for both representative and participatory democracy within our local communities while also promoting a stronger relationship between the two tiers of government in New Zealand.

\textsuperscript{73} Bush, Graham, \textit{Local Government and Politics in New Zealand} (2\textsuperscript{nd} ed.) 1995, pp 39–40
\textsuperscript{74} Memon, Ali, Graham Davies, Tom and Fookes, Tom, “Institutional Arrangements for Metropolitan Government and Strategic Planning in Auckland”, New Zealand Geographer, 63 (1) 2007, pp 43-54
\textsuperscript{75} These included infrastructure crises (power blackouts, roading congestion and underinvestment in sewerage and storm water) plus significant dissatisfaction by ratepayers over large rate rises. One of the tipping points for the central government’s decision to set in was the lack of agreement over a venue for the 2011 Rugby World Cup
\textsuperscript{76} Royal Commission on Auckland Governance, \textit{Royal Commission on Auckland Governance Report}, 2009 www.royalcommission.govt.nz
\textsuperscript{77} Reid, Mike, “The Auckland Debate: Is Big City Governance always this difficult?”, \textit{Policy Quarterly}, Vol.5 (2) May 2009, p.41
However, whilst central government’s initial response to the Commission’s recommendations was to endorse the one unitary council for Auckland, instead of the six local councils, they preferred a larger number of community based boards to provide a community voice but limited services and all suggestions on shared working relationships appear to have been rejected, the government suggesting that a number of recommendations need further consideration.\textsuperscript{78}

The new Auckland local authority will be in place for the local government elections in October 2010. Its establishment, however, is not without controversy due to central government decisions on how it will operate and what the local community describe as a loss of local democracy in this region.

In terms of what these reforms in Auckland mean for the elected councillor, there are:

\begin{itemize}
\item significant reductions in the number of representative position, the number reducing by just under half (from 263 to 147). The impact this reduction has on representation ratios is substantial as some councillors on the new Auckland council will represent around 85,000 electors, a number that is higher than those represented by Members of Parliament in New Zealand.\textsuperscript{79}

\item significant increases in the number and power of corporate style arm’s length service-delivery structures (CCOs) being established to manage the majority of services in Auckland. This is seen as one of most contentious issues in the restructuring process, mainly because appointed directors will make all decisions on these services and use a significant proportion of the regions rates. While these CCOs will ultimately be responsible to the new Auckland council, in the meantime all appointments are being made by central government so raising concerns over the potential for a lack of public input into these services and the apparent lack of accountability of these CCOs. It also directly challenges the intended overall co-ordination role of the new Auckland unitary authority.

\item leadership changes being introduced to the new Auckland council will mean that, for the first time, the mayor will have specific legislative powers and funding delegated to the position. While there is some debate on whether the new mayoral model being introduced is moving this position into the ‘strong mayor’ model, this part of the reform has the potential to be one of the most significant.
\end{itemize}


\textsuperscript{79} New Zealand Members of Parliament represent an average of 57,000 electors.
Conclusion
To conclude, the councillor role during the period of local government reform that began in 1989 (and which is still continuing) has not been static nor stable. It has waxed and waned depending on the flavour of each new piece of reform. The initial reforms in 1989 were the first abrupt change to the councillor role. Based on new public management ideals, the number of councillors and councils were initially reduced and management and the technical side of local government moved away from the democratic process. Many services were moved directly out of their control to CCO’s. Councillors saw a growth in the power of their CEO and senior managers, their role being to focus on the strategic side of governing and come to grips with strategic planning and financial management. In addition they had to encourage public participation in council’s planning and decision-making. This has created tensions between the concepts of empowerment versus what has been seen as a tokenistic approach to involving citizens in the practice of local democracy. Tensions have also increased within councils with mayors seeking to emulate the power that they see CEO’s gaining. This has been achieved through changing decision making structures so that there are fewer opportunities for scrutiny by councillors and the public. The impacts of this first round of reform have simultaneously worked to exclude the now smaller number of councillors from a great deal of decision making but paradoxically created more work for them.

The next wave of reform in 2002 heralded more freedom for councillors and their councils to undertake whatever activities and services they deemed necessary while also placing restrictions on them. While they were encouraged to practice local governance, there were many more checks and balances on how they conducted their business but there has been no further clarity on their role and in many instances they have been likened more to a board of directors than a council of political representatives.

It is now a moveable feast for councillors. With further reform in New Zealand’s largest city, the number of councillors and their decision-making activities is again being reduced, a large amount of services and rating income will be moved into CCO’s (at arms length from councillors) so removing their control from the core services of local government. Whilst the representative role was weakened in the initial reforms, the wider governance role also now appears under threat.
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