



1st May 2015

ECAN Review
Ministry for the Environment
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TRUSTPOWER SUBMISSION: Environment Canterbury Review

Introduction and overview

Thank you for the invitation to provide comments on the “*Environment Canterbury Review: a discussion document*”.

Trustpower owns and operates a portfolio of 19 hydro-electric power schemes and two wind farms spread throughout New Zealand. Trustpower differs from other large electricity generators in that its assets are typically moderate in scale and output, are relatively numerous, and are spread throughout a number of districts and regions in New Zealand.

As a result Trustpower is very experienced with the governance processes and capabilities of most local authority decision makers in New Zealand. Resource consents are inherent to the value of Trustpower’s assets, and as such the company takes a close interest in any discussion around resource management governance.

Trustpower’s Interest in the Canterbury Region

Trustpower holds 35 consents from the Canterbury Regional Council related to its hydroelectric power schemes, including consents to dam, take and discharge water. Trustpower’s schemes contribute to the social, economic and environmental well-being of the Canterbury Region by generating power for more than 43,875 average households and, more particularly, contribute to the region achieving its stated community outcomes. Changes that undermine the economic viability of Trustpower’s schemes, even incrementally, have the potential to undermine the sustainability of its operation and consequently the economic wellbeing of the community.

It is for these reasons that Trustpower takes a close interest in the governance structure of the Canterbury Regional Council.

Coleridge Hydro-Electric Power Scheme

Trustpower owns and operates the Coleridge Hydro-Electric Power Scheme (“**Coleridge HEPS**”) and the Montalto and Highbank Power Stations (as part of the Rangitata Diversion Race) within the

jurisdiction of the Canterbury Regional Council. Collectively these generation assets have an installed capacity of 65.8 MW and generate approximately 348 GWh hours per annum.

The Coleridge HEPS is located in the upper reaches of the Rakaia River Catchment and has been in operation since 1914. The scheme has an installed capacity of 39 MW and which is expected generate about 270 GWhrs per year.

The Scheme utilises the storage capacity of Lake Coleridge and a difference in height (head) between Lake Coleridge and the Rakaia River to generate electricity. Over the past decade several optimisation projects and changes to the operating regime of the Coleridge HEPS have been undertaken to improve the operating efficiency and generation output of the scheme.

Rangitata Diversion Race and the Montalto – Highbank Power Stations

The Montalto and Highbank Power Stations form part of the Rangitata Diversion Race (“RDR”). Trustpower is also a shareholder in Rangitata Diversion Race Management Limited (“RDRML”) – the company which owns and manages the RDR. The RDR works on the concept of water being available for irrigation in summer and electricity generation in winter.

The Highbank Power Station was commissioned in 1945. It is located at the end of the RDR conveyance system and utilises the fall between the Canterbury Plains and the Rakaia River to generate electricity. The station has an installed capacity of 28 MW and generates approximately 94 GWh per annum (in combination with the Montalto PowerStation).

The Montalto Power Station was commissioned in 1982 and utilises the natural fall in the RDR for the generation of electricity. The station has an installed capacity of 1.9 MW.

The Lake Coleridge Project

Trustpower is currently pursuing a proposal entitled the Lake Coleridge Project, which involves augmenting the use of the Coleridge HEPS so that the water stored in Lake Coleridge is able to be utilised for both irrigation and hydro-electricity generation.

In particular, the Lake Coleridge Project involves changing the way in which Trustpower currently operates the Coleridge HEPS so as to enable water stored in Lake Coleridge during defined flow conditions to be exempt from the restrictions in clause 7 of the National Water Conservation (*Rakaia River*) Order 1988 (“**Rakaia WCO**”) upon its subsequent release and use for irrigation on the Canterbury Plains. Furthermore, the Lake Coleridge Project involves further enhancements to the pumping station adjacent to the Highbank Power Station so as to enable water stored in Lake Coleridge to be utilised for irrigation on either bank of the Rakaia River.

Submission questions

Critical issues for Canterbury Governance	
In your view, what are the most significant regional issues for Canterbury (for example, resource management or governance issues)? Please explain.	Assisting with earthquake recovery work. Freshwater management is a significant resource management issue for the Canterbury Region. Due to the unique nature of water resources in braided rivers and groundwater aquifers, coupled with increasing demand from changing land use activities.
The way forward for Canterbury governance	
Do you agree with the goals for ECans governance? (these are: high quality leadership, economic growth, strong	Yes, the goals are targeted towards increasing capacity within the Canterbury Regional Council. This is a positive change for the future governance of the community.

<p>environmental stewardship, strong accountability to local communities, and value and efficiency for ratepayer money). Please explain.</p> <p>In your view, are some of the goals more important than others? Please explain.</p>	<p>An additional key goal is good quality decision making, and the balance required between local representation and specialist skills and expertise.</p> <p>There should also be more emphasis on the commissioners providing support, mentoring and guidance to elected members. The purpose of this would be to ensure there is knowledge sharing and capacity building across the Council.</p>
<p>Do you think the proposal is suited to Canterbury and meets the goals for ECan? Please explain.</p>	<p>Yes, Trustpower is supportive of independent decision making supported by appropriate expertise.</p>
<p>In your view, is there a governance model that better address the goals for ECan? Please explain.</p>	<p>Trustpower is supportive of the direction of the proposed governance model.</p>
<p>Are there any considerations we need to give when transitioning to the proposed mixed-model governance structure? Please explain.</p>	<p>The loss of the experience and expertise of the existing commissioners will need to be carefully managed.</p>
<p>Should the mixed model governance structure retain the special resource management powers currently used by the Commissioners? If so, for how long? Please explain.</p>	<p>The reintroduction of Environment Court appeals process for planning matters should be closely considered. Now that a framework for water management within the Canterbury Region is in place, there less time pressure for decision makers. It would be an appropriate time to reinstate the rights of water users to participate in the planning process. This issue is one of the key topics within the pending Resource Management Act Reforms, and it would beneficial to ensure national alignment is obtained.</p>

For any questions relating to the material in this submission, please contact Laura Marra on the details below.

Kind regards

Trustpower Limited



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Submission on the review of: The Environment Canterbury (Temporary Commissioners and Improved Water Management Act) 2010 (ECan Act)

**Associate Professor Bronwyn Hayward
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[REDACTED]

[REDACTED]

1 May 2015

I am an Associate Professor of political science and Head of Department at the University of Canterbury, NZ. Trained in political science and geography, I've served as a specialist in public participation and democracy issues in environmental and social change for 25 years at Lincoln and Canterbury Universities and on international fellowships including Tyndall Centre for Climate Change and Centre for Environmental strategy at Surrey University. I am a co-investigator with the University of Oslo research project on youth in a changing climate and a member of the 11 person expert steering committee for the International Social Science Council guiding global research investment for sustainable transformation. I'm also a trustee of the Foundation for Democracy and Sustainability UK. From 2016 I lead one of nine partner teams collaborating in a new international Centre for Understanding Sustainable Prosperity, CUSP, funded through the UK. I was the University of Canterbury's inaugural joint winner of the College of Arts Critic and Conscience of Society Research Award in 2014.

In the following submission I focus on three critical questions:

- 1) What is the problem and guiding vision that justifies far reaching changes?**
- 2) How will proposed arrangements ensure citizens of Canterbury have fair representation as determined by NZ Local Government Commission 2007?**
- 3) What other changes could enhance accountability for the future?**

The three key arguments of this submission are:

- a) **Lack of a visionary, legislative framework:** The framework for change isn't made clearly in this proposal-eg we are not given a clear vision or justification for moving to a mixed governance model.
- b) **Electoral Unfairness-** the current proposals would be unfair for the people of Christchurch City who account for approximately two thirds of the total regional population and are a significant rate base. It is unreasonable and unfair if the city is relegated to just one electorate- this proposal would contradict the determination of the Local Government Commission in April 2007 about what constitutes fair electoral arrangements for the region

c) Opportunity for innovation. A model similar to a District Health Board of no more than 4 appointments of 11 Councillors has some merit but the current idea of 6 appointments out of 13 elected commissioners is unreasonable and is not justified. A mixed governance model would need to explicitly say which voices are appointed, by whom and in what proportion of elected to non-elected and why? All changes should be in line with national policy.

1. What is the problem and what is the vision?

1.1) I regret having to begin by expressing dismay over the impact of these changes for citizens of Canterbury. The current government suspended regional democracy in 2012, partly on the grounds this would enable a more effective, and accountable, governance transition. Yet what has been offered now is not thoughtful, nor more transparent, nor accountable. The brief discussion document makes no reference to any legislation, and barely justifies the changes it suggests. Quite frankly, it is unworthy of a government that seeks to administer millions of dollars' worth of New Zealand community assets and natural resources.

1.2) There is no legislative framework nor vision in the document. For example the careful, if pragmatic reasoning that informed previous National and Labour led governments who created the governance regime of natural resource management based on catchments is absent. Instead we are offered a list of headlines with no idea of any legislative vision or framework that will guide these. Simply offering an opening grab-bag of headlines for governance is unhelpful. "High quality leadership, economic growth, strong environmental stewardship, strong accountability to local communities, and value and efficiency for ratepayer money" are a barely adequate response to last century's problems, let alone this one.

Take just one example, economic growth; as used here it is meaningless. We all know economic growth matters but it is a highly contested and problematic term. What is meant by it here? Growth based on unsustainable use of material resources or a sustainable prosperity? If the latter, how is it achieved?

1.3) This introduction fails to acknowledge the scale of problems that children of Canterbury will face a new century. For example it fails to acknowledge how a changing climate will dominate future decision making. It fails to provide principles of justice and equality that will guide difficult choices, or long term planning. Where are the references to future generations, sustainability, democracy or natural hazard management? A meaningless list of opening terms that has no reference a guiding legislative framework is unacceptable from a government that has suspended voting for six years.

2. How fair are these changes for the citizens of Canterbury?

2.1) The proposed changes are particularly unfair for residents of Christchurch but they are also unfair for all Canterbury rate payers. Why are the people of Canterbury to be singled out for loss of voting rights? The fact that we live in an area that is important for dairying is not a reason to deny all New Zealand citizens living here the right to vote, or to extend special powers.

All ratepayers in other areas of New Zealand have had the chance to vote for their regional governance but Canterbury residents have had to pay rates without electoral accountability for

the past six years. (The Press calculated these rates total \$NZD450million dollars of taxation without representation).

2.2) Secondly there may be good grounds for considering a mixed model but these grounds are not offered at present. There is a suggestion that allowing a board to be fully elected puts ECAN's work "at risk" or that citizens will be "confused" because resource law changes soon.

Let's be clear, in the past when we had elections 6 of 14 councilors were re-elected. So are we really arguing the Government may not like all the people who get re-elected? To be harsh, those who resist the outcome of free and fair elections are not democrats.

Nor can we claim that transitional arrangements which extend ECAN's special powers are needed because confusion might result if there is only a "short time" before wider Resource management law reforms "are implemented". It is not clear that the Government has a mandate for wider RMA reforms and therefore it is unlikely these changes will be implemented shortly. In the meantime it is not "confusing" for Canterbury voters to abide by the same standards of environmental regulation and law that protect the rights of the rest of New Zealand.

2.4) Any problems resulting from commissioner turnover and loss of institutional memory is entirely of the Government's own making. If we had used the opportunity in 2013 to transition to elections we could have voted for some of the existing Commissioners. Moreover (with my apologies to the Commissioners), if the original ECAN appointments had not been drawn from candidates close to retirement, (almost all white and all male), we would have had a larger pool of experienced people to stand for election 2016.

2.5) In summary, I would hope the Commissioners do stand for election in 2016. If they do not the Government should be asked why it did not plan for this obvious problem from the outset. It should not be allowed to merely respond, "there were not enough experienced candidates in 2010". Appointing commissioners is always an opportunity to build capacity, particularly given the Government's argument Canterbury lacked skills of governance. If that was true, (and this is refuted by many) then the Government has only made the problem worse, by denying others a chance to gain vital governance experience over the past six years.

3. Representation- a mixed governance model

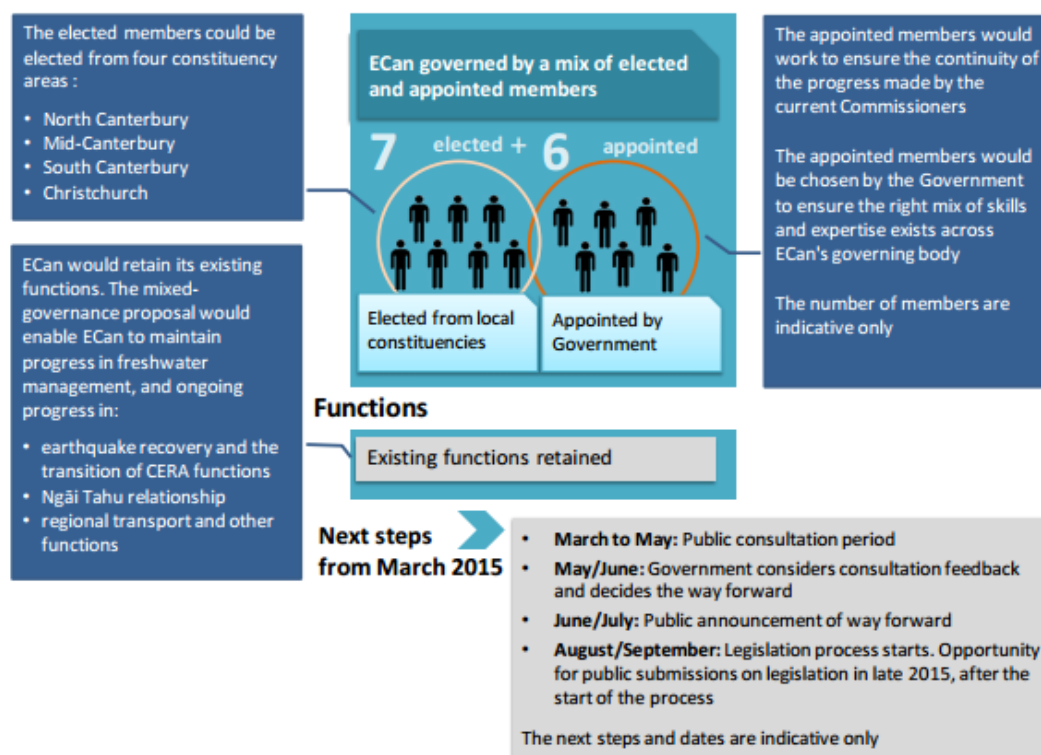
It is disappointing no justification was offered for shifting to a mixed model of governance and the current idea is unfair to Christchurch residents in particular.

3.1) Christchurch City residents account for approximately two thirds of the total regional population and a significant rate base for ECAN it is therefore entirely unreasonable and unfair if the city is relegated to just one electorate.

3.2) It is important to compare the new proposal with the Local Government Commission determination of fair representative arrangements in its special hearing in 2007.

3.3 Here is the new ECAN electoral proposal:

Figure 5: Summary of the mixed-governance proposal



3.4) If we compare the above with the Local Government Commission determination 2007 below, there are stark differences:

Constituencies	Population*	No. of councillors per constituency	Population per councillor	Deviation from region average population per councillor	Percentage deviation from region average population per councillor
North Canterbury	73,620	2	36,810	-379	-1.02
Christchurch North	79,230	2	39,615	+2,426	+6.52
Christchurch West	81,290	2	40,645	+3,456	+9.29
Christchurch East	80,620	2	40,310	+3,121	+8.39
Christchurch South	81,130	2	40,565	+3,376	+9.08
Selwyn-Banks Peninsula	36,870	1	36,870	-319	-0.86
Rakaia	32,480	1	32,480	-4,709	-12.66
South Canterbury	55,400	2	27,700	-9,489	-25.52
TOTALS	520,600	14	37,189		

*These figures are rounded 2004 population estimates provided by the Government Statistician

Comparing both models highlights the extent to which the new proposal deviates from the Local Government Commission 2007 ruling about what constituted fair representation for Canterbury in 2007 (the last time we had an election ruling). That determination was, reached after extensive hearings and appeals. The new plan effectively tries to side-line that decision. It tries to reduce 4 urban Christchurch electorates (previously represented by 8 councillors) to one electorate with possibly just 2 representatives ! **It is hard to find any other term for the current proposal than gerrymandering.** A fair basis for discussion should begin with 2007 arrangements, not the proposal here.

3.6) We need to offer very careful arguments about the boundaries for Ecan and build from what existed before, not try to assert new boundaries that advantage rural communities and ignore the expanding fuzzy boundaries of a large urban population.

3.7) Any discussion of ECAN functions should not begin with the assumption that ECAN functions are most relevant to rural communities. Regional functions are not more important to rural communities than urban populations especially in a century in which most people will live in cities. In reality spending on transport, air quality, and water are issues of primary concern for all New Zealanders, the views of the dairy industry or city residents should not be given precedence over other citizens and future generations- Canterbury's children, their grandchildren deserve better planning.

4 In closing: More Positive Scope for a mixed model democratic innovation

4.1) One strength of the current commission arrangement however is that Ngāi Tahu has a formal partnership arrangement which builds from otherwise highly contentious CERA legislation. We could debate a case for enabling this to continue within four statutory appointments. For example, one appointment may be made on the recommendation of Ngāi Tahu and one on the recommendation of the Minister for Māori Development , while the two remaining appointments may be made, on the recommendation of the Children's Commissioner (to represent future generations), and the other on the recommendation of the Parliamentary Commissioner for the Environment. Beyond this however is not clear constitutionally why any particular interest group: either the dairy industry, urban residents, or recreation users should have special representation on an elected board where there are already zone committees and other mechanisms to ensure a wide range of industry and special interest group views are robustly considered.

4.2) It is also not at all clear why there should be 6 appointments to a board of 13 people, and why 13 commissioners, why not 14 or 11 (with 4 appointed in the same way as the District Health Board?) There may be many reasons for another size of board but we need more care in this debate to ensure we reflect the wide geographical diversity of Canterbury.

4.3 If there was any move to represent a wider array of appointed special interests, then I suggest that we think also consider enfranchising Canterbury residents aged 16 years and older. If we give special voice to particular interests, young people should also be entitled to vote in ECAN elections, especially given they will bear the burden of the decisions we make today. Extending the franchise to 16 year olds may offer some positive way to compensate for the loss

of the franchise in the past. The experience of the Scottish parliamentary referendum and Austria's elections where 16 year olds have already won the franchise shows they have a thoughtful voice, and their inclusion helps enhance long term thinking. In Canterbury a broader franchise would better reflect a spirit of kaitakitanga-in wise guardianship for the future.

Conclusion

ECAN is not "all about water", and while we can be supportive of our rural communities, our decision making must be bigger than our dairy industry. Dairy interests are currently vital to our economy but our regional government is also charged with thinking and planning for the long term, for our intergenerational , multicultural, and widely divergent socio economic needs. Simply because our governance models have become trapped into one way of seeing the world, is not a reason to restrict the future democratic opportunities for Canterbury citizens, through highly partisan reforms. "WEcan" do a better job in reforming regional democracy, "Wecan" be better than this.



Waitaki Irrigators Collective Limited

Submission to the
Ministry for the
Environment

Environment Canterbury
Review - A Discussion
Document

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About the Waitaki Irrigators Collective

The Waitaki Irrigators Collective Limited (WIC) is a company representing six irrigation schemes and a society of individual irrigators that take water from Lake Waitaki, the lower Waitaki River or its tributaries or connected groundwater, and use that water to irrigate land downstream of the Waitaki Dam.

WIC was formed in 2010 in response to a number of common issues which the schemes were facing at the time. In mid-2011, WIC expanded to include the incorporated society of individual irrigators.

WIC represents over 580 irrigators, with an irrigated area of over 75,000 hectares across North Otago and South Canterbury, which is approximately 12 per cent of irrigated land in New Zealand. The irrigators within the Collective contribute approximately \$550 million per annum in gross income to the local and national economies, and represent a capital value of land (with infrastructure) in excess of \$2.5 billion.

The overarching goal of WIC is to ensure the ongoing surety of water for its members. There are various dimensions to water surety, including surety of supply, reliability of supply, resource consent conditions relating to water take and usage, and community support for irrigation. WIC seeks to gain surety of water within an approach which recognises the need for continuous improvement and environmental protection.

WIC recognises and accepts the need to work with the community within which it operates, in order to promote and support social and economic development. WIC's role is neither technical nor operational (although it may facilitate operational or technical projects), but to lead the development of an integrated social contract between irrigators and the wider Waitaki community of interest.

The shareholders of WIC are:

- Kurow-Duntroon Irrigation Company Limited (KDIC);
- North Otago Irrigation Company Limited (NOIC);
- Morven, Glenavy, Ikawai Irrigation Company Limited (MGIIC);
- Maerewhenua District Water Resource Company Limited (MDWRC);
- Lower Waitaki Irrigation Company Limited (LWIC);
- Waitaki Independent Irrigators Incorporated Society (WII) (including the Haka Valley Irrigation Company Limited).

These schemes and individuals use irrigation water for production across the primary sector, including the agriculture, horticulture, dairying and viticulture industries. Some of the schemes also provide water to other industries, town supplies and sports clubs.

The irrigators within the Collective have water abstraction permits within Environment Canterbury (ECan) territory, although some use that water within Otago Regional Council territory.

Summary

WIC is supportive of the approach being taken by the government to enable stakeholders in Canterbury, as well as the community at large, to be able to express their views on the future governance arrangements for the Canterbury region.

This submission focuses largely on governance issues that stem from our shareholders' long experience with ECan on matters related to freshwater management. Obviously, this is a fundamental issue for irrigation interests, but we consider it to be key to the social, economic, environmental, and cultural past and future of Canterbury as a region, also.

WIC agrees with the key issues identified in the Discussion Document, and the implementation of a **mixed-model governance** system, **including some of the current commissioners** to ensure continuity and no loss of institutional knowledge. Constituency boundaries for the elected councillors need to be drawn so as ensure that **areas outside of Christchurch are given fair representation**.

However, if the goals and objectives of the Canterbury Water Management Strategy (CWMS) are to be met, then **other changes need to be made beyond the governance structure of the Council**. Some of these changes may require legislative amendment, and WIC would encourage the government to consider a wider package of changes to the Resource Management Act 1991 (RMA) in order to maximise good outcomes in freshwater management.

Proposal to establish a mixed-model governance structure

WIC supports the proposal to establish a mixed-model governance structure for ECan for the next local government term, with a mix of elected and appointed members.

It is noted that the numbers provided in the discussion document (seven elected and six appointed) are indicative only. However, the mix of elected and appointed members, as well as the method for drawing constituency boundaries (to allow for effective representation of communities of interest), will be critical in ensuring that the work of the current government-appointed commissioners can continue.

The Discussion Document suggests that there could be four constituency areas (North Canterbury, Mid-Canterbury, South Canterbury, and Christchurch). Given that the population of Canterbury is extremely concentrated within Christchurch, it is presumed the Discussion Document is suggesting that the Christchurch constituency should have a far greater number of representatives than the rural constituencies.

Whether fair and adequate representation on elected bodies can be better achieved through either population-based or geographic boundaries is an issue which has troubled political thinkers for hundreds of years. From the experiences of those within WIC, the drawing of constituency boundaries based solely or primarily on population is problematic.

Modern theories of democracy consider that in order to ensure that democratic outcomes are achieved, systems must be developed that promote principles aimed at ensuring fair representation of groups, particularly those that are in a minority population. Such principles go well beyond simply adopting one-person, one-vote.

Democratic outcomes are as important a feature of the democratic process as is the voting system itself. Individuals, groups, and communities of interest can be excluded from participating in

democratic outcomes if methods are not established to ensure they have an effective voice in decision-making. For this reason, it may be appropriate for a large geographic area with a small population (or even a small geographic area with a small population) to have a greater relative number of representatives than a small geographic area with a large population.

The freshwater management issues in Canterbury are a good example of this. As identified in the Discussion Document, the management of the region's freshwater resources is the largest of ECan's functions and services, and arguably the most critical issue facing the region now and into the future. Therefore, having the majority of councillors elected from essentially one catchment area would seem counter-intuitive for the effective governance of our precious water resources.

ECan has recognised the importance of catchment boundaries or watersheds as the most effective level at which freshwater management and governance systems can and should operate. This position is reinforced by international literature on the subject.¹

Therefore, WIC considers that a greater proportion of the elected officials in the future ECan model should come from the constituent areas outside of Christchurch, and the boundaries for these should be drawn in some way to align with the catchment boundaries used to establish the CWMS Zone boundaries.²

The Local Government Electoral Act 2001 provides that the number and boundaries of constituencies must provide effective representation of communities of interest, and that constituencies may be defined and regional council membership distributed amongst them in ways which do not reflect population distribution if required in order to ensure fair representation.

The future of the Canterbury Water Management Strategy

International research demonstrates that collaborative decision-making that involves resource users, local communities, local knowledge, and good information, can lead to effective, sustainable resource management.³ Collaborative decision-making, through the Zone Committees, is fundamental to the CWMS.

By representing a range of interests involved in water management issues, the Zone Committees have been able to effectively establish a collaborative framework through which crucial decisions will be made at the catchment and district level, in the setting of sub-regional limits under the Land and Water Regional Plan.

The fact that Zone Committee members are currently appointed allows a cross-section of diverse interests to participate, from groups that might otherwise not be represented through an election process. The Committee process forces different perspectives to work together to develop work

¹ For example: Brandes, O., & O'Riordan, J. (2014). *A Blueprint for Watershed Governance in British Columbia*. Victoria: POLIS Project on Ecological Governance. Nowlan, L., & Bakker, K. (2010). *Practising Shared Water Governance in Canada: A Primer*. Vancouver: The University of British Columbia. Watson, N. (2004). Integrated river basin management: a case for collaboration. *International Journal of River Basin Management*, 243-257.

² It is not suggested that there be 10 elected officials mirroring the CWMS zones, but the boundaries for the elected representatives should not bi-sect zones, for instance.

³ Dietz, T., Ostrom, E. and Stern, P. C. "The Struggle to Govern the Commons" *Science*, 302: 5652 (12 December 2003), pp. 1907-1912. Also Ostrom, E., Walker, J. and Gardner, R. "Covenants With and Without a Sword: Self-Governance is Possible" *The American Political Science Review*, 86:2 (June 1992), pp. 404-417.

programmes and solutions that will bring benefits across all the areas of wellbeing. This is something that should be encouraged across all regions in the country.

However, WIC considers that the successful implementation of the CWMS and the achievement of the goals and objectives of it requires more than effective governance processes at the Council/Commissioner level. Canadian academics Nowlan and Bakker⁴ have identified the four most common kinds of collaborative decision-making bodies for freshwater governance:

1. Collaborative engagement processes which are short-term and advisory in nature. They are usually project-specific planning exercises and are dominated by experts. Examples of this in New Zealand are the expert technical advisory panel established by the Otago Regional Council to assist and guide in the implementation of freshwater limits and associated rules, or the Matrix of Good Management project in Canterbury.
2. Collaborative panels which are short-term, but authoritative. These are expert-dominated, problem-focused governmental initiatives, intended to supply specific inputs into policy reform. In New Zealand, LAWF could be considered such a grouping.
3. Collaborative watershed advisory processes which are longer-term and involve a range of stakeholders, but formal government agencies retain decision-making powers. The CWMS Zone Committees are examples of these.
4. Collaborative agencies which are long-term in nature and are authoritative with implementation power for water management decisions. They are autonomous and require high levels of resourcing. This type of body is very rare, with Conservation Authorities in Ontario, Canada being one of the few examples internationally. No such bodies exist in New Zealand.

The CWMS Zone Committees are good examples of type 3 in Nowlan and Bakker's classification of shared governance models, but more changes are required in order to move towards what (internationally) is considered to be the optimal model – type 4.

Although outside the scope of this current consultation, there are a number of issues that need to be addressed in order to ensure that the Zone Committee collaborative processes (a keystone of the CWMS) are robust and continue to be effective and relevant. These matters apply not just to the Zone Committees in Canterbury, but indeed any collaborative body established to manage freshwater resources on the catchment scale.

WIC considers that such issues include:

- Ensuring that collaborative bodies are adequately resourced, both in terms of recompense for time spent by committee members, and adequate support staff resourcing.
- Where necessary, providing a method for Committees to be able to obtain some form of independent advice or peer-review of the advice provided by the regional council (in order to ensure the system is transparent to the community at large and maintains its trust).
- Giving the committee stronger influence in the planning process. Currently, Zone Committees are essentially only able to make recommendations to ECan, and their decisions can be challenged, altered or even (potentially) disregarded through the plan hearing and

⁴ Nowlan, L., & Bakker, K. (2010). *Practising Shared Water Governance in Canada: A Primer*. Vancouver: The University of British Columbia

appeals processes. A risk exists that there is potentially little incentive for parties to engage fully in the Zone Committee process.

- Providing a more formal role for Zone Committees in the development of regional plans and policy statements.
- Providing a formal role for Zone Committees in the resource consenting process within each Zone.

As stated, although these matters are outside the scope of the current consultation, WIC considers them fundamental to the future of the CWMS and the management of New Zealand's water resources. We would urge the government to consider them in relation to how the Resource Management Act operates and any future amendments to be made to it.

Conclusion

WIC broadly supports the mixed governance model approach for the reasons identified in the discussion document. However, we consider that careful consideration needs to be given to the drawing of constituency boundaries to ensure that catchment-level management of water resources is reflected at this level of governance. Constituency boundaries and representation of elected officials should not be simply based on population distribution, due to the importance of water and land management in all that Environment Canterbury does.

In order to ensure that the CWMS can be implemented in the most effective way possible, WIC considers that the government should consider whether other legislative changes are required to formalise collaborative community processes in the planning framework.

1 May 2015

ECan Review
Ministry for the Environment
PO Box 10362
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Dear Ministers

Submission on the Environment Canterbury Review

This submission is made on behalf of Ashburton District Council (the "Council"). Our contact details are PO Box 94, Ashburton 7740 and (03) 307-7700 and our email is info@adc.govt.nz

Introduction

Ashburton District Council appreciates the opportunity to give its views on the Environment Canterbury Review discussion document. In forming this submission, Council has held a workshop subsequent to the public meeting where Hon. Louise Upston, Associate Minister of Local Government, presented.

The Ashburton District Council area covers 6,175 km² with a population base of approximately 32,000 people. It is the third fastest growing region in Canterbury and the fifth fastest growing in the country.

The Council is involved in the Canterbury Water Management Strategy and supports the joint Ashburton Zone Committee. The economy of the Ashburton district is heavily reliant on irrigation sourced from Canterbury's aquifers and river systems. Hence, the Council recognises the progress made since Environment Canterbury's commissioners have been appointed and does not wish to see this work reversed in the future.

Executive Summary

Ashburton District Council supports:

- The proposal to establish a mixed-model governance structure for Environment Canterbury for the next local government term as a transitional structure to a fully elected Council, subject to a review of the governance and core functions of ECan.
- The mixed-model governance structure be changed from the proposed 7:6 elected:appointed membership to 8:5 elected:appointed membership.
- The Chairperson being selected by the elected and appointed members from among themselves.
- The special resource management powers currently exercised by the Commissioners being retained until the review of ECan governance and functions is completed.
- Consideration be given to reviewing ECan's transport function with a view of it being transferred to city or district councils or a legal entity established to perform this function.

Priorities for Environment Canterbury

Ashburton District Council agrees that the five goals identified in the ECan discussion document are right for ECan governance. Council has the unanimous view that these goals are all equally important and should not be placed into a hierarchy.

Council is unanimous that resource management is a top priority – particularly for water issues in Canterbury and appreciates that good governance in this area is essential.

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Support for a mixed-model governance structure (majority decisions)

Ashburton District Council agrees the proposed governance structure is suited for Canterbury currently and meets the goals for ECan. Council supports a mixed-model governance structure for the next local government term. During that term, it is anticipated that further consideration will be given to reviewing the effectiveness of the governance model and what changes will need to be made.

We would like to see this mixed-model approach as an interim governance structure over the next three years, with a view to having this model reviewed prior to the 2019 elections (i.e. review should commence in 2018). There is an anticipation that there may be a full return to elected representation post-2019.

A higher elected member representation is preferred and Council recommends a change from the proposed ratio of seven elected and six appointed members (7:6) to eight elected members and five appointed members (8:5).

Council unanimously agrees that the Chairperson of ECan should be elected from the 13 members, and the Ministerial appointees be appointed for the whole term of three years.

Retention of Special Resource Management Powers

Ashburton District Council believes that Environment Canterbury must retain the special resource management powers for the duration of the 2016-2019 transitional period. We also support the retention of the Regional Water Committee and the ten Zone Committees so that the local viewpoints are incorporated into decision making.

Council would like to suggest the boundaries of what determines urban versus rural (with regards to whether or not the Selwyn district is considered part of the Christchurch urban area or part of rural Canterbury) be reviewed.

Review of Environment Canterbury's transport function

Council supports the Creech Report recommendation that a review be undertaken to consider the best management and operational structure for public transport in the region (p71, MfE).

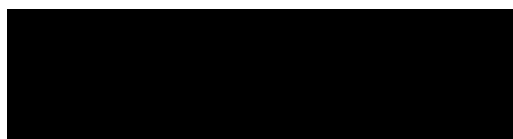
Council agrees that settling on an appropriate transportation governance structure is important. This may require ECan's current transport functions are transferred to city or district councils or into some other more appropriate entity created for this purpose, which is in accordance to the Local Government Act 2002 (s17).

We thank the Ministers for considering our submission on behalf of Ashburton District Council.

Yours sincerely



Andrew Dalziell
CHIEF EXECUTIVE OFFICER



Angus McKay
MAYOR

30 April 2015

Environment Canterbury Review
Ministry for the Environment
PO Box 10362
Wellington 6143

Dear Sir/Madam

RE: Environment Canterbury Review - discussion document

1. Summary

- 1.1 Thank you for the opportunity to make a submission on the Government's plan for the future governance of Environment Canterbury. The Christchurch City Council Community Boards have been consulted on this submission and the Council approved the submission on 30 April 2015.
- 1.2 The Christchurch City Council (the Council) acknowledges the achievements of the Canterbury Regional Council (Environment Canterbury) in building relationships with territorial authorities, implementing a new model for the allocation of water; and leading aspects of the earthquake recovery.
- 1.3 One of the issues for the Council with this discussion document, is the disparity between the findings of the initial review of Environment Canterbury's (ECan) performance in the 2010 'Investigation of the Performance of Environment Canterbury under the RMA and LGA'¹ (referred to as the Creech Report), and the terms of reference for the current review. The Creech Report referred to the inequitable under-representation of Christchurch City at the regional level and the need for "advice on the governance and institutional arrangements in Canterbury". These matters are not reflected in the discussion document.
- 1.4 The Council continues to support, as it did in the Creech Report, a Canterbury Regional Water Authority and the allocation of public transport functions to local authorities. The Creech Report recommended that a review be undertaken to consider "the optimum arrangement for the management and operation of the public transport fleet within the region."² However this recommendation has not been picked up by the terms of reference for the current review and it has only been after pressure from the Canterbury Mayoral Forum that the Ministry of Transport has now responded by announcing it is convening a working party to consider the matter, comprising representatives from the New Zealand Transport Agency (NZTA) and the Christchurch, Selwyn and Waimakariri Councils.
- 1.5 The City Council is able to control roads, footpaths, its substantial planned investment in offroad cycleways as well as on-road cycleways, public transport infrastructure, and to plan subdivisions and additional housing. And yet we cannot determine public transport standards not even the routes. This matter is purely an urban function, affecting only Christchurch and its neighbouring districts (Selwyn and Waimakariri) and Timaru. Clearly it does not impact the Waitaki or Kaikoura in any way, shape or form and its function and control should clearly be an urban function. The current system splits the transport

¹ <http://www.mfe.govt.nz/publications/rma/investigation-performance-environment-canterbury> (pages 5-6)

² <http://www.mfe.govt.nz/publications/rma/investigation-performance-environment-canterbury> (page 71)

planning and implementation function in a way which makes little sense to users and funders alike. The Council cannot emphasise strongly enough that at a time of major rebuild and expansion that the integration of all transport networks is essential. One implication is that the Council may not be able to retain ownership of any public transport provider, and the Council will address this issue in conjunction with its community.

- 1.6 Likewise the issue of air quality and odours. Based on the frequency of calls about urban odours and emissions it seems clear the community does not understand where responsibility for air quality lies. Therefore, alongside transport, the Council would request the transfer of responsibility for air quality.
- 1.7 The Council understands that reviewing and transitioning these functions may take longer than the available time before the 2016 election. The Council is happy to work with Selwyn and Waimakariri District Councils on the transport function to bring about a solution that all are happy with. However, the Council cannot emphasise strongly enough that those functions must be urban in responsibility where these affect urban areas. The Christchurch City Council cannot support urban transport and urban air quality and odour remaining the responsibility of a regional body. Of the two, the transport function is the most urgent. The current situation makes no sense and causes duplication, confusion and outcomes that do not best serve our citizens.
- 1.8 If a mixed governance model is the only option for the future governance of ECan, as the discussion document indicates, then a planned transition of transport functions to elected local authorities at least allows this function to return to democratic ratepayer representation.
- 1.9 The Council believes there is considerable discrepancy between the Government's intentions at the time it appointed the Commissioners and this current discussion document. The Cabinet Paper prepared in response to the Creech Report noted that "the explicit intent is for the Commissioners to withdraw and to be replaced by elected representatives as soon as their task is achieved and the present systemic issues are resolved."³
- 1.10 The Council is disappointed (as the community is likely to be) that it was not until 2014 that a review of ECan was signaled, with terms of reference that focused only on "the operation and membership of ECan, its additional resource management powers and functions, its relationships with territorial authorities and Ngai Tahu and its role in the Canterbury Earthquake recovery". This is a far cry from what might have been expected from the government's statements in 2010.
- 1.11 From the Council's point of view it is extremely disappointed that the Government has failed to carry through with its original intention to replace the ECan Commissioners with elected representatives as soon as their task was completed. This is a rushed, superficial review that has not addressed the matters the Government initially said it would and the mixed-member governance arrangement seems to be a hastily comprised stop-gap measure. The Canterbury region deserves more than this.
- 1.12 The Council notes that the discussion document does not consider, or seek views on, a range of options. The Council reminds the government that the 2014 National Party local government policy⁴ states that "National will consult the public on the future of Environment Canterbury, and will **propose a range of options** from a return to full elections, to a mixed model of elected and appointed members." The discussion document does not propose a range of options.
- 1.13 Discussing more than one option is a legal requirement for local and regional governments

³ <http://www.mfe.govt.nz/publications/rma/investigation-performance-environment-canterbury> (page 3, para 15)

⁴ <https://www.national.org.nz/policies>

operating under the Local Government Act 2002 (LGA) and the Resource Management Act (RMA). If ECan were leading this review options would have to be presented and discussed. The Council does not expect that government consultation would provide less than this especially when consulting on a regional government matter of such significance to regional and local government and the Canterbury community.

- 1.14 The discussion document refers to the contribution ECan has made to earthquake recovery and water management. However, the Council notes that ECan's earthquake response, for example the Land Use Recovery Plan (LURP), was significantly enabled by the Greater Christchurch Urban Development Strategy (UDS) - a collaborative partnership between Christchurch City Council, Selwyn District Council, Waimakariri District Council and Environment Canterbury with New Zealand Transport Agency and Te Rūnanga o Ngāi Tahu. The UDS partners began an in-depth planning and development programme in 2006 which provided the strategic direction, land use planning and the tools that together form a solid platform enabling the LURP to implement earthquake recovery.
- 1.15 Similarly, the implementation of the Canterbury Water Management Strategy (CWMS) over recent years has been greatly enabled by the planning undertaken prior to 2010. The CWMS was already being vigorously promoted by the Canterbury Mayoral Forum, ECan and territorial authorities in 2010 and ECan was taking a leading role in the development of the strategy and its institutional framework.
- 1.16 Our submission covers the following points:
 - the review process and the discussion document
 - the right to representation where there is taxation
 - comments on functions
 - possible risks for the region arising from the proposed mixed governance model, and
 - preferred governance proposals.

2. The review process and discussion document

- 2.1 The Council does not consider that the discussion document provides a clear problem definition for the current situation. While it is understood that a temporary emergency situation required the suspension of the representation rights of those paying taxes in 2010 and 2013 this is not the current situation in Canterbury and there is no longer an urgent, over-riding reason for any model other than a full democratic representative model consistent with the rest of New Zealand's regional councils.
- 2.2 The focus on the one mixed-governance model option indicates that planning for a return to a full democratic process and a handover of the Commissioners' expertise and knowledge is not well advanced, which is of concern to the Council. In fact, the discussion document does not identify any specific time by which the proposed mixed-governance model will finish and it may be intended to be a permanent change. It would have been useful for the document to have clarified this.
- 2.3 Consultation on one option is not a satisfactory basis for introducing new legislation. Nor is there any indication that the Government has even considered yet, let alone prepared for discussion, the nature and extent of the legislative changes that would be required if its proposal is adopted. It is ironic to note that in the Government's own officials have advised that "Options that rely on introducing legislation in a very short timeframe increase the risk of poor or misdirected intervention resulting in unintended consequences and the need for subsequent intervention to remedy those consequences"⁵.
- 2.4 This approach to the matter is reflected in the fact that of the twenty-five pages of the discussion document, only two are set aside for explaining the specific details of the

⁵ p.7 Regulatory Impact Statement

proposal to establish a mixed-governance model for ECan. Given the document itself notes that the proposal "would involve the setting up of a new type of governance arrangement in the local government context"⁶ this seems woefully inadequate. Not only that, but rather than describing how the mixed-governance model would work in practice, the Government simply refers to a similar arrangement that is already in use in New Zealand's District Health Boards (DHB). The Council's response is that without sufficient information, it is unable to properly consider whether or not the model will meet the objectives claimed for it. As it is, the Council is left to assess for itself the merits of the proposal.

- 2.5 District Health Boards are established under Part 3 of the New Zealand Public Health and Disability Act 2000. They are Crown Agents, for the purposes of the Crown Entities Act 2004, which quite tightly prescribes their objectives and functions. They answer to the Government whereas local authorities are accountable to their communities, provided they comply with the obligations imposed on local authorities in the Local Government Act 2002. The board of a DHB exists to carry out Government policy through the directions of the responsible Minister, notwithstanding the ability of the community to elect a number of its members. The Minister is responsible for the appointment and removal of non-elected members.
- 2.6 The matter of taxation without representation is not relevant to DHBs as their income comes from national taxes, allocated directly by the Minister of Health, with clear and agreed performance measures that boards must comply with.
- 2.7 In contrast, the purpose of the Local Government Act 2002 is to provide for "democratic and effective local government that recognizes the diversity of New Zealand communities"⁷. To that end, the Act provides a framework and powers for local authorities to decide which activities they undertake and the manner in which they will undertake them, and also to play a broad role in meeting the current and future needs of their communities for good-quality local infrastructure, local public services, and performance of regulatory functions⁸. The Government is being disingenuous in suggesting the mixed-governance model proposed for ECan would be similar to the current DHB structure.

3. Right to representation where there is taxation

- 3.1 New Zealand has had a western-style system of local government since the 1840's. The first principles of this system include:
 - local autonomy and decision-making with communities able to make decisions about issues directly affecting them, and for which they pay
 - there are local differences and local issues that are best met by designing local solutions
 - open and transparent processes
 - local diversity reflects a range of different needs and priorities, and Councils need the autonomy to respond to community needs.
- 3.2 Accountability - the discussion document notes that funding arrangements will continue under the proposal with the mixed-governance regional council able to set rates and territorial authorities able to collect rates on behalf of the council, as is current practice. The result of the mixed-governance model proposal is that six of the thirteen governing members of ECan will be influencing decisions on the allocation of rates and charges without being accountable to those who paid.
- 3.3 Accessibility - furthermore, accessibility by Canterbury residents to members of the proposed mixed-governance board may, in fact, be limited. Access for the community to board members to voice community concerns may be reduced to the elected members

⁶ Pg 21 ECan Review - a discussion document

⁷ LGA 2002 (section 3)

⁸ LGA 2002 (section 3 (b)-(d))

given that the appointed members are accountable to the Minister while only elected members are accountable for their decisions to the community they are taxing.

- 3.4 Both the original ECan (Temporary Commissioners and Improved Water Management) Act 2010 and the 2013 Amendment are based on what the community understood, and accepted, as a 'good faith' promise of a return to full democracy in 2016. The community understood that the original Act was intended to give ECan and the Canterbury region some time to 'bed in' the Canterbury Water Management Strategy (CWMS) and that the Amendment in 2013 was a temporary emergency response to the earthquakes. Instead, the discussion document offers a mixed-governance model with no timeframes for a return to full democracy.

4. Review of functions

- 4.1 The Council notes there are a range of functional-related reviews and submissions underway including, amongst others, the CERA Transition Board, ECan Long Term Plan, ECan Draft Air Plan, Canterbury Mayoral Forum - public transport which may impact on the future of the region. The Council will provide comment on these separately as appropriate.
- 4.2 However, the Council does not support the contention in the review terms of reference that consideration of the functions of the regional authority are out of scope for the review and wishes to re-iterate this here. The Creech Report outlined a programme of action regarding the functions of ECan which the Council continues to support. In particular the Creech Report recommended a Canterbury Regional Water Authority (in recognition of the regional and national importance of Canterbury's water quality and supply) and a review of the transport functions of ECan (particularly matters of public transport) given the concentration of transport functions in urban areas, especially Christchurch.
- 4.3 In terms of the function of public transport, the Council wishes to note that the management of public transport is a significant matter for local authorities concerned with the quality and efficiency of transport networks for their communities within their boundaries. Christchurch City Council contends that the planning and management of public transport should be integrated into the function of the local authority. This would allow for the greater integration of public transport routes into the wider multi-model transport network; improve the function of public transport in the urban environment; and ensure greater alignment with land use planning (including parking) and the delivery of services and infrastructure.
- 4.4 The Local Government Act 2002 (LGA) allows for the transfer of public transport responsibility from the Regional Council to a local authority in accordance with section 17. Section 17 (1) states: "(1) A regional council may transfer one or more of its responsibilities to a territorial authority in accordance with this section." Any possible risk for the Government associated with a transfer of responsibilities is mitigated by Part 10 of the LGA which provides the Minister for Local Government with powers to intervene in the affairs of local authorities in certain situations. These powers provide a significant back-stop for the Government. Democracy is worth the risk.
- 4.5 On another regional transport related matter Council also wishes to note a concern regarding the equity of representation on the Regional Land Transport Committee. Christchurch City Council has the largest rating base yet retains only one vote (the same voting rights as the smaller local authorities) on the Committee which will allocate an anticipated \$330 million over the next ten years⁹ from the New Zealand Transport Agency to regional transport in Canterbury. For example, Ashburton District Council (population 31,041 in 2013), Timaru District Council (population 43,929 in 2013) and Waimate District

Council (population 7,536 in 2013) each have one vote. Christchurch City, with a population of 341,469¹⁰ in 2013 has one vote.

- 4.6 The Council contends that the legislative terms of this regional transport function are not representative for the ratepayers of Christchurch City. The ECan Review - discussion document has not considered either of these matters which go to the heart of the issue regarding population-based democratic representation.
- 4.7 Similarly, air quality is a concern for local authorities. The Council wishes to acknowledge ECan's work on the draft Air Plan and the Council is addressing specific concerns about air quality through our Air Plan submission. The Council endorses a 'partnership approach' for urban Christchurch to support air quality planning and service delivery alignment.

5. Mixed governance model risks

- 5.1 The Local Government Act includes the following principles for good governance:
- clarity in governance roles
 - effective, open and transparent processes
 - separation of regulatory and non-regulatory functions.
- 5.2 The Council wishes to comment on the role differentiation mentioned in the discussion document. The discussion document notes that the end of the Commissioners term in 2016 "removes their significant knowledge and experience" and that the mixed governance model would "help to strike the right balance between local representation, and specialist skills and expertise for good decision-making"¹¹. This suggests that elected members will have a different role to appointed members with elected members bringing local representation and appointees bringing specialist expertise and good decision-making to the role. This suggestion of role differentiation does not provide clarity for the governance role.
- 5.3 Furthermore, the potential cross-over of governing member's specialist, technical roles with operational matters may increase confusion and difficulty for board members, and for staff, where this causes a failure to separate regulatory and non-regulatory matters.
- 5.4 The Council is concerned that the mixed-governance model will reduce 'effective, open and transparent processes' rather than "provide the necessary stability for Canterbury from 2016" because of the proposed mix of:
- elected members, with their accountability back to their constituents, and
 - appointed members, with their accountability back to the Minister.
- 5.5 The risk is that the mixed-governance model delays decision-making which would not be helpful to the Canterbury community. With the proposed model, not only are there different constituencies to be represented but there is also government policy concerns. For example, delay may be caused for appointed members by potential changes to the Minister, a change in government priorities, or a change in government with associated changes in environment policy directions.

6. Alternative Governance Model

- 6.1 The Council's preferred alternative is a return to a full democratic model and population-based representation as soon as practicable on the basis that, according to the discussion document, the Commissioners have achieved their task.

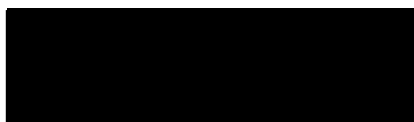
¹⁰ <http://www.ccc.govt.nz/cityleisure/statsfacts/census/population.aspx#jumplink1>

¹¹ Pg 8 ECan Review - a discussion document

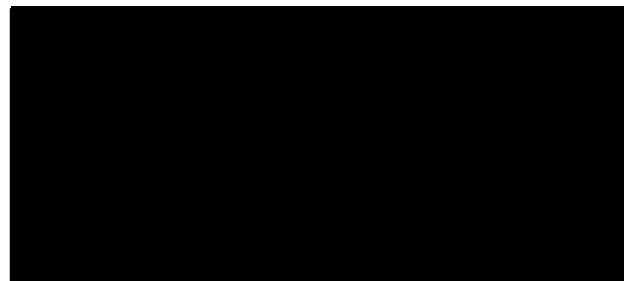
- 6.2 If this is not possible by the October 2016 elections the Council is happy to work with the Ministry of the Environment and the Department of Internal Affairs on an alternative proposal for a transitional period to a full democratic model to allow for a representational review and the transition of transport functions. It may be that the first term of the Board is a four year term to bring ECan into the same election cycle as other councils. However, if the Government is determined to go down the mixed-model path (and it appears that it is) then the Council believes there are better options than just adhering to the DHBs' "similar arrangements".
- 6.3 If the community must tolerate a non-elected Council in Canterbury for a longer period, it makes even more urgent a review of functions. The Council would like that to start with the urgent issue of transport and will work with anyone at any speed to make this an urban function. The Council would like to follow that up very quickly with the air quality function. Both are essential functions to a brilliant new city.

The Council again thanks the Ministry of the Environment and the Department of Internal Affairs for the opportunity to make a submission on the future governance of Environment Canterbury. If you require clarification on the points raised in this submission or additional information, please contact Michael.Theelen@ccc.govt.nz.

Yours faithfully



Karleen Edwards
CHIEF EXECUTIVE
Christchurch City Council



Lianne Dalziel
MAYOR
Christchurch City Council



30 April 2015



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ECan Review
Ministry for the Environment
P O Box 10362
WELLINGTON 6143

Dear Sir or Madam

SUBMISSION ON ENVIRONMENT CANTERBURY REVIEW DISCUSSION DOCUMENT

Thank you for the opportunity to make a submission on the review of the governance structure for Environment Canterbury. Horizons Regional Council (Horizons) supports Local Government New Zealand's (LGNZ) submission. The focus of this submission is generally on the potential implications for local government rather than the aspects of the proposed structure that address the current circumstances specific to the Canterbury Region.

Horizons does not support the proposed mixed model governance structure set out in the Ministry for the Environment Discussion Document, for the following reasons.

Integral to the purpose of local government, as set out in section 10(1)(a) of the Local Government Act 2002 (LGA), is the enabling of democratic local decision-making by, and on behalf of, communities. Decision-making needs to be carried out in a democratically accountable way (LGA section 14(a)(i)). It is Horizons' concern that the proposed mixed model governance structure undermines the local decision-making process by continuing to include a substantial proportion of members appointed by Government. These members will be responsible to, and representing the interests of, central Government, not local communities. Horizons' members are concerned that this model has significant implications for democratic accountability.

Horizons is concerned by the rationale for continued Government appointment of members. We acknowledge that Environment Canterbury has a number of significant issues to deal with, including water resource management and earthquake recovery. However, it is our view that local authorities are frequently required to manage and lead the resolution of a range of significant, complex issues, and they do so without extended central Government intervention in their governance.

The Discussion Document states that a goal for the proposal is "disciplined and suitably skilled decision-makers who are able to lead on contentious, complex and multi-dimensional issues and manage multiple interests" (page 19). It is unclear what is meant by 'suitably skilled' and whether the criteria for determining this will be transparent. This goal also confuses the role of governance and technical functions in local government's structure. The role of the governance body is to make decisions on behalf the communities it represents. It is the role of

Kairanga

Marton

Palmerston North

Taihape

Taumarunui

Wanganui

Woodville

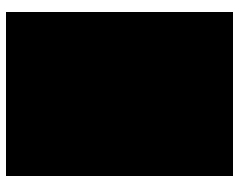
council staff to provide them with impartial specialist technical advice and expertise upon which to base their decisions, and to manage and effect the implementation of those decisions.

The comparison to the governance structure of district health boards is inappropriate. District health boards are funded by central government to provide a limited range of outputs and outcomes within a specific field. In contrast, regional government is primarily funded by the communities it works on behalf of. Councils have a wide range of responsibilities which they must deliver on while reconciling competing objectives.

Horizons' concerns regarding the implications of the proposed governance model for local government decision-making and accountability are amplified by the review process. The Discussion Document's presentation and assessment of alternative representation models is conspicuous in its absence. The mixed model governance structure has been presented as the only viable option with little scope for amendment through this submission process. It is also disappointing that, regardless of which representation option is progressed, the review has been undertaken too late to include a robust representation review within the time constraints set by the legislation. Horizons therefore supports LGNZ's recommended alternative approach, in particular proposed timeframes for a return to full democracy in 2019 which would provide for a meaningful representation review of the number of members and constituencies.

This submission was endorsed at the Regional Council meeting on 29 April. Please contact me on 0508 800 800 if you wish to discuss or clarify any matters it raises. Horizons has no objection to any part of this submission being made available on the Ministry for the Environment's website.

Yours faithfully



Bruce Gordon
CHAIRMAN

HURUNUI DISTRICT COUNCIL

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Our Reference: HD-0042

23 April 2015

Submission from:
Hurunui District Council
PO Box 13
AMBERLEY 7441

ENVIRONMENT CANTERBURY REVIEW

Thank you for the opportunity to provide comment on the Environment Canterbury Review Paper.

Background

Hurunui District Council is the largest territorial authority wholly in the Canterbury region covering some 8,646 square kilometres. This equates to 19.4% of the 44,638 square kilometres covered by Environment Canterbury. Despite the geographical size of the Hurunui District, it is relatively sparsely populated with an estimated resident population of 12,250 at June 2014. This equates to 2.1% of the estimated 574,300 people resident in the Environment Canterbury area at this date.

The main regulatory functions of Environment Canterbury relate to the management of land, water, air and public transport. These functions are more closely associated with land area than population.

We have put together direct answers to your questions in this letter. We have also attached a copy of your discussion paper with some comments.

Executive Summary

Hurunui District Council **accepts** the proposed mixed governance model for the next local government term of 2016 to 2019.

Hurunui District Council requests that under the proposed model that the special resource consent powers granted to Environment Canterbury under the Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2010 are **retained** for the next local government term 2016 to 2019. However if they are retained we strongly recommend that it becomes mandatory to undertake pre notification consultation, giving the opportunity for community input. This is important, as one opportunity to influence a Plan outcome has been denied with the no appeals except for points of law provision.

Hurunui District Council submits that the government consider some **alternative** governance model for regulatory management of water (such as a water authority) for the period post 2019.

1. In your view, what are the most significant regional issues for Canterbury (for example, resource management or governance issues)? Please explain.

It is the view of the Hurunui District Council that the most significant regional issues for Canterbury are:

- The rebuild of greater Christchurch following the earthquakes of 2010 through 2011
- Regional economic growth delivered through increased value in agricultural production

Greater Christchurch serves as an economic, infrastructural and service hub for the wider Canterbury economy. There is an economic and cultural interdependence between greater Christchurch and the agricultural production that powers the Canterbury economy. The wider Canterbury economy cannot function to its full potential until greater Christchurch is rebuilt.

Regional economic growth in Canterbury is driven by agricultural production. It is not the only string to Canterbury's bow but it certainly underpins the Canterbury economy. The current government has a goal of doubling the value of agricultural exports by 2025. In the Hurunui District the biggest constraint on doubling the value of our agricultural exports in the next ten years is the availability of water for irrigation and the associated nutrient management issues. Since the enactment of the Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2010 there has been progress made on consent for a significant water take/storage for irrigation and a methodology for dealing with nutrient discharges. These advances are not perfect and are still the subject of some debate, but they do represent significant progress.

The other major hurdle to doubling of the value of agricultural exports by 2025 is the constrained availability of capital to fund major irrigation infrastructure in the district. The Hurunui District has just suffered a major drought (by many accounts the worst drought in 60 years) which has come at a significant cost to agricultural production. Likewise the inevitable cycle of farm gate prices is at a periodic low point. This not only affects immediate and future rural cash flows, it has a real impact on capital availability for investment into irrigation infrastructure and this impact is not short term. A significant investment will be required across the district in replacing capital stock and catching up deferred capital spending across a number of years before the agricultural industries in this district are ready to contemplate further investment in irrigation infrastructure. This is a situation where the government can step up and provide a significant underwrite to demonstrate its partnership with rural New Zealand in the goal of doubling the value of agricultural exports by 2025. Without a meaningful investment by the government the infrastructure required to meet the doubling goal will not be able to be financed by the rural sector alone.

It is crucial that progress continues to be made on these issues if we are to grow the agricultural economy in the Hurunui District and a wholesale change in the governance model for Environment Canterbury poses a serious risk to future progress in this area. The Hurunui District Council therefore accepts the mixed governance model proposed for Environment Canterbury as a transitional step for the next local government term.

2. Do you agree with the goals for ECan's governance? (These are: high quality leadership, economic growth, strong environmental stewardship, strong accountability to local communities, and value and efficiency for ratepayer money.) Please explain.

3. In your view, are some of the goals more important than others? Please explain.

Whilst Hurunui District Council largely agrees with the goals as stated, it puts a high priority on economic growth, environmental stewardship and accountability to local communities. These three are crucial to moving irrigation issues and hence rural economies forward. The Council is of the view that Environment Canterbury has made progress in these areas under the guidance of the Commissioners and that any loss of direction on these issues could have serious consequences

4. Do you think the proposal is suited to Canterbury and meets the goals for ECan? Please explain.

On the basis that the proposed mixed governance model attempts to deal with the difficult issue of representation based on population verses regulation of land area and that the proposal is for a finite period, Council accepts the suitability of the proposal for Canterbury.

Hurunui District Council accepts the structure proposed for the mixed governance model with seven members elected from local constituencies and six appointed by the government and also accepts the selection of the Chair by the governance body.

5. In your view, is there a governance model that better addresses the goals for ECan? Please explain.

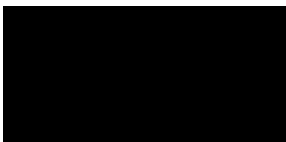
Hurunui District Council strongly urges the government to consider alternative governance models particularly for land and water post 2019. In particular the Council would like the government to consider a separate Water Authority to provide governance and oversight of water for all of Canterbury. As noted above allocation of water rights, water storage, access to water for irrigation, and nutrient management are critical to achieving productivity improvements in the agricultural sector. The Environment Canterbury Commissioners have made progress on these issues subsequent to their appointment in 2010, but there is still a need for an even more cohesive and focussed effort to ensure that the issues noted above can be finally and totally resolved.

6. Are there any considerations we need to give when transitioning to the proposed mixed-model governance structure? Please explain.

Council is of the view that the term of the government appointees in the mixed governance model should be asynchronous with the elected members' term to allow retention of some of the existing commissioners to provide stability during the transition period. Likewise it is the Councils view that best governance practice is to stagger the terms of the government appointee's to ensure continuity and stability.

7. Should the mixed-model governance structure retain the special resource management powers currently used by the Commissioners? If so, for how long? Please explain.

The special resource management powers contained in the Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2010 have been successful in speeding up the resource management process and providing a level of certainty that is not currently available under the Resource Management Act 1991. It is the understanding of the Hurunui District Council that the government intends that these special powers will be included in future changes to the Resource Management Act 1991. Notwithstanding this the Council wishes to see these special resource management powers explicitly retained for at least the 2016 to 2019 period with the caveat explained in the Executive Summary.



Hamish Dobbie
Chief Executive Officer
Hurunui District Council



Mackenzie District Council

1 May 2015

Environment Canterbury Review
Ministry for the Environment
PO Box 10362
WELLINGTON 6143

Dear Ministers

Submission on the Environment Canterbury Review

This submission is from Mackenzie District Council. Council can be contacted at PO Box 52, Fairlie by mail, (03) 685 9010 by telephone, or info@mackenzie.govt.nz by email.

As by way of introduction, the Mackenzie District Council (Mackenzie) acknowledges the Commissioners' efforts in respect of restoring confidence in the relationship between Environment Canterbury (ECan) and the territorial authorities of the region, through better relationship management and communication. It also acknowledges the considerable progress achieved on water management issues in the region, and is keen to ensure this progress is continued.

Mackenzie agrees that it is important that any change in governance structure occurs as a smooth transition in a way that ensures certainty for the organisation itself, stakeholders and partner councils. It is also important that organisational knowledge gained by the Commissioners is maintained during this transition.

The proposal for the mixed governance model for ECan is supported by Mackenzie, as an interim measure, and the governance structure of 7 elected and 6 appointed members is considered appropriate. It is an important principle that the majority of members are elected. Mackenzie also supports the proposal for the chairperson to be selected from governing body by its members, enabling either an appointed or elected member to become chairperson.

In respect of the appointed Commissioners, Mackenzie considers that consultation with local authorities on the appointments is important. This would assist further in ensuring a smooth transition, and aid continuity in terms of relationships between partner Councils and ECan.

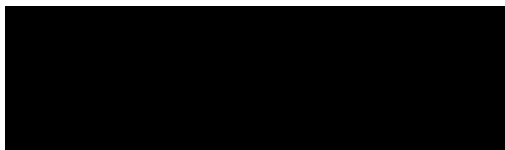
Mackenzie seeks that specific consideration is given to developing accountability mechanisms for the members appointed by Government. Clarification of their

accountability to the region would give Mackenzie more confidence in the proposed model.

Mackenzie seeks a return to full democracy at the 2019 elections. This should be underpinned by a review of electoral representation in the region, which will be crucial in ensuring the aims and objectives of ECan are met in a fully democratic model. A democratic model is essential, but one which is comprised in a way that is better placed to respond to the rural and urban issues facing the region.

Thank you for the opportunity to make a submission. We look forward to working with ECan under its new governance structure in 2016.

Yours faithfully



Wayne Barnett

CHIEF EXECUTIVE OFFICER

Email to: ecanreview@mfe.govt.nz

Submission: Environment Canterbury Review

Submission is sought on the future governance of the Canterbury Region.

Government is proposing to establish a mix-model governance structure for Environment Canterbury which will provide for a mix of elected and appointed members.

Comment

Apart from references to *earthquake recovery* the rationale and goals for governance of Canterbury are common to all regional councils, including:

- Decision-making, organisational capability to perform, and delivery under the LGA and RMA;
- Planning framework that allows comprehensive and integrated freshwater management;
- Confidence of territorial authorities and Ngai Tahu through better relationship management and communication;
- A planning framework, and working with the Government, territorial authorities, and Nga Tahu to co-ordinate earthquake recovery.

Defined goals for regional governance are:

- High quality leadership;
- Economic growth;
- Strong environmental stewardship;
- Strong accountability to local communities;
- Value and efficiency for ratepayer money.

The Otago Regional Council (ORC) can accept the necessity for a transition of governance in Canterbury with the aim of reducing disruption in a return to a representative model for the region. However, ORC does not accept the need for a permanent regional governance model different from the rest of New Zealand.

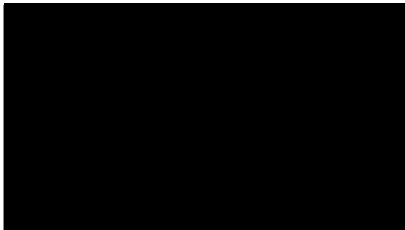
ORC is concerned that the appointed [and mixed] models of governance, with special powers, will be used as a benchmark for the remainder of regional government while ignoring any value of local representation or the impact of the special powers. Consequently, the Canterbury experience could be used to justify broad scale change to regional governance across New Zealand.

In contrast, ORC supports a democratically elected representative model for governance of local government. In doing so it comments that an exclusively population-based approach to representation in regions should be tempered by other considerations, including areal extent and economic activity.

To ensure a sustainable and effective democratic elected governance model is put in place in Canterbury, the Local Electoral Act 2001 should be changed to reintroduce area weighting when designing constituencies, to ensure an equitable voice for rural communities. This would reflect the rural focus of a regional council's work stream.

Submission

ORC supports returning Environment Canterbury to full democracy as soon as practical.
ORC opposes a permanent mixed or appointed form of regional governance for Canterbury.
ORC supports a representative form of governance for regional New Zealand.
ORC recommends the Local Electoral Act 2001 is reviewed to introduce an area weighting for determining regional council constituencies.



Stephen Woodhead
Chairperson
Otago Regional Council

28 April 2015

Selwyn District Council Submission on ECan Reforms

Selwyn District Council expresses its thanks for the opportunity to make a submission on the Environment Canterbury Governance Review proposals. Our submission is to be read in conjunction with the submission made by Local Government New Zealand, the content of which we support.

We wish to raise the following specific issues with the Select Committee:

1. We believe greater clarity needs to be given to the proposals with respect to the following:
 - Transition period – if it is the intent of Government that the seven elected/six appointed member council be a transition through to a fully democratic model in 2019 then this needs to be stated. There has been some debate as to the longevity with respect to appointed members – a clear statement will resolve our concerns.
 - Expectations from appointed members and elected members – there is some uncertainty as to whether performance expectations from appointed members and elected members are the same. Clearly, the public will judge the performance of those that they elect every three years at the ballot box. What we don't have enough information on is how the performance of those appointed members will be measured. Again, a statement for clarity would assist.
 - Basis of remuneration – are we to understand that remuneration will be the same for all members and that the accessibility of all members to the public will equally be the same

2. **Boundaries/Election Process**

We have some concern that the boundaries for the electorate areas are not proposed to be finalised until early to mid 2016. Given that those persons who may be considering putting their names forward for election would wish to start campaigning at the earliest opportunity, we do not believe that the proposed timeframe is appropriate. It is our request that electoral constituency boundaries be established no later than the end of the 2015 calendar year and that the process be as closely aligned to the standard TLA's representation review process as possible.

3. Transition

- a) One argument for a mixed model relates to the possession by ECan of special powers under the ECan Act and if these powers were to be extended for a further three years then there may be a case for Government appointees on ECan while these powers are in place. Does the Government intend to extend these powers for the next triennium?
- b) The second argument is to maintain the knowledge base and experience that has been acquired by the current commissioners into the next term for the benefit of the new Council. It is unrealistic to expect that all the current commissioners would want to serve another term but they should remain in place after the election until such time as replacements are found. This would allow a longer time frame following the election than December for their replacement and indeed several of them may agree to a further term in office.

If it is the expectation that all the Commissioners will be replaced following the election and new Commissioners appointed to fill skill gaps then this negates the transition argument regarding transfer of knowledge/experience.

4. Special Powers of Commissioners

It is not clear from the discussion document how long special powers currently attributable to ECan will be extended – if indeed they will be extended.

5. +/- 10%. This ratio is felt to disadvantage rural areas when trying to fit in communities of interest. A wider range of issues is faced by Regional Councils in the rural areas.

To fit communities of interest and recognising the volume of work in the rural area, the +/- 10% could be eased to +/- 15% or even 20%. Another alternative would be to balance or weigh representations to match the issues and workload of the Regional Council.

While there is information on page 9 as to where ECan's money is spent there is no indication of where its rates come from which may also have an influence in this debate.

6. Councillors question whether the 7 elected and 6 appointed is the right mix. It was felt that less appointed and more rural representatives would be a better mix. However we don't have the population numbers to be able to offer an appropriate alternative and this also depends on the acceptance of point 5 above.

7. Concern was expressed that new councillors on ECan may lack governance experience. We would expect that most candidates would have had some

experience either in business or within the community e.g. sports clubs, school committees etc.

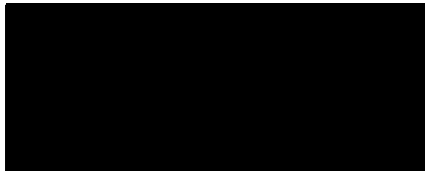
Training in good governance can also be arranged if required and can be useful even for those with previous experience.

8. We support the Chair being elected by the elected representatives and the commissioners collectively from among themselves.
9. Mixed member model

The example of the Health Boards is given as a mixed elected/appointed member model for ECAN. Council rejects this example as a precedent as the Health Boards are fully funded by "The Crown" and hence the requirement to have Government appointed members to represent "The Crown's" interest. Regional Councils are predominantly funded by local ratepayers and hence this rationale [funding] does not apply to Regional Councils.

We welcome the opportunity to discuss any of these points further with the Select Committee.

Yours faithfully



Kelvin Coe
MAYOR



TIMARU DISTRICT COUNCIL
Office of the Mayor

30 April 2015

ECan Review
Ministry for the Environment
PO Box 10362
Wellington 6143

Dear Ministers

Thank you for the opportunity to comment on the ECan review being jointly led by the Ministry for the Environment and Department of Internal Affairs.

The Council wishes to make the following points to the Review Team. These points are made with the support of the full Council.

The Council supports the work of the Environment Canterbury, led by Dame Margaret Bazley and her team of specialist Commissioners over the last 5 years. As outlined in the review document, the Council believes measurable progress has been achieved. This includes key initiatives such as the Canterbury Water Management Strategy and more subjective elements such as a much improved working relationship.

1. Future regional governance options

The Council supports the continued investigation of options to ensure Canterbury has the most effective regional governance arrangements in place in the future.

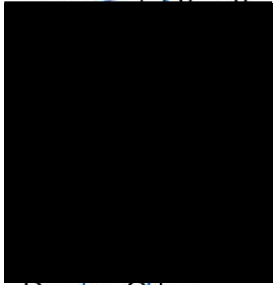
Freshwater management remains the most critical issue for Canterbury's future. The Council supports further investigation around how future regional governance for freshwater management can be achieved most effectively, including the potential establishment of a separate regional water governance body.

The full range of potential options for future regional governance should be comprehensively investigated, including wider regional discussion. This includes whether options include an elected, appointed or mixed model. However, any future governance arrangements **must** ensure adequate rural representation and fully reflect the needs of rural communities, to ensure the past failings are not repeated in the future.

2. Proposed interim mixed-model governance structure for Environment Canterbury

In light of the progress made and the above comments, the Council supports a gradual movement towards a return to a democratic regional model, as proposed through the establishment of a mixed-model governance structure (7 elected, 6 appointed) outlined in the discussion document for 2016-19.

The Council believe this model can best achieve a positive transition, while retaining a continuity of specialist knowledge, skill and experience that will benefit the new structure(s) going forward.



Damon Odey
Mayor

A blue handwritten signature scribble that overlaps the printed name 'Damon Odey' and extends downwards.

21 May 2015

ECan Review
Ministry for the Environment
PO Box 10362
Wellington 6143

ecanreview@mfe.govt.nz

Dear Sir/Madam

Submission - Environment Canterbury Review

This letter is a submission from the Waikato Regional Council on the discussion document: Environment Canterbury Review.

Council has expressed strong interest in the Environment Canterbury Review and the matter has been discussed at both our Strategy and Policy Committee and a full Council meeting. Note that an earlier version of this submission was lodged with the Ministry for the Environment on 1st May. This was the closing date for submissions, and was the day after the Council meeting where the matter was discussed. Councillors have since asked for the submission to be amended. We request therefore that this second version of the submission replace the first version.

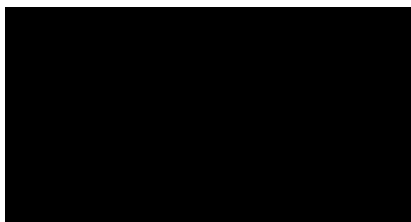
Council would make the following submission:

1. Council is aware that the Environment Canterbury Review discussion document has specifically asked for comment on the proposal for ECan. However Council considers that the discussion document raises some very important issues for local government in New Zealand. The model being proposed for ECan is a significant change to the way local government operates in New Zealand. If such significant change to the nature of local government in New Zealand is to occur, it should only occur after a comprehensive and transparent evaluation of the options, where local government is able to be fully involved in the development of the ideas.
2. For the above reasons, Council's submission focuses on points of principle rather than specific comments about ECan. However, Council does wish to acknowledge the very good work of the ECan Commissioners, and their success during their term of governance.
3. Democracy must be at the heart of local government. Councillors must be selected by a democratic process and they must be fully accountable to the population they serve.
4. Council is very committed to doing the best job possible for the regional community. Councillors recognise that to do this, there will be times when they need access to people with particular expertise to help inform Council decisions. In principle, Council would support further work to investigate alternate ways of ensuring local government councillors in New Zealand are well informed in their decision making.

5. There may therefore be some benefit in some people with certain expertise sitting around the Council table, so that they are fully involved in key discussions. There may even be an argument supporting the appointment of Commissioners. However if this is the case, there needs to be a rigorous and transparent discussion in New Zealand about how they would be selected, how they would be accountable to the territorial or regional community they serve, and what roles and powers would be appropriate for them.
6. Council would not support Commissioners being appointed by Central Government because such appointees would be responsible to Central Government that appointed them, rather than to communities of the local authority area.
7. There is a range of ways that may be suitable for selecting Commissioners that should be explored. For example, Commissioners could be appointed by some form of Electoral College.
8. There are many ways that Councillors can be informed by expert opinion that do not involve experts sitting around the decision making table, such as working parties and communication with key stakeholders. Such options need to be part of any discussion about improving Council decisions.
9. Council acknowledged the points made in the Local Government New Zealand submission on the Environment Canterbury Review and consider that these points should be considered during further investigations on this matter. In particular, some Councillors specifically supported increasing the level of rural representation through some form of rural weighting.
10. Some Councillors stressed that full democracy should be returned to ECan as soon as possible.
11. Some Councillors agreed that if central government was to appoint commissioners, they should come with funding from central government.
12. There was comment from some Councillors that if the make-up of Councils is to be investigated, reference should be made to broader matters, including the benefits of having equal numbers of women and men around decision making tables. This is one of the 12 critical areas of concern in the United Nation's Beijing Declaration and Platform for Action. One of the Councillors did not support gender-based seats, stating that people should be elected on merit, and that the important thing was that all genders, races, political positions and so on have equal opportunity to run for seats on Council.

Thank you very much for the opportunity to submit on the Environment Canterbury Review discussion document. We would be very happy to provide any clarification or further comment you may find useful.

Yours faithfully



Vaughan Payne
Chief Executive

To the Ministry for the Environment

In the Matter of

Environment Canterbury Review

Submission by

Canterbury Mayoral Forum

Person for Contact:

**David Ayers
Deputy Chair
Canterbury Mayoral Forum**

8 May 2015

1 Context

- 1.1 There are 10 river catchments in Canterbury and 10 territorial authorities plus the Canterbury Regional Council (Environment Canterbury) – from north to south: the Kaikōura, Hurunui and Waimakariri Districts; Christchurch City; the Selwyn, Ashburton, Timaru, Mackenzie and Waimate Districts; and the Waitaki River catchment part of Waitaki district.

Regional leadership is provided by the Canterbury Mayoral Forum which has established relationships and collaborative governance to:

- initiate, design and deliver the Canterbury Water Management Strategy, and to build on this achievement
- grow the region's economy
- articulate a whole-of-region 'voice' that remains deeply connected to local communities through the constituent councils
- a 'virtual unitary authority' (to improve efficiency and provide consistent and effective services).

As required by the Local Government Act 2002 a Triennial Agreement is in place. This includes a three-year joint work programme that is executed by the Chief Executives Forum and Policy Forum.

- 1.2 Since the change in governance arrangements of Environment Canterbury following The Environment Canterbury (Temporary Commissioners and Improved Water Management) Act 2010 there has been considerable change in the environment within which Environment Canterbury operates, including increased rural production and land use change, as well as the effects of the Canterbury Earthquakes. The composition of the Canterbury Mayoral Forum has also changed significantly over that time, with only one Mayor still holding the office of Mayor since the appointment of Environment Canterbury's commissioners.
- 1.3 The Canterbury Mayoral Forum enjoys a very good working relationship with Environment Canterbury and has worked especially closely with it in recent years as a result of the special legislation applicable to Environment Canterbury.
- 1.4 The Chair of Environment Canterbury, Dame Margaret Bazley, has advised that, due to a conflict of interest, she would not participate in the formulation or presentation of this submission.
- 1.5 While the majority of Mayors hold similar views, not all Mayors share the same view. In the interests of transparency, where the view of a Mayor(s) differs significantly from the majority view, that view is recorded within this submission.
- 1.6 The submission represents the views of the Mayors named at the conclusion of this submission.

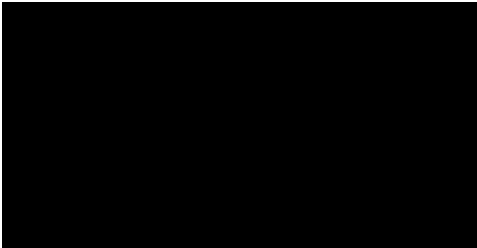
2. Submission

- 2.1 The majority of the Canterbury Mayoral Forum (Christchurch City Council excepted) is supportive of the mixed-member model as a transitional provision for the 2016-19 term of Environment Canterbury, with an expectation that there is a return to a fully elected regional body in 2019.

- 2.2 The Canterbury Mayoral Forum notes the Government's rationale for its Environment Canterbury governance proposals as set out in Section 4 of the discussion document; especially in terms of maintaining continuity of commissioner expertise, good relationships and momentum on water management.
- 2.3 The Canterbury Mayoral Forum agrees with comments made about the regional and national strategic importance of effective water resource management, and it concurs with the merits of continuity in relation to the role Environment Canterbury has been playing in earthquake recovery.
- 2.4 Recent circumstances in Greater Christchurch as a result of the earthquakes have been quite exceptional. There are still likely to be many transitional arrangements in place for some considerable time yet as the region progressively moves on from the greatest disaster it has faced. Apart from water management being a 'work in progress' for some time yet other governance issues of relevance to the region are also under consideration. Further change is inevitable as the region transitions out of the earthquake rebuild and there are still-undecided matters in relation to post – April 2016 arrangements for CERA, along with larger-scale resource-management law reform, public passenger transport arrangements and the like.
- 2.5 Good progress is being made collaboratively on a number of fronts under current arrangements in regional economic development planning and widely supported regional advocacy. There is a case for retaining continuity where we can and there is merit in doing so, although it is noted that Christchurch City Council holds a different position.
- 2.6 The Canterbury Mayoral Forum is aware of the concern some sections of the community have expressed in relation to the current fully appointed commissioner arrangements and for the future regarding the mixed member model being proposed, which would result in the loss of the fully democratic regional decision-making which is enjoyed elsewhere. The Mayors acknowledge the principles based upon which these views are founded.
- 2.7 On balance, in light of the above considerations, a majority of the Canterbury Mayoral Forum supports the proposed mixed-member model as a transitional provision for the 2016 -19 term of Environment Canterbury. The Canterbury Mayoral Forum notes that for an orderly transition to a fully-elected regional body to occur by 2019 there needs to be sufficient lead-time for governance arrangements to be decided and a representation review to be undertaken.
- 2.8 Further, the Canterbury Mayoral Forum is supportive of the following proposals:
- That the chair of Environment Canterbury be determined by the members of that Council.
 - That were a mixed model to be implemented in 2016 then Ngāi Tahu provides nominees to the Government to consider appointing one of the nominees to Environment Canterbury. This would help to ensure advances made in Māori participation in local government decision making are maintained, especially in regard to resource management.
 - That, to maintain momentum, Environment Canterbury retains its current resource management powers until 2019 or until such time as they are superseded by wider resource management law reform.

This submission is supported by the following Mayors:

Angus McKay	Ashburton District
Winton Dalley	Hurunui District
Winston Gray	Kaikōura District
Claire Barlow	Mackenzie District
Kelvin Coe	Selwyn District
Damon Odey	Timaru District
David Ayers	Waimakariri District
Craig Rowley	Waimate District
Gary Kircher	Waitaki District



David Ayers
Deputy Chair
Canterbury Mayoral Forum



SUBMISSION

SUBMISSION TO: Ecan Review, Ministry for the Environment

BY EMAIL TO: ecanreview@mfe.govt.nz

SUBMISSION TOPIC: Environment Canterbury Review

DATE: 1 May 2015

ORGANISATION: Waimate District Council

CONTACT: Carolyn Johns, Community, Planning and
Development Group Manager

CONTACT EMAIL: carolyn@waimatedc.govt.nz

Waimate District Council,
PO Box 122, Waimate 7960, Phone 03-689-0000, Fax 03-689-0075

TO: Ministry for the Environment
ORGANISATION: Waimate District Council, Chief Executive, Bede Carran
SUBJECT: Environment Canterbury Review
DATE: 1 May 2015

Executive summary

- 1 Waimate District Council (Council) appreciates the opportunity to submit on the governance review (the Review) of Environment Canterbury (ECan).
- 2 This submission is made on behalf of the Council. In forming its submission Council has held a public meeting and has had the benefit of a presentation by the Hon Louise Upston.
- 3 There is no consensus on what is an appropriate governance model for ECan. However, there is general agreement on some common principles. These are that:
 - Elected and effective representation must be at the core of ECan's future governance structure
 - An examination of ECan's governance structure cannot take place without having regard to the oversight and regulation of freshwater allocation.
- 4 Arising from Council's discussion a number of different governance models have been identified by individuals or groups as providing appropriate governance models for ECan. They are:
 - The mixed governance model set out in the Review
 - A Ward based system
 - Unitary authorities for Canterbury
 - Separate water authority/authorities for Canterbury
- 5 These models are summarised below in the body of the submission.

Performance of ECan under the commissioners

- 6 There is a general, but not unanimous, acknowledgement that the commissioners appear to have performed their functions creditably. Given this acknowledgement it is important, in Council's view, that the progress made by ECan over the last 5 years is not reversed. However, it is also important to note that there has been no democratic mechanism by which the commissioners' performance can be assessed.

Time frame provided for consultation and submissions

- 7 Council submits that the time frame provided for such a constitutionally important issue has been compressed to a point where full discussion and debate within the community has not been possible. This compromises the ability of interested parties to meaningfully engage in submitting on the Review and alternative governance models. Given that the term of the commissioners was extended some three years ago it is notable that discussion and consultation in a formal sense for most stakeholders has only recently been commenced and will close less than two months after the Review was released for discussion and comment. Council submits that the government would obtain a more informed understanding of how the vexed issue of representation and resource management can be integrated if greater consultation had been undertaken.

Principles on which there is common ground

- 8 Council notes as an introductory comment that during consultation consensus could not be reached within the local community as to the most appropriate governance model to replace the commissioners.
- 9 However, there are two principles on which there is common ground. First, elected and effective representation must be at the core of ECan's future governance structure. Secondly, a thorough examination of ECan's governance structure cannot take place without having regard to its core functions and in particular its oversight and regulation of freshwater resources.
- 10 For ECan to reflect effective democratic representation it is imperative that its governance structure reflects the quite divergent interests between metropolitan Christchurch and rural Canterbury, particularly with regard to freshwater management. The current electoral system assumes that communities of interest essentially coalesce around demographics and geography. Council submits that in fact communities of interest can be centred on resources such as fresh water and its allocation.
- 11 While ECan's governing legislation is the Local Government Act 2002, resource management, and in particular freshwater management, dominate its functions. The current local electoral model, predicated as it is on equal representation plus or minus 10% to prevent fragmentation of communities of interest, presents a number of problematic issues given the distribution of Canterbury's population and its reliance on freshwater irrigation for its substantial agricultural activities. Where the use and management of freshwater is concerned rural users and communities have, due to their agricultural activities, significantly different interests to the metropolitan users of freshwater. These differing interests create an inherent conflict.
- 12 The distribution of Canterbury's population means that the metropolitan interests of Christchurch dominate a regional governance body. However, Canterbury's economic interests and well-being are largely determined in its geographically large but comparatively sparsely populated rural areas. The economies of the rural areas are heavily reliant on irrigation sourced from Canterbury's aquifers and river systems. As a consequence of being sparsely populated the rural constituency has limited representation on ECan. This gives rise to the anomalous outcome where the

metropolitan population largely select the governing body which will determine the allocation and management of a resource critical to the economic well-being not just of rural Canterbury but New Zealand at large. It presents a predicament where the rural communities, which have a substantial interest and concern with the management and allocation of freshwater, are largely shut out from the decision making.

- 13 In effect and broadly, there are two communities of interest regarding freshwater management. They are metropolitan Christchurch and rural Canterbury. The purely population driven governance model excludes the rural community of interest from being adequately represented in ECan's governance and decision making processes. A governance model for regional Canterbury that is based solely on population leads inevitably to representation that is centred on metropolitan Christchurch. Rural interests are marginalised. Consequentially reconciling the disparate interests of metropolitan and rural constituents becomes problematic.
- 14 The troubled history of ECan is evidence that elected representation based solely on population is a poor model for ECan's governance structure given the importance of freshwater management. Water management issues for metropolitan Christchurch are substantially different to the water management issues for the rural constituency of Canterbury.
- 15 In summary, if a primary function of ECan is the management of freshwater then the use of a purely population driven representation model is flawed from its inception. The centre of its governance becomes metropolitan Christchurch which in respect of resource management can be largely considered as one community of interest. The rural community is therefore effectively excluded from decision making within the governing body which sets the policy and strategy around the freshwater resource allocation.
- 16 Council submits that a review of ECan's governance model must address this inherent contradiction between resource management and the two communities of interest and ensure each has effective representation. This will not and cannot be achieved under a purely population driven governance model.
- 17 A closing observation on these two principles is that the proposed mixed governance model was largely seen as providing only an interim solution while a more enduring model better reflecting full democracy and divergent communities of interest was developed and implemented.
- 18 More problematic is developing a consensus on the most appropriate model to provide effective representation and governance of ECan. Broadly, four different models were identified by groups or individuals as suitable for ECan's governance structure. As noted above no particular model was identified as providing a consensus among groups or individuals. The governance models were (in no particular order):
 - (i) the mixed governance model as proposed in the Review
 - (ii) a Ward system for ECan
 - (iii) unitary authorities covering the Canterbury region
 - (iv) separate water authority/authorities for Canterbury.

19 A brief analysis of each is set out below.

The mixed governance model

- 20 There is an element of support for the mixed governance model as proposed in the Review. As noted above, it was viewed as providing an interim solution only. Those that support the mixed governance model believe it provides a mechanism to balance distortions that may occur as a result of a model that is based on the current local electoral system. It allows appointments to be made to ensure a balance of geographical and sector interest and possibly provide for skills which may be lacking on the governing body. Essentially, it is viewed as ensuring there is a governance model which reflects the diversity of interests regarding Canterbury's natural resources. Its proponents believe it presents a robust model to prevent a return to the impasses and loss of confidence that arose prior to the appointment of the ECan commissioners. The supporters of this model believe it balances elected representation and other sector interests required for the effective governance of ECan.
- 21 In respect of the split between elected and appointed members it was common ground that the democratically elected representatives must constitute a majority of ECan members. However, there were differing opinions on the total number of members and the split between the elected and appointed, for example should it be a body of 11 members with seven elected and only four appointed.
- 22 Council submits there are some important matters regarding process and constitutional legitimacy that require certainty and transparency. These include:
- the basis on which the number of appointed members will be determined;
 - how the appointment process will be managed; and
 - providing clear legislative direction on the statutory responsibility of the appointed members.
- 23 Minister Upston in her discussions with Council noted that ECan may have **up to** (emphasis added) six appointed members. In addition, the Review notes that appointment will be made to ensure the right mix of skills and expertise. Council believes that on both of these matters it is important that there is certainty and transparency in the way these matters of process are managed.
- 24 There is no indication in the Review for determining how many members will be appointed. Council submits that it is important for the government to be clear on the reasoning for determining the number of appointed members.
- 25 Council submits that the process for appointment should be transparent, predefined and circulated prior to the election. Council also submits that geographical representation is an important consideration in obtaining the balance of skills and expertise as knowledge of various areas in the region is important.

- 26 It is important that the ECan voting constituency is informed on the number and basis of appointments as these may be considerations they give weight to in determining for whom votes will be cast. Without information on the determination of the number of appointed members and the basis for their appointment voters will potentially be voting in something of a vacuum, in that the appointees could substantially (but admittedly neither absolutely nor by majority) nullify the effect of the elected councillors.
- 27 To address these issues Council believes it is important that there is consultation with Canterbury's local authorities on both the process of, and who, will be appointed to the ECan governing body. Council submits that the government should set in advance the policy and criteria for appointment. This will provide an open and transparent process which enhances the objective of making suitable appointments.
- 28 Council submits it is important that appointed members have a clear and unambiguous legislative direction as to their responsibilities. In Council's view it would be most unhelpful if appointed members were not certain of where their responsibilities lie. While it may be a matter that is relatively easily addressed it is nonetheless critical to the functioning of the mixed member model that appointed members are certain of their mandate and how they will be held accountable for their performance.
- 29 Finally, in regard to the mixed governance model Council submits that appointed members should be remunerated in the same way and at the same rate as elected members. Council does not see a need or justification for appointed members to be remunerated under an alternative arrangement.

The ward system

- 30 Another model that is seen as addressing the bias created by a purely population based representation model is to create wards within the Canterbury region. There was no unanimous view on the optimal number of wards that should be established. However, in broad terms it was envisaged that there would be rural wards and urban wards and the urban ward members would not dominate the governance structure. Implicit in this model is that geography and resources would be important considerations in determining the ward boundaries. The ward system could be used to ameliorate the distortions created by having a population only governance model. By way of example only to illustrate the model, it could be a total of six wards, where Christchurch residents would constitute only two wards of three members each. The remaining four wards of two members each would be constituted outside of metropolitan Christchurch. This would give a total of 14 elected members and ensure representation across Canterbury better reflected the rural communities of interest in geographically large but sparsely populated areas and that their resource management interests were also represented.
- 31 The supporters of this model see it as ensuring there is representation around communities of interest, that is metropolitan users are represented but not disproportionately, and the interests of the large rural areas of Canterbury are also given effective representation. This model reflects that communities of interest can be effectively represented even where they are not in equal mathematical proportions.

Unitary authorities covering Canterbury

- 32 There has been a view expressed that the local governance of Canterbury should be amalgamated into unitary authorities, for example three unitary authorities. They would have full responsibilities for local government within the respective unitary districts, as do other unitary authorities across the country. Under such a governance model metropolitan Christchurch would be one unitary and the other two would encompass the balance of the Canterbury Region.
- 33 The unitary authorities' model allows preservation of electoral representation within the current electoral legislation although the unitary authorities themselves would be quite different in population and geographical area. It also allows the notion of communities of interest to be preserved within each unitary authority. The resource management issues critical to Canterbury would be managed within the unitary authorities. Further, the population distortion against rural constituents would be alleviated and so the rural interests would be appropriately represented.

Separate water authority/authorities for Canterbury

- 34 A view expressed is that there needs to be thinking beyond the current framework and look to cast the governance of regional Canterbury having regard to the critical resource that must be governed region wide. That resource is fresh water and its allocation. The proponents of this model argue that fresh water management is so vital for Canterbury and New Zealand economically that it requires a specific authority for its governance and management.
- 35 Once freshwater management is isolated from the management the other resources and responsibilities of a regional authority Canterbury could be governed by either a regional council, or by the existing territorial authorities.
- 36 Such a model would ensure that the importance of freshwater management is not jeopardised by being combined with other regional council responsibilities many of which are only loosely connected or not connected at all with freshwater management. It would ensure freshwater management is undertaken within a framework that specifically recognises the unique requirements of Canterbury regarding this resource. It also recognises that applying the current electoral system to the distribution of the Canterbury population leads to inherent distortions. The history of ECan underscores that a consequence of these distortions is impasse and poor policy decisions.

Conclusion

- 37 There is no consensus on the most appropriate governance model for ECan. However, a number of alternatives have been put forward as maintaining democracy while balancing the need for resource management across divergent communities of interest.
- 38 The proposed mixed governance model is generally viewed as an interim model only and that during the period it is in place consultation should take place to address the issues presented by the resource management functions of ECan.

- 39 A concluding observation is that there are a number of other representation models that can preserve locally elected representation and effectively manage the key resource of freshwater within the Canterbury region. The proponents of these models believe that the governance options for Canterbury must address the structural divide between metropolitan Christchurch and rural Canterbury and their differing interests in the use and management of freshwater. Only when this is achieved will there be an enduring governance model for the Canterbury region.
- 40 Council would be pleased to elaborate on the matters set out above.



23 April 2015

ECan Review
Ministry for the Environment
PO Box 10362
Wellington 6143

Dear Ministers

Submission on the Environment Canterbury Review

This submission is from Waitaki District Council. Council can be contacted at Private Bag 50058, Oamaru 9400. Our telephone number is (03) 433 0300 and our email is service@waitaki.govt.nz

Introduction

The Waitaki District Council (Waitaki) is pleased to give its views on the Environment Canterbury Review discussion document. Waitaki represents the communities and interests of North Otago, and is unique in the Canterbury Region as the only territorial authority to straddle two regions. The northwestern half of our district, encompassing the Waitaki Valley and part of the Mackenzie Basin, is in Canterbury Regional Council area. The balance lies in the Otago Region.

Waitaki is involved in the Canterbury Water Management Strategy and participates in two Zone Committees which manage the Waitaki catchment. Waitaki is also a partner in the North Otago Irrigation Company's scheme funding, and has recently increased its total investment in the company to \$17 million to ensure that the scheme expands to its maximum potential for the benefit of the economy and the District.

Executive Summary

1. Waitaki supports a mixed-model governance structure for Environment Canterbury for the next local government term.
2. Waitaki supports the 7/6 elected member/appointed member ratio, based on four constituencies, for the 2016/19 term.
3. Waitaki supports this as a transitional step on a pathway to a return to fully elected governance for the Canterbury Region.
4. Waitaki believes that the model should be reviewed and refined over the 2016-19 term and believes that consideration should be given at that time to a model built around the successful water zone management structure.
5. Waitaki believes that Environment Canterbury must retain the special resource management powers in regard to critical projects which are already underway.

Support for a mixed-model governance structure

6. Waitaki supports the proposal to establish a mixed-model governance structure for Environment Canterbury for the next local government term, generally as described on page 21 of the discussion document. We recognize the need to restore democratic governance and the need to ensure that ECan's governing body has the right mix of skills and expertise to address the significant issues in front of it.
7. Waitaki supports the mix of seven elected and up to six appointed members, for the reasons noted in point 6.
8. Waitaki supports a four constituency proposal whereby 1 member is elected at large from each of the North Canterbury, Mid Canterbury and South Canterbury constituencies, and four members are elected at large from the Christchurch constituency. We recognize that this arrangement provides a level of elected representation for rural communities that exceeds the plus or minus 10% ratio expressed in the Local Electoral Act 2011. We believe this is both appropriate and necessary to give rural communities comfort that their interests will be fairly

considered. The combination of elected and appointed persons also serves to provide such comfort.

9. Waitaki supports the election of a Chairman by and from amongst the seven elected and (up-to) six appointed members, for the reasons noted in point 6.
10. Waitaki acknowledges that Local Government New Zealand and some regional and territorial authorities will oppose the mixed-model proposal, as they will hold the principles of democratic representation paramount. Waitaki agrees that those democratic principles should not be lightly set aside. However, Waitaki feels that in this case, it is necessary for the good government of the Canterbury Region to manage that transition back to full democracy.
11. We note also that representation of rural communities of interest can be a challenge for other Regional Councils. Waitaki has seen its representation on the Otago Regional Council drop from two members to one, while the representation arrangements at ECan previously provided Waitaki with one local representative before Waitaki was subsumed into a larger constituency represented by two members, neither of whom resided in Waitaki. In both cases, the application of the plus or minus 19% rule in Section 19V(2) of the Local Electoral Act has reduced rural representation at the Council table.

Support for a return to a fully elected governance structure for Environment Canterbury

12. Waitaki support for the mixed-model proposal is based on the premise that this arrangement is a one-term transitional step in a return to a fully-elected governance model for Environment Canterbury.
13. During that term, Waitaki expects that further consideration will be given to how, and over what timeframe, the transition to a fully-elected governance model will occur.
14. Waitaki believes that legislation to implement the outcomes of the ECan Review should specify a date for the restoration of fully-elected governance, as this will reinforce the value of democratic local government.
15. Waitaki defines a fully-elected governance model as a model in which all governors at ECan are elected by the people of Canterbury, and none are appointed by Government. At the same time, Waitaki is firmly opposed to a return to the 2009 version of fully-elected governance. At that time, ECan comprehensively failed to adequately represent and govern in a manner that reflected the needs of rural communities and failed to understand and deal with the complex water issues in rural areas.
16. The 2009 model proved dysfunctional, and, from a rural community perspective, a return to that model (which featured eight members from Christchurch and resulted in a governance team that failed to understand and reflect rural needs) represents an unacceptable risk of return to the "bad old days".
17. Waitaki notes and supports the departure from the plus or minus 10% requirement for representation (Section 19V(2) of the Local Electoral Act 2001), which is included in the proposed mixed-model. Waitaki considers that any future governance model will also need to depart from the plus or minus 10% requirement if it is to ensure adequate representation and governance for rural communities of interest.
18. Waitaki believes there is merit in future governance models which reflect the significant impact of geographic and catchment-based functions on rural communities, and the proportion of regional resources devoted to those geographical and catchment-based functions.
19. Waitaki believes that the Zone Committee system which has been rolled out to implement the Canterbury Water Management Strategy provides insights into a possible solution. For example, constituencies based on the water management zones could provide a geographic basis for representation. A 12-13 member governance model could include one person elected from each of nine zones outside Christchurch with the Christchurch zone electing 3 or 4 members, elected at large. We believe that either of these models could be considered during the 2016-19 term as Government turns its mind to the pathway back to fully-elected governance.

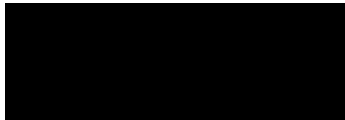
Retention of Special Resource Management Powers

20. Waitaki has an interest and involvement in the Canterbury Water Management Strategy which extends beyond the two Zone Committees which manage the Waitaki catchment. Waitaki is also a partner in the North Otago Irrigation Company's scheme funding, and has recently increased its total investment in the company to \$17 million. This investment has been made

to ensure that the scheme expands to its maximum potential for the benefit of the economy and the District.

21. Irrigation fundamentally underpins our economic base and studies of the economic benefits of Stage 1 concluded that the NOIC scheme has added an additional \$40 million of GDP annually to the Waitaki economy. Stage 2 which we are now embarking on stands to add a similar amount.
22. The existence and ongoing viability of irrigation as the major economic driver in our District is affected by Plan Change 3 which is currently going through its processes under the special resource management powers in the ECan Act. It is vital that this work is concluded. For these reasons, Waitaki is firmly of the view that the special resource management powers must continue with the mixed-governance model Council for so long as is necessary to complete Plan Change 3 and such other unfinished business as has commenced under the special powers.
23. In our recent discussion with Associate Minister Louise Upston – Waitaki outlined to her that those transition arrangements need to ensure that ECan can continue and complete all the major projects which were commenced under the special resource management powers – as to start those processes all over again would be a backwards step.

Yours sincerely



Michael Ross
Chief Executive