

## Where next for the Community Board?

What does the future hold for New Zealand Community Boards? Thames-Coromandel (TCDC) Chief Executive, David Hammond, discusses models to respond to increasing demands of New Zealanders to devolve power to local citizens.

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### Community Board Transforms Gumtown

On Coromandel's East Coast is the small, historic settlement of Coroglen, formerly known as Gumtown during its Kauri milling days. On a sunny morning in 2015, Thames-Coromandel District Council (TCDC) Mayor Glenn Leach pulled over at the old Coroglen saleyards on the Waiwawa River. A new reserve had just been completed by Mercury Bay Community Board. "We used to sell 300-400 head of stock here every year," recalls Mayor Glenn. "And the pub afterwards would be heaving on stock day! In the old days, the boats used to come up to the hall and oxen trains hauled supplies up to the bush camps."



*[Historic Kauri milling at Gumtown, Whitianga Harbour, Coromandel. Now called Coroglen]*

Coroglen was not a happy community a year earlier when the then owners, PGG Wrightson, put the whole site up for sale to howls of local protest. A partnership made up of Council and Mercury Bay Community Board intervened and bought the site using funds from the Community Board. Once the shock of losing the saleyards had passed, Coroglen residents worked with their Board to design and develop a new reserve.

Residents, Board members and staff cleared scrubby bush along the Waiwawa River to regain access to historic swimming holes, re-contoured land, added picnic facilities, and turned an old building into eco-loos and changing room. Mayor Leach looks at the finished project proudly,

"In reality if you give empowerment to the people and locals make decisions for local people then normally you have the people onside with you. And they'll do wonderful things and that's why we're here looking at this wonderful little reserve."



*[Coroglen Working Bee: Community, staff and elected together]*

## **Original Purpose of Community Boards**

Mercury Bay Community Board emerged from Labour and Dr Michael Bassett's 1989 Local Government reforms. Sir Brian Elwood led a process which reduced 850 local bodies to 86 and added around 150 Community Boards. These Boards now number some 108. Recently Bassett outlined his reasoning for establishing Community Boards:

"They were my idea in the first place. The loss of so many territorials in 1989 ... risked removing community access to elected representatives. Community boards were a guarantee at that time that neighbourhoods could relate to their councils. Community boards have limited powers and roles. They have not been a roaring success, and they are expensive to service. Some councils around the country have tried hard to involve them within the overall scheme of things; others have treated them as little more than an irritating add-on to the body politic." (Bassett, 2008)

While access to representation was Bassett's original concern, today there is a growing demand for more power sharing at local level - a force known as 'localism'. This is at odds with the current model of local government remains under a central-power approach to governance and management in which 'head office' exercises power on behalf of communities. The central-power model exists on the assumption that it is more cost efficient and effective because communities cannot deliver modern services to required professional standards and because they lack of compulsion to change.

Rt. Hon. Bill English highlighted this attitude when he observed in 2013, "When you are talking about localism in NZ you are running against a deep-seated ideology, and it is one of the reasons why localism has not made a lot of traction. The good news is: Statism has peaked."

## **Citizen Engagement or Governance Change?**

Statism may have peaked, but are councils able or willing to change governance relationships they have with their communities?

Local authorities from Auckland, Western Bays and Christchurch are facing increasing public calls for local power-sharing. This is occurring at the same time as other forces are advocating for larger units of local government and more centralised control over infrastructure. We are in a period of significant flux, and in order to respond to change future forms of local authority governance and management will undoubtedly reflect more variation than they currently do.

'Citizen engagement' – or greater community input into decision-making - is one way councils in both Australia and New Zealand have responded to community demands for more say over local matters which affect them. Citizen Engagement is attractive to councils as it does not challenge them to fundamentally alter to balance of power in their council's governance or management. In practice demands for power-sharing are being reduced to little more than a matter of effective consultation and a reasonable reaction for councils is to listen and gather more information into decision-making. It is unclear, however, whether the public will be satisfied with councils' own definitions of 'reasonable' or continue to demand genuine power-sharing.

The most responsive reaction to demands for power-sharing has come from TCDC and can be described as a devolved, 'subsidiarity' model that is transforming every structure of the council. Beginning with the 2010 local authority election, which was fought over options which would fundamentally change the way the council was operating, all elected councillors with the exception of one were voted out. This created the mandate for changes which were introduced in 2012. The council returned power to local people to the fullest extent that the Local Government Act 2002 allows in a new devolved model it calls 'Community Empowerment'.

Subsidiarity is not pure localism. Localism holds that that power be exercised at the lowest practical level – close to the people affected by decisions rather than distant from them. Subsidiarity has localism at its core but recognises that it makes sense for some functions and powers to be exercised at a more centralised level in an easy pragmatic relationship.

TCDC defined between 'core' services which are to remain at a district level and identified 14 services (libraries, parks, public toilets, harbours etc) which are now delivered locally under the district's community boards. The level of devolution includes budgets, decision-making, service and funding method choices. Community boards were chosen because they are the most local form of elected representative democracy with the council welcoming board leadership into every elected forum. This inclusive approach has integrated leadership and fundamentally changed both governance and management practices, leading to a bedding in of the model. To the surprise of many, overall council costs reduced.

## **Hot Water Beach: Can Boards have too much power?**

A major concern amongst New Zealand councils is whether community boards have the maturity or the capability to responsibly receive devolved power. Anger erupted in August 2013 when the Mercury Bay Community Board, using its new Community Empowerment mandate, decided to introduce carpark charging at iconic Hot Water Beach. Local resident Gail Knight, who operates a bed and breakfast business at Hot Water Beach was angry, "It's caused a huge furore," Mrs Knight

said. "It's the thin end of the wedge. Will they do the same in Cathedral Cove? We don't even pay for parking in Thames." Taking public feedback into account the Community Board introduced exemptions for residents so that the funding raised was more purely from the visitor industry.

Is this an example of what New Zealand councils fear if they devolve services such as parking, toilets and reserves to Community Boards? Will they simply become little councils making unacceptable and unaccountable decisions?



Not at all. Hot Water Beach attracts over 700,000 international visitors annually. Councils located in tourism areas well know the difficulty of finding the means to pay for the increased demand on infrastructure from the visitor industry. With TCDCs Community Empowerment model the Mercury Bay Community Board now has delegated authority to come up with alternatives to rates for funding local services. Under the Model the Board and the 9,000 ratepayers of this ward have picked up the costs for some 50 public toilets which have been re-classified from 'district' to local.

**[Hot Water Beach, Coromandel with some of the 700,000 visitors annually]**

Area Manager Mercury Bay, Mr Sam Marshall, has set a financial goal of reducing the level of rate funding in the community board area by \$250,000 annually and replacing that with alternative funding sources. The pay and display parking introduced in December 2013 at the Hot Water Beach carpark generated over \$94,000 of income in a short time.

The parking means that instead of charging local ratepayers for the cost of tourist-related facilities the money will come primarily from visitors. The money will be reinvested locally back into Council facilities and services catering to visitors at Hot Water Beach. "These facilities include toilets and changing rooms, walkways, car parking and other recreational facilities impacted by tourism," says Mr Marshall.

Mercury Bay Community Board is demonstrating a high level of innovation and strategic thinking on a tourism issue which has vexed councils across New Zealand. The Board is strategic, committed to cost reduction, innovative and can take decisions that are unpopular with local residents for more strategic goals.

### **Fit-for-purpose governance**

The keys in responding to demands for power-sharing and more local control over matters affecting local people is to understand the drivers of change and exercise a willingness to explore change. This involves a spectrum ranging from enhanced citizen engagement to a fundamental realignment of the structure of power in the council. There is no one model that fits all local authorities.

TCDC has extended our knowledge of viable governance models available to councils. Dr Michael Bassett (2008) rightly observed that councils have treated community boards "as little more than an irritating add-on to the body politic." Coromandel has shown that this is no longer necessarily fair nor accurate.

If a council desires to explore a devolved model to community boards there is a successful recipe. Boards need to be welcomed as an integrated part of a council's elected leadership team without barriers, resourced effectively, and given delegations for local decision-making and funding of local affairs. For their part of the deal Community Boards need to act up to the responsibilities given, commit to cost efficiency, focus on the local and stop bitching about their councils to be responsible partners of a unified team approach.