



# Strategy for Evaluating Local Government Legislation

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# 1. Introduction

Local government's roles, responsibilities, powers and accountabilities are defined by legislation. In 2001 and 2002 three new local government Acts were passed:

- the Local Government Act 2002 (LGA);
- the Local Electoral Act 2001 (LEA); and
- the Local Government (Rating) Act 2002 (LGRA).

The LGA is the main statute for local government and replaced the Local Government Act 1974. The 1974 Act contained complex and detailed prescription of the powers and functions of local authorities. The new Act is simpler and more empowering. The other two Acts provide local government with electoral and rating powers and responsibilities.

Together, the three pieces of legislation provide a framework that allows local authorities to be responsive to the diverse needs of the communities they represent, and provides greater scope for those communities to make choices about what their local authorities do and how they do it. To balance the broad empowerment, the legislative framework also provides for clear and open decision-making and accountability processes.

The LGA provides more opportunities for local communities to have a say in local governance.<sup>1</sup> As well as general provisions, the Act includes specific provisions for Maori participation in local governance. The LGA also provides a way for communities to say what they want their community to be like in the future by requiring local authorities to identify community outcomes and use these to inform their planning.

The Department of Internal Affairs' (DIA) Local Government and Community Branch (LG&C) and Research and Evaluation Services (R&ES) are evaluating the new legislation over the next ten years. The evaluation aims to assess the extent to which the new legislative framework is operating as intended and achieving the results expected for local government and communities.

This strategy describes the overall approach for the evaluation. The results will be used to:

- inform policy advice to Ministers about the operation of the local government system and sustainable community development;
- provide information for local and central government on how well the legislative framework is working and what, if any, changes or improvements are required;
- provide information about what, if any, further information and advice is required to support the implementation of the legislative framework and who should provide it;
- provide information to the public on the activities of local authorities; and

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<sup>1</sup> Governance refers to the processes and systems by which a society or organisation operate. Frequently a government is established to administer these processes and systems.

- support the Local Government Commission (LGC), which is required by the LGA to review the operation of the LGA and the LEA and report to the Minister of Local Government as soon as practicable after the 2007 local elections. The LEA also makes provision for the LGC to issue an interim report by July 2005 on any amendments it considers should be made to the LGA or the LEA before the 2007 local elections. The LGC has exercised this option and issued an interim report in July. More details about the LGC's review are in section 4.2.

The following sections of the strategy describe:

- the scope of the evaluation (section 2);
- the purposes and key provisions of the three new Acts, with a focus on the main changes the legislation has introduced and how these changes affect local government and communities (section 3);
- the main objectives of the evaluation and the proposed approach (section 4);
- the key evaluation questions (section 5); and
- the timetable for the evaluation (section 6).

Supporting information is in Appendices 1 to 8 and Appendix 9 contains a glossary of the key terms used.

## 2. Scope of the Evaluation

The evaluation focuses on the extent to which the legislative framework provided by the three new Acts (LGA, LEA and LGRA) is operating as intended and achieving the results expected for local government and communities. The evaluation also considers how the new legislation is influencing the way central government agencies work with local government.

The evaluation will cover:

- the rollout of the legislation and the roles of central and local government in the rollout stage;
- the implementation of the legislation and the consequent changes in the practices and operations of local and central government and engagement by the community and Maori;
- the extent to which these changes are achieving the expected results for local government, communities and Maori (see section 4.1 for further details); and
- any unintended consequences of the legislation.

The evaluation is **not** considering:

- The performance of *individual* local authorities and will not compare one authority against another, although some stages of the evaluation will use examples of the practice of individual authorities to illustrate how the legislation is being implemented.
- How well each provision in the legislation is working, rather the evaluation is concerned with the broader changes resulting from the new legislation.

- The extent to which community outcomes are achieved. Many factors contribute to community outcomes and this evaluation is not designed to control for these confounding factors. The evaluation will consider how people view the well-being of their communities, as part of assessing local authorities' responsibilities under the LGA to identify and promote community outcomes. This aspect is discussed further in section 4.3.

The evaluation is forward looking. Its focus is on how local authorities and communities respond to the environment created by the three new Acts, and not how they functioned under the previous legislation.

This strategy provides a logic and timetable for the evaluation over a ten-year period. The results from each stage will inform the next stage. If the results indicate changes are required to the thinking that underpins the strategy, then the strategy will be revised.

## **2.1 Links to other research and evaluation**

This evaluation is only one of a number of projects designed to assess the new legislation. The contribution of central government to the community outcomes processes, which are required by the LGA, is being evaluated separately by DIA in conjunction with the Treasury and State Services Commission (see Appendix 1). The results from this separate evaluation will be considered by this overall evaluation of the legislative framework, along with other data and information being collected by DIA (see Appendix 1).

A number of other organisations and researchers are evaluating and researching different aspects of the new legislation (see Appendices 2 and 3). The results from this work also will feed into DIA's evaluation, if the results are available to DIA. Additional data will only be collected by DIA where a gap in the information required is identified.

The material considered by the Justice and Electoral Select Committee's review of the 2004 local authority elections is a further source of data and information that will be used in this overall evaluation.

Section 5 of the strategy lists the key questions required for each stage of the evaluation. Whether or not all of the information can be assembled to answer these questions will depend on DIA being able to obtain the results it requires from research conducted by other organisations, and the resources DIA has available for data collection for each stage of the evaluation.

## **2.2 The wider legislative context**

DIA recognises that the three Acts covered by this evaluation are not the only pieces of legislation governing the responsibilities and operation of the local government sector (see Appendix 4 for a list of the key legislation). It is not feasible, however, for this evaluation to consider all of these other Acts, although other legislation will be considered when it is a potential influence on local authorities' implementation of the LGA, LEA and LGRA.

### **3. Overview of the legislation**

This section describes the content of the three Acts in some detail, as it is necessary to understand the purpose and main provisions of the legislation in order to identify the evaluation questions.

#### **3.1 Local Government Act 2002**

The LGA 2002 provides the general framework and powers under which New Zealand's 86 democratically elected and accountable local authorities operate. The Act consists of 12 Parts and 20 schedules (see Appendix 5). In brief, the legislation sets out:

- the purpose of the Act (Part 1);
- the purpose of local government and the role and powers of local authorities (Part 2);
- the structure of local government and the mechanisms for altering the structure (Part 3) – this part also continues the role of the Local Government Commission as an independent statutory authority;
- principles for the governance and management of local authorities and Community Boards (Part 4);
- a governance and accountability framework for local authorities' involvement in arm's-length organisations – council-controlled organisations and council organisations (Part 5);
- an enhanced framework for consultation, planning, decision-making, financial management, and reporting – this part includes provisions for the community outcomes processes (COPs) and the Long Term Council Community Plans (LTCCPs) (Part 6);
- a range of obligations, restrictions and powers, including requiring local authorities to assess their communities' needs for water, and wastewater and sanitary services, and placing an obligation on local authorities to provide water services to ensure continued public ownership of water services (Part 7-9 & 11); and
- the powers of the Minister of Local Government in relation to local authorities (Part 10).

Part 1 of the Act clarifies that local authorities do not have Treaty of Waitangi obligations under the LGA (those responsibilities lie with the Crown), but Part 6 of the Act includes provisions for local government to consult with Maori and requires local authorities to provide opportunities for Maori to contribute to the authority's decision-making processes.

## Purpose of the Act

The purpose of the Act is stated in Part 1, section 3. The Act is designed to provide **democratic** and **effective** local government that recognises the **diversity** of New Zealand communities. It aims to accomplish this by giving local authorities more general powers and more flexibility to decide what they will do and how they will do it. To balance this **empowerment**, the legislation promotes **local accountability**, with local authorities accountable to their communities for decisions taken.

The Act also enables local authorities to play a broad role in **promoting** community **well-being**, taking a sustainable development approach.

The **purpose of this Act** is to provide for democratic and effective local government that recognises the diversity of New Zealand communities; and, to that end, this Act---

- (a) states the purpose of local government; and
- (b) provides a framework and powers for local authorities to decide which activities they undertake and the manner in which they will undertake them; and
- (c) promotes the accountability of local authorities to their communities; and
- (d) provides for local authorities to play a broad role in promoting the social, economic, environmental, and cultural well-being of communities, taking a sustainable development approach.

(Part 1, section 3)

## Purpose and role of local government

The Act also provides a clear **purpose** for local government (Part 2, section 10).

This purpose recognises that local authorities are able to provide community governance at the local level and make a significant contribution to social, economic, environmental and cultural well-being.

The **purpose of local government** is---

- (a) to enable democratic local decision-making and action by, and on behalf of, communities; and
- (b) to promote the social, economic, environmental, and cultural well-being of communities, in the present and for the future.

(Part 2, section 10)

The Act provides local authorities with the "full capacity" to undertake activities and "full rights and privileges" for the purposes of undertaking those activities (Part 2, section 12). This means that they have the same rights and freedom of action, consistent with the general law, as individuals and corporations. However, those powers are subject to the other provisions of the Act, that impose some specific prohibitions, limitations, and requirements that are considered necessary as limits to those general powers, including requirements for consultation and accountability. These powers are also limited by other Acts.

One effect of the move to the more broadly empowering framework is that it is no longer necessary for the law to specifically and prescriptively give councils powers to do things that other people may lawfully do under the general law. This has enabled the law to be streamlined, although it has not negated the need for powers that go beyond the general powers (such as coercive powers) to be specified in statute.

The general powers apply equally to regional councils and territorial authorities. To avoid services or functions being duplicated, the Act requires all local authorities within a region to agree protocols for communication and co-ordination (triennial agreements). The Act also includes a process for resolving any situations where agreement cannot be reached.

## Principles relating to local authorities

Part 2, section 14 of the Act includes a series of principles that local authorities must act in accordance with (see Appendix 6). These principles are intended to govern the overall actions of local authorities, and include principles relating to the conduct of business in an open and transparent manner; making the local authority aware of community views; providing opportunities for Maori to participate in decision-making processes; collaborating and cooperating with other local authorities as appropriate; ensuring prudent stewardship of resources and taking a sustainable development approach.

This section also states that if any of these principles, or any aspects of well-being referred to in section 10 of the Act are in conflict in any particular case, the local authority should resolve the conflict by conducting its business in an open, transparent, and democratically accountable manner (the first principle in section 14).

The main changes introduced by Parts 4 to 6 of the Act that are being considered by this evaluation are described in the following paragraphs.

### Governance and management of local authorities

Part 4 of the Act provides principles for the governance and management of local authorities. These principles and other provisions are intended to ensure that elected members are **responsible, open, transparent, and democratically accountable** in their decision-making, as well as making clear the role of the chief executive. Part 4 introduces a new requirement for the preparation of a local governance statement that includes: information on the conduct of elected members, including a new requirement for local authorities to adopt a code of conduct; information on the electoral system and representation arrangements; and key council policies and structures.

Part 4 also specifies the constitution, role and powers of Community Boards.

### Governance and accountability of council-controlled and council organisations

Part 5 provides a governance and accountability framework for a local authority's involvement in arm's-length organisations. The Act enhances the previous legislation by providing a comprehensive framework that applies to all forms of arm's-length entities. Arm's-length entities are accountable to the local authority for their performance, and the local authority is, in turn, accountable to the community for both the local authority's involvement with the arm's-length entity and the performance of the arm's-length entity.

### Planning

Part 6 of the Act promotes greater accountability between local authorities and their communities and a long-term focus for the decisions and activities of the local authority. It includes a new requirement for local authorities to facilitate a process with their communities, at least every six years, to identify **community outcomes** for the intermediate and long-term future of the district or region. The role of the local authority is to **facilitate** the process, with the community having **ownership** of the identified outcomes.

Identifying community outcomes is designed to promote better co-ordination and application of community resources, and inform and guide priorities for activities undertaken by local authorities and other organisations. Local authorities' role is to facilitate the contribution other local authorities, government agencies, local organisations and the business sector make to the outcomes and priorities identified by the community.

Local authorities can decide what processes to use to identify and prioritise community outcomes but they must ensure that the processes encourage the community to contribute. They also must, before deciding on the process, identify other organisations and groups capable of influencing either the identification or the promotion of community outcomes, and, if practicable, secure their agreement to the process (section 91, clause 3).

Part 6 also requires local authorities to prepare a ten-year **Long Term Council Community Plan** (LTCCPs), which is to be reviewed every three years. The LTCCP describes the community outcomes and priorities and the activities the local authority will undertake to contribute to the outcomes. The plan is designed to integrate decision-making and include information on the key policies of the local authority. It also describes linkages between activities and how they are funded. The first plans following the full community outcomes processes are required by 30 June 2006. Plans produced by local authorities in 2003/04 and 2004/05 followed the full community outcomes processes to varying degrees.

#### **Decision-making, consultation and accountability**

Part 6 also requires certain decisions, such as commencing a **significant activity**, to be undertaken in accordance with the LTCCP or by way of an amendment to the LTCCP.

**Part 6** includes specific decision-making considerations for any decision that a **local authority** takes. The extent to which local authorities comply with decision-making requirements can be proportional to the **significance** of the matter under consideration. Local authorities are required to develop a **policy on significance** to indicate when an issue is important to the council or community. This policy includes the local authority's general approach to significance and what criteria or thresholds the local authority may apply when considering the extent to which a matter is significant. The policy also must list the assets considered by the local authority to be strategic assets.

The Act requires local authorities to be more rigorous in their decision-making by identifying all reasonably practicable options for achieving the objective of a decision and assessing those options by considering the benefits and costs in terms of the present and future well-being of the community, and the extent to which community outcomes would be promoted. Depending on the significance, local authorities are also required to consider the impact of each option on their capacity to meet present and future needs in relation to their statutory responsibilities.

When a local authority undertakes public consultation, it must do so in accordance with the **principles of consultation** set out in Part 6, section 82. It must be noted that the local authority is not bound by the results of consultation; in such cases, the processes undertaken to arrive at decisions must be provided. In brief, consultation principles require councils to:

- provide easy-to-understand summaries of proposals and plans (such as the LTCCP);
- identify who will be affected by decisions and encourage them to make their views known to the council – councils also must give reasons for their decisions;
- find out what all the practical options are for dealing with issues and carefully assess them.

Part 6 of the Act also includes a **special consultative procedure** that must be used for consultation on particular issues, such as the LTCCP or a proposal to adopt or amend a bylaw.

Local authorities must ensure that they have processes in place for consulting with Maori. The Act also requires councils to establish and maintain opportunities for Maori to contribute to decision-making processes, consider ways in which they can foster the development of Maori capacity to contribute to decision-making processes, and provide relevant information to Maori. Important decisions about land or water bodies must take into account the relationship of Maori and their culture and traditions.

Part 6 includes several financial management provisions and requirements to adopt a number of financial management policies. Local authorities are required to balance their budgets each year, although exceptions are permitted if a local authority resolves that it is financially prudent to do so. Financial management policies are required that set out the council's approach to revenue and financing, liability management, investment, development contributions, and partnerships with the private sector. Policies also are required for rates relief.

The financial management provisions require local authorities to manage their revenues, expenses, assets, liabilities, investments, and general financial dealings prudently and in a manner that promotes the current and future interests of the community. Local authorities are also required to make adequate and effective provision for the expenditure needs of the authority that are identified in the LTCCP.

The Act requires local authorities to consult their communities about funding and financial policies. It also requires consultation on the types and levels of services councils propose and how they will be paid for, and requires councils to explain to their communities the relationship between costs and levels of service provision. The provision of, and consultation on, this information is a fundamental ingredient of the mandating relationship between local authorities and their communities.

Local authorities are required by section 92 of the Act to monitor, not less than once every 3 years, and report on the progress made by the community in achieving the community outcomes for the district or region. Local authorities intended and actual activities and performance in relation to LTCCP objectives continue to be set out in annual plans (in the years when there is no LTCCP) and reports. Annual reports also must state what councils have done to involve Maori in council processes.

## 3.2 Local Electoral Act 2001

The changes to the Local Electoral Act were designed to update and rewrite existing legislation to be:

- principle-based and less prescriptive;
- flexible to accommodate change such as new technology; and
- to consolidate all local electoral legislation.

### Purpose and principles (Appendix 7)

Principle-based legislation, which is neutral in terms of such things as electoral systems, voting methods and the use of technology, is considered appropriate, given the statutory independence of local government in New Zealand to make decisions which best suit their particular local community. The Act also provides for regular reviews of representation arrangements.

The **principles** of the LEA set out in section 4 are:

- fair and effective representation;
- people having reasonable and equal opportunity to vote, nominate candidates and stand as candidates; and
- public confidence in, and public understanding of, local electoral processes.

### Choice of electoral system

The LEA provides a choice of electoral system for local elections and polls. Local authorities and their communities have the choice of either using the current first past the post (FPP) electoral system or the single transferable vote (STV) system.

District health board elections, which are required to be conducted in association with local authority elections, are required to use STV.

Local authorities can change the electoral system either as a result of a council resolution (which is subject to the right for 5% of electors to demand a poll to countermand that resolution) or a poll (either demanded by 5% of electors or as a result of a council resolution).

If there is a change in electoral system, or a poll rejects a change, that decision applies for a minimum of two triennial general elections, and will continue until a further council resolution or a poll demand.

As a result of these processes, 7 local authorities resolved to adopt STV for the 2004 and 2007 elections, and the communities of three further local authorities supported the adoption of STV by way of public poll.

The system adopted in New Zealand for STV requires a computer program to count votes, and this program was developed for local authorities by DIA.

## Representation arrangements

The new provisions for representation arrangements include the option for local authorities and their communities to introduce designated Māori representation by establishing Māori wards or constituencies. The process for establishing and retaining Māori wards/constituencies is the same as that for changing the electoral system.

The new legislation requires local authorities to conduct representation reviews (membership and basis of election) at least every 6 years. As part of these reviews:

- territorial authorities decide whether the basis of election will be wards, at large, or a combination of both (constituencies are mandatory for regional councils);
- territorial authorities and regional councils decide the number of wards/constituencies and members to ensure fair and effective representation within legislative limits (between 6 and 30 members for territorial authorities, and 6 and 14 members for regional councils); and
- territorial authorities consider whether or not there should be separately elected community boards in their district and, if so, the number, location and size.

Once councils have completed their review they are required to consult their communities on their proposals and to invite submissions. Following consideration of submissions, there is a right of appeal or objection (on amended proposals) to the Local Government Commission, which then makes a final determination.

## Choice of voting methods

Local authorities presently have the choice of either booth voting or postal voting. At the 2001 elections all local authorities used postal voting. The Act permits electronic voting for local elections and polls but regulations and processes would need to be developed before electronic voting was implemented.

## Encouraging participation

The LEA also aims to encourage people to participate in local democracy by extending the voting period for local elections (from two weeks to three) and encouraging candidates to provide a profile statement to inform voters about the candidate's policies, intentions and any affiliations.

## 3.3 Local Government (Rating) Act 2002

The Local Government (Rating) Act 2002 (LGRA) replaced the Rating Powers Act 1988 (RPA). It provides powers to set, assess and collect rates to fund local government activities. It updates and simplifies existing rating powers to meet the needs of modern local authorities.

There are three main **purposes** of the LGRA:

- to provide local authorities with **flexible powers** to set, assess, and collect rates;
- to ensure that rates reflect decisions made in a **transparent and consultative** manner; and
- to provide for processes and information to ensure ratepayers can **identify and understand** their liability for rates.

One of the prime objectives of the LGRA is to establish clarity, certainty, and stability in rating matters.

Mechanisms are set out in the LGRA to allow local authorities to raise revenue from the community generally, specified groups or categories of ratepayers, and those who use or generate the need for particular services or amenities.

### **Key Differences Introduced**

While the Act updated and simplified rating legislation generally, it also effected some significant policy changes. These include:

- owners will now generally be liable for rates rather than occupiers;
- a single, flexible generic power to levy targeted rates replaces the range of separate rate and charge powers available under the RPA;
- remission and postponement powers are more flexible and extensive than current arrangements, but must be exercised in accordance with policies adopted through a consultative process;
- regional councils have the same rating powers as territorial authorities.

Targeted rates are designed to fund activities or groups of activities, if those activities or groups of activities are identified in a council's funding impact statement. A targeted rate may be set for all rateable land in a local authority's district, one or more categories of rateable land, and may be set on a uniform basis or differentially for different categories of rateable land.

Processes for assessing and invoicing rates have been significantly revised. There is a clear link between these processes and the need for transparency and accountability, particularly bearing in mind the need for ratepayers to understand their liability for rates.

## **4. Objectives of the evaluation and proposed approach**

### **4.1 Collective aim of the three Acts**

The evaluation is concerned with how the three Acts are working together to provide a coherent framework for local government. Based on the purpose, principles and main provisions of the Acts, the aims sought by the legislation are:

- Democratic, local decision-making for the social, economic, environmental and cultural well-being of communities in the present and for the future.

Together, the three Acts are designed to bring about the following results:

- empowered and accountable local authorities that make open and transparent decisions;
- local communities making informed and sustainable choices about their future well-being;
- local communities making informed choices about the way their representatives are elected;
- coordination and application of community resources and prudent stewardship of resources within a sustainable development approach;
- local authorities being aware of, and responsive to, their communities' views;
- local communities and Maori participating in local decision-making processes and local governance;
- fair and effective representation for individuals and communities;
- people understanding and having confidence in electoral processes; and
- clarity, certainty and stability in rating matters.

To realise these results, the legislation contains **principles** and **processes** to achieve:

- good governance and management of local authorities and their arm's length organisations;
- more rigorous decision-making by local authorities;
- flexible powers for local authorities to set, assess, and collect rates to fund local government activities;
- communities identifying and making choices about their desired future (community outcomes) and about local government (for example, electoral systems and representation);
- long-term planning, informed by community outcomes;
- local authorities facilitating better collaboration and co-ordination among national, regional and local organisations that contribute to community outcomes;
- Maori being consulted, and opportunities provided for Maori to contribute to the decision-making processes of the local authority – local authorities also are required to consider ways in which they may foster the development of Maori capacity to contribute to decision-making processes and provide relevant information to Maori;
- stakeholders included in long-term planning;

- communities being given processes to participate in local government (for example, by voting or being an election candidate) and being encouraged to participate in local decision-making processes (note: the legislative framework still provides for a representative, not a participatory, democracy);
- communities being informed about their council's plans, proposals and decisions, and about how their council is contributing to community outcomes each year and longer-term; and
- communities understanding electoral processes and their liability for rates.

The Acts recognise both the diversity of local communities and the diverse circumstances of individual councils and allow for local choice about the way in which these principles and processes are implemented. The evaluation, therefore, takes into account that the ends (results) are likely to be achieved by different means (i.e. differences in the way the principles and processes are put into practice).

## 4.2 Objectives of the evaluation

The evaluation is designed to assess to what extent the principles and processes contained within the three Acts realise the intended results of implementing the legislation. To do this, the evaluation will examine the ways in which local government, communities, Maori, central government and other sectors are responding to the legislation.

Central government is not explicitly required by the LGA to participate in community outcomes processes or to promote local outcomes. However, current Government policy encourages central government agencies to develop a partnership relationship with local government to achieve mutually desired outcomes, and so the evaluation looks at how well this partnership is developing and working.

Similarly, other sectors, such as the business sector, are not explicitly required by the LGA to participate in community outcomes processes, but the legislation anticipates that other sectors will have a contribution to make in identifying and promoting community outcomes. The evaluation also will look at the **rollout of the legislation**, including whether or not adequate support, advice and information was provided for local authorities, communities and Maori by central government, particularly DIA and local government organisations, principally Local Government New Zealand (LGNZ) and the Society for Local Government Managers (SOLGM).

The evaluation recognises that, while the LGA intends local authorities to play an important role in helping communities identify and further outcomes for the long-term future of their districts or regions, the Act does not require local authorities to take the lead in furthering outcomes and does not preclude local authorities from having their own outcomes.

The Act does require local authorities to describe in their LTCCPs how they will contribute to furthering community outcomes, and how they will work with other local and regional organisations, Maori, central government, non-government organisations, and the private sector to progress outcomes. The LTCCPs also must state how local authorities will monitor and, not less than once in every 3 years, report on the community's progress towards achieving community outcomes.

The results of the evaluation will be used to assess how well the legislative framework is working and whether or not local authorities, communities, government agencies and other sectors require further information, advice or processes to support the implementation of the legislation.

The evaluation also aims to provide information for the LGC's review of the LGA and LEA. This review is to be submitted to the Minister for Local Government as soon as practicable after local authority elections in 2007. The LGC also must present a report to the Minister, no later than 1 July 2005, if it considers that amendments should be made to the LGA or the LEA before the local authority elections in 2007. The scope of the main review is not limited but is required by the LGA (Part 3, section 32) to determine and assess:

- the impact of conferring on local authorities full capacity, rights, powers, and privileges;
- the cost-effectiveness of consultation and planning procedures; and
- if participation in local government has increased and, if so, the impact of increased participation and improved representation on local authorities.

Addressing these issues will be a priority for the evaluation.

### **4.3 Approach to the evaluation**

#### **Timing of the evaluation**

To achieve its objectives the evaluation is being planned over a 10-year period. This period is dated from 2003/04 to allow for the evaluation of the rollout and initial implementation of the legislation<sup>2</sup>. This timetable allows the evaluation to assess:

- more than one cycle of local elections under the LEA (in 2004, 2007 and 2010);
- the LTCCP process through two of the required three-year reporting and review cycles<sup>3</sup>; and
- the community outcomes process through two of the six-year cycles (ie. 2006 and 2012).

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<sup>2</sup> Data for this first part of the evaluation are already being collected and analysed by DIA and other organisations (see Appendices 2 and 3).

<sup>3</sup> The legislation requires all local authorities to follow the full community outcomes processes and adopt their first LTCCP by 30 June 2006. Some local authorities followed the full process in either 2003/04 or 2004/05 and so DIA will evaluate the reporting and review processes for these plans in 2006/07.

This timing will provide real-time feedback, allowing local and central government to respond to the findings as the evaluation progresses. Real-time feedback also requires a review of the evaluation strategy and changes may be needed to the scope and approach of the evaluation, if changes occur to the legislation or the way it is implemented.

### **Evaluation logic – purpose and approach**

The evaluation uses a systems-based intervention logic to describe the legislative framework and show the linkages between the resources and actions required to implement the legislation and the anticipated consequences of these actions, i.e., their impacts<sup>4</sup>. The logic recognises that it will take time to fully implement the legislative framework and so separates out the short-term impacts from the longer-term impacts. Intervention logic allows the assumptions underlying the logic to be made explicit. A clear logic also helps to identify critical questions for the evaluation.

The logic model for the local government legislative framework is illustrated in Figure 1 and shown in full in Appendix 8. The model distinguishes between the roles and responses of a) local government, b) communities, Maori and individuals, and c) other sectors, including central government and the business sector. In practice, these groups work together, but in order to describe the outputs and impacts of the legislative framework for the evaluation, the roles and responses of the three groups are shown separately in the logic model.

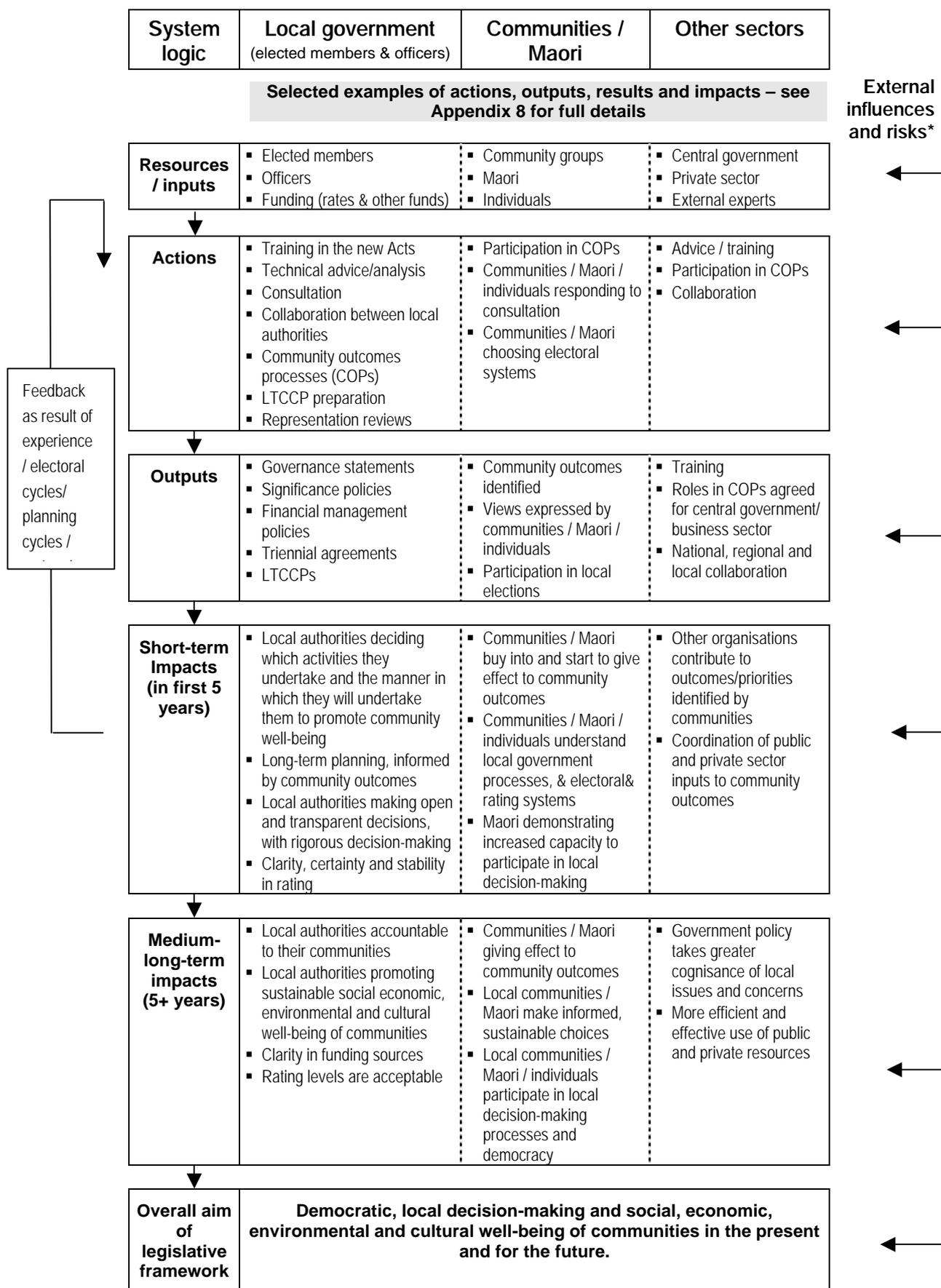
For simplicity of presentation the system logic is shown as a linear process in Figure 1. In practice, implementing the legislation will involve a number of iterations linked to the electoral, community outcome processes and LTCCP cycles. The early experience of implementing the legislation, therefore, may lead to changes in resourcing, actions, outputs and results shown in the logic model. The logic assumes that the medium to long-term impacts and overall aim of the legislative framework will stay the same, but this assumption should be tested as the evaluation proceeds.

The evaluation logic aims to describe the intended impacts of the legislative framework so that the evaluation can assess the extent to which these impacts are being realised. The logic is not implying, however, that all of these impacts are new or different from what local authorities and communities may already be doing and achieving. For example, some local authorities were already planning for the longer-term, and most already had processes in place to consult with their communities. The legislative framework aims to make these impacts general practice for all local authorities and the evaluation will assess the extent to which this happens.

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<sup>4</sup> Readers should note that, as the LGA 2002 refers to community *outcomes*, the Strategy uses the terms *impacts* to describe what the legislation is intended to achieve in the short and medium to long term, rather than the terms short and long-term outcomes that are commonly used for evaluations.

Figure 1: Evaluation logic (simplified)



\* External influences and risks can impact at any stage and may include policy changes at a national level, changes in related legislation, and significant local events such as natural disasters.

Setting out the main results and impacts also allows the evaluation to consider whether or not the intended consequences of the legislative framework are being realised, or if there are unintended consequences if the processes and principles do not work as anticipated. As one example, the processes for consultation may deter communities from making their views known to their councils, rather than encourage them to do so.

The logic model recognises that local government is not the only sector responsible for contributing to community outcomes and community well-being. Communities and other sectors all have a role to play. Similarly, the legislation is only one of many factors that will contribute to community outcomes and well-being, and the evaluation is not designed to assess all of these factors, or to isolate the contribution made by the legislation.

The evaluation will consider the extent to which community outcomes are being achieved and how communities view their well-being over time in order to understand the context in which the legislation is being implemented and the role of local government. As one example, if indicators suggest that communities are not satisfied with their economic well-being, it will be appropriate for the evaluation to ask whether or not local government might do more to promote economic well-being, albeit taking a sustainable development approach.

The logic also recognises that external factors may affect the implementation of the legislation. The evaluation will identify these factors as and when they occur, and attempt to understand their impact on the implementation of the legislative framework and the potential impact on the outcomes.

### **The role of local government**

The logic recognises that the evaluation of the legislation needs to consider the responses of elected members (mayors, councillors and members of Community Boards) and officers, and their respective governance and management roles. As an example, the evaluation will assess whether or not the criteria for decision-making in the LGA, which require more rigorous analysis of options by officers, is resulting in management having more weight in decision-making than elected members.

### **The role of communities, Maori and individuals**

The three Acts anticipate responses by communities, Maori, and individuals within communities depending on the nature of the provisions within the legislation. For example, the LEA anticipates decisions by individuals about whether or not to vote in local elections and decisions by communities about the electoral system that is used.

The Acts do not define what a community is, although because communities are linked in the legislation to local authorities, it is implicit that communities are living within a definable geographical area, rather than being communities of interest which are not place-based. The evaluation will assess the extent to which geographical communities are able to respond in ways anticipated by the legislation. An example would be the extent that communities are able to reach consensus about their community outcomes.

In the evaluation logic, communities include community groups and organisations, as well as individuals.

The legislation contains specific provisions for Maori and so they are identified as a separate group in the evaluation logic. The evaluation will consider other population-based groups and identify any issues faced by these groups when responding to the legislation.

### **The role of central government and other sectors**

Other sectors are not explicitly required by the LGA to participate in community outcomes processes, but the legislation anticipates that other sectors will have a contribution to make to community outcomes. The "other sector" is used here to include central government, the private sector and experts who may provide advice and support for local authorities and communities.

Current Government policy encourages central government to develop a partnership relationship with local government to achieve mutually desired outcomes. The medium to long-term impacts for other sectors shown in the logic model reflect the changes that Government anticipates from central government agencies engaging with local government and contributing to community outcomes.

### **Assumptions of the logic model and implications for the evaluation**

The logic assumes that implementing the legislation will affect:

- how local government operates and how councils conduct their business;
- the actions undertaken by councils and their resource allocation;
- the extent and ways in which local government works with communities and with other sectors;
- the extent to which communities engage with and influence their local councils; and
- the extent and ways in which other sectors engage and work with local government and communities to contribute to community outcomes and well-being.

It also assumes that these changes are observable and measurable by the evaluation.

The validity of the intervention logic and the assumptions will be reviewed, and if necessary, revised, as the evaluation progresses.

### **Evaluation approach**

The evaluation approach is a three-stage one that links to the system logic. The first stage is a **design evaluation**, which will examine the rollout of the legislation and the activities to support the rollout (for example, information and advice to local government and communities). The design evaluation will consider if the legislation is being implemented as intended and, if not, what factors are contributing to this, including if any of the provisions within the legislation are not working as intended.

Information for this stage of the evaluation is already being assembled for analysis, and also will come from the LGC's initial review. The material considered by the Justice and Electoral Select Committee's review of the 2004 local authority elections is a further source of information that will contribute to the design evaluation.

The second stage will be a **process** evaluation that will describe and document how the principles and processes contained within the legislation are being implemented by local government, communities and other organisations, including central government. Process evaluations also examine whether or not the actions and outputs are on track to deliver the short-term impacts and if not, why not, and what further or remedial action is required. This stage of the evaluation will examine the technical and analytical systems that local authorities use to meet the requirements for more rigorous decision-making, as well as the mechanisms used for consultation and to identify community outcomes.

The third stage will be an **outcome** evaluation that will examine the extent to which, firstly, the short-term impacts, and secondly, the medium to long-term impacts are being achieved.

These three types of evaluation will be used at different stages in the implementation of the legislation. For example design, process and outcome evaluation will be used to examine how the legislation affects the three-year election cycle starting in 2004 and then again for the cycles starting in 2007 and 2010. These evaluations also may need to take into account changes resulting from the recommendations of the current Justice and Electoral Select Committee.

At each stage of the evaluation, any unintended consequences, positive or negative, of implementing the legislation will be identified and their impact assessed.

## **5. Key evaluation questions**

This section describes the high-level questions that will be asked at each stage of the evaluation (design, process and outcome). Once these are confirmed, further questions specific to the three Acts will be added, and the data and information to answer the questions will be identified and documented.

The high-level questions will be followed up by more detailed questions to evaluate the degree and consequences of the responses. For example, by asking questions about the ways and the extent to which responses vary and how this makes a difference for local government and communities.

For local government, the questions posed for the evaluation aim to see whether or not local authorities are operating as the legislative framework intends. The extent to which local authorities change, or needed to change, the way they conduct their business in response to the new legislation depends on the way they operated before the new legislation was enacted. For example, many councils were already using strategic planning to consider the future needs of their communities when making decisions, consulting with their communities about decisions, and working collaboratively with other councils.

## High-level evaluation questions

Core questions	Sub-questions
<p><b>Design evaluation:</b></p> <p>Overall purpose: to examine the rollout of the legislation, activities to support the rollout, and the initial implementation of the legislation</p> <p>Note: these questions will be answered retrospectively, based on information about local authorities, communities and other sectors' responses to the legislation in 2003/04 and 2004/05.</p>	<p><i>The questions in this column will be supplemented by questions specific to each of the three Acts.</i></p>
<p>1. How well supported was the rollout of the legislation and what, if any, further support is required (now or to support future electoral or planning cycles)?</p>	<p>To what extent did the information, training and support for local authorities (elected members and officers) provided (being provided) by central and local government meet the needs of local authorities?</p> <p>What, if any, further support and information for local authorities is required and who should provide it?</p> <p>To what extent did the information and support for local communities provided (being provided) by central and local government meet the needs of local communities?</p> <p>What, if any, further support and information for communities is required and who should provide it?</p> <p>To what extent did the information and support for Maori provided (being provided) by central and local government meet the needs of Maori?</p> <p>What, if any, further support and information for Maori is required and who should provide it?</p> <p>To what extent did the information and support provided (being provided) for central government and other sectors meet the needs of these sectors?</p> <p>What, if any, further support and information for these sectors is required and who should provide it?</p>

Core questions	Sub-questions
2. What initial changes / activities occurred in response to the legislation, did these match the responses expected by Government, and what were the consequences for local government, communities and others?	To what extent did local authorities follow the principles in the legislation when exercising their powers/conducting their business? What were the consequences, if any, for local authorities, their communities and others? For example, for the LGA, the high-level principles in Part 2, section 14, the principles for governance (Part 4, section 39), and the principles for consultation (Part 6, section 82).
	To what extent did elected members and senior managers "buy-in" to the legislation?
	To what extent did communities start to engage with local authorities using the processes provided in the legislation? What were the consequences, if any, for local authorities, their communities and others?  To what extent did central government and other agencies start to engage with local authorities and communities using the processes provided in the legislation? What were the consequences, if any, for local authorities and their communities?
	To what extent were the initial responses to the legislation different from what local authorities and communities were already doing?
3. What, if any, barriers were encountered in the initial stages of implementing the legislation and what steps were taken to overcome these?	Did any of the provisions in the three Acts not work as intended and, if so, what steps were / will be taken to amend the provisions?  Did any external factors affect the implementation of the legislation and, if so, how were these managed?
4. Were there any unintended consequences (positive or negative) of the legislation during initial implementation?	Were any unintended consequences evident for local government, communities, Maori, central government or other sectors?  If yes, what were the unintended consequences and what steps were taken to respond to any unintended consequences?

Core questions	Sub-questions
<p><b>Process evaluation:</b>  <b>Overall purpose:</b> to describe and document how the principles and processes contained within the legislation are being implemented by local government, communities, and other organisations, including central government, and if the resulting actions and outputs are on track to deliver the short-term impacts.</p>	
<p>5. How are the actions and practices of local authorities changing in response to the legislation?</p> <p>(Note: questions 5 to 8 expand on the information collected by questions 2- 4 in the design evaluation)</p>	<p>To what extent are local authorities implementing the processes provided in the legislation and in what ways?</p> <p>In what ways and to what extent do the responses vary in efficiency and effectiveness? What are the consequences, if any, for local authorities, their communities and others?</p> <p>In what ways and to what extent are local authorities following the principles in the legislation when exercising their powers / conducting their business? What are the consequences, if any, for local authorities, their communities and others?</p> <p>In what ways and to what extent are local authorities collaborating with each other and forming partnerships with key players in the community?</p> <p>In what ways and to what extent do the collaborative mechanisms vary in efficiency and effectiveness? What are the consequences, if any, for local authorities, their communities and others?</p>
<p>6. How are communities engaging with local authorities as a result of the provisions in the legislation?</p>	<p>In what ways and to what extent are communities actively participating in consultation, and decision-making processes, and making sustainable choices about their future and how they are represented? Has this changed significantly since the Acts were passed? What are the consequences, if any, for local authorities, their communities and others?</p> <p>To what extent and in what ways are individuals and communities participating in democratic processes (for example, elections, making submissions)? What are the reasons people do and don't participate?</p>

Core questions	Sub-questions
7. How are Maori engaging with local authorities as a result of the provisions in the legislation?	To what extent have local authorities established and maintained processes to provide opportunities for Maori to contribute to decision-making processes? What processes have been established and how well are they working?
	To what extent have local authorities considered ways they may foster the development of Maori capacity to contribute to decision-making processes? What, if any, mechanisms have been established and how well are they working?
8. How are central government and other sectors engaging with local authorities and communities as a result of the provisions in the legislation?	In what ways and to what extent is central government and organisations in other sectors identifying how they can work with local government and communities, and contribute to community outcomes?
	Are mechanisms being put in place for central government and organisations in other sectors to collaborate with local government?
	In what ways and to what extent do the mechanisms vary in efficiency and effectiveness? What are the consequences, if any, for local authorities, their communities and others?
9. Are the actions and outputs on track to deliver the short-term impacts?	Is there evidence that the actions and outputs of the different groups are likely to achieve the short-term impacts (see evaluation logic in Appendix 8)?
	What, if any, remedial actions are being taken / are required to make sure that actions and outputs will deliver the short-term impacts? Note: remedial actions may include improvements / enhancements to the legislative framework.
10. Are there any unintended consequences of the legislation occurring as the legislation continues to be implemented?	Are any unintended consequences (positive and negative) evident for local government, communities, Maori, central government or other sectors?
	If yes, what are the unintended consequences and what steps are being taken / need to be taken to respond to unintended consequences?

Core questions	Sub-questions
<p><b>Outcome evaluation:</b>  <b>Overall purpose:</b> to examine the extent to which, firstly, the short-term impacts, and secondly, the medium to long-term impacts are being achieved</p>	
<p><b>Short-term impacts</b></p>	
<p>11. To what extent are the short-term impacts are being realised for local authorities?</p>	<p>To what extent and in what ways are local authorities empowered, i.e. local authorities deciding which activities they undertake and the manner in which they will undertake them? What are the consequences, if any, for local authorities, their communities and others compared to previously?</p> <p>To what extent and in what ways is long-term planning informed by sustainable community outcomes? What are the consequences, if any, for local authorities, their communities and others?</p> <p>To what extent and in what ways are local authorities making open and transparent decisions? What are the consequences, if any, for local authorities, their communities and others?</p> <p>To what extent and in what ways are local authorities aware of and responding to their communities' views/choices about local government/democratic processes? To what extent do communities feel that local authorities are listening to them? What are the consequences, if any, for local authorities, their communities and others?</p> <p>To what extent and in what ways are local authorities demonstrating prudent stewardship of resources, within a sustainable development approach? What are the consequences, if any, for local authorities, their communities and others?</p> <p>To what extent are the different funding mechanisms available to local authorities being used and how efficient and effective are they in funding local government activities? Are any changes to mechanisms or additional mechanisms required?</p> <p>To what extent is there clarity, certainty and stability in rating?</p>

Core questions	Sub-questions
12. What, if any, barriers prevent short-term impacts being achieved for local authorities and what steps are needed to overcome these?	What, if any, internal or external factors affect short-term impacts being achieved by local authorities and how do these need to be managed/ responded to? Note: remedial actions may include improvements / enhancements to the legislative framework.
13. To what extent are the short-term impacts being realised for communities?	To what extent and in what ways are communities buying into and beginning to give effect to their community outcomes? What are the consequences, if any, for local authorities, their communities and others?
	To what extent do communities understand local government processes, and electoral and rating systems?
	To what extent and in what ways are opportunities being created for communities to participate in local government and local decision-making processes, and how do communities respond to these opportunities?
	To what extent and in what ways do Maori demonstrate increased capacity/participation in local decision-making processes? What are the consequences, if any, for local authorities, Maori, and others?
14. What, if any, barriers prevent short-term impacts being achieved for communities and what steps are needed to overcome these?	What, if any, internal or external factors affect short-term impacts being achieved by communities and how do these need to be managed / responded to? Note: remedial actions may include improvements / enhancements to the legislative framework.
15. To what extent are the short-term impacts being realised for central government and other sectors?	To what extent and in what ways are other organisations contributing to the achievement of the outcomes / priorities identified by communities?
	To what extent is there coordination of public and private sector inputs to community outcomes and how is this being achieved?
16. What, if any, barriers prevent short-term impacts being achieved for central government and other sectors, and what steps are needed to overcome these?	What, if any, internal or external factors affect short-term impacts being achieved by central government and other sector, and how do these need to be managed / responded to? Note: remedial actions may include improvements / enhancements to the legislative framework.

Core questions	Sub-questions
17. Are there any unintended consequences of the legislation occurring in the short term?	Are any unintended short-term consequences evident for local government, communities, Maori, central government or other sectors?
	If yes, what are the unintended consequences and what steps are being taken / need to be taken to respond to these unintended consequences?
<b>Medium to long-term impacts</b>	
18. To what extent are the medium to long-term impacts being realised for local authorities?	How is accountability of local government to their communities being achieved and to what degree?
	To what extent and in what ways are local authorities able to promote sustainable social, economic, environmental and cultural well-being of communities? To what extent are local authorities promoting all four well-beings?
	To what extent is there clarity in funding sources available to local authorities?
	To what extent do ratepayers consider rating levels acceptable in relation to the services delivered, and the work undertaken, by local authorities?
	To what extent is there fair and effective representation for individuals and communities?
19. What, if any, barriers prevent the medium to long-term impacts being achieved for local authorities and what steps are needed to overcome these?	What, if any, internal or external factors affect the medium to long-term impacts being achieved by local authorities and how do these need to be managed/ responded to? Note: remedial actions may include improvements / enhancements to the legislative framework.
20. To what extent are the medium to long-term impacts being realised for and by communities?	To what extent and in what ways are communities giving effect to their community outcomes.
	To what extent are local communities making informed, sustainable choices?
	To what extent and in what ways do local communities participate in local decision-making processes and local democracy?

Core questions	Sub-questions
	To what extent do communities have confidence in electoral systems?
<b>Medium to long-term impacts - continued</b>	
21. What, if any, barriers prevent medium to long-term impacts being achieved for communities and what steps are needed to overcome these?	What, if any, internal or external factors affect the medium to long-term impacts being achieved by and for communities and how do these need to be managed/ responded to? Note: remedial actions may include improvements / enhancements to the legislative framework.
22. To what extent are the medium to long-term impacts being realised for central government and other sectors?	<p>In what ways and to what extent is government policy having regard for local conditions and concerns?</p> <p>In what ways and to what extent is more efficient use of public and private resources occurring through greater coordination, streamlined information flows, improved communication and minimal duplication of services?</p>
23. What, if any, barriers prevent medium to long-term impacts being achieved for central government and other sectors, and what steps are needed to overcome these?	What, if any, internal or external factors affect the medium to long-term impacts being achieved by central government and other sectors and how do these need to be managed/ responded to? Note: remedial actions may include improvements / enhancements to the legislative framework and / or policy.
24. Are there any unintended consequences of the legislation occurring in the medium to long term?	<p>Are any unintended medium to long-term consequences evident for local government, communities, Maori, central government or other sectors?</p> <p>If yes, what steps are being taken / need to be taken to respond to these unintended consequences?</p>

## **6. Timetable for the evaluation**

A provisional timetable for reporting the results of the different components of the evaluation over a ten-year period is shown in Table 1 on the next page. The timing of the different components of the evaluation will be confirmed as the work progresses and as the availability of resources is confirmed.

The timetable shows the reporting schedule for the three main components of the evaluation – design, process and outcome. Design and process evaluations will be carried out for the first cycles of the elections, community outcomes processes and LTCCPs – stages 1 and 4 in Table 1. Design and process evaluations will be repeated to assess the local elections in 2007 and 2010, and the preparation of LTCCPs and the community outcomes processes in 2008/09 and 2011/12 – stages 2 and 3 in Table 1. The outcomes from these later cycles of the electoral and planning processes will be evaluated along with the outcomes of the earlier cycles – shown as stages 5 and 6 in Table 1.

**Table 1: Timetable for reporting the results of the evaluation - provisional**

	2003/04	2004/05	2005/06	2006/07	2007/08	2008/09	2009/10	2010/11	2011/12	2012/13	
<b>Key events</b>		<ul style="list-style-type: none"> <li>▪ Local elections – October 2004</li> <li>▪ Community outcomes processes to inform '06 LTCCP</li> </ul>	<ul style="list-style-type: none"> <li>▪ Second set of LTCCP's meeting all requirements of Act adopted June 2006</li> </ul>	<ul style="list-style-type: none"> <li>▪ Councils conduct representation reviews</li> </ul>	<ul style="list-style-type: none"> <li>▪ Local elections – October 2007</li> <li>▪ LGC review of LGA &amp; LEA</li> </ul>	<ul style="list-style-type: none"> <li>▪ New LTCCPs adopted June 2009</li> </ul>	<ul style="list-style-type: none"> <li>▪ Councils conduct representation reviews</li> </ul>	<ul style="list-style-type: none"> <li>▪ Local elections – October 2010</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community outcomes processes</li> <li>▪ New LTCCPs adopted June 2012</li> </ul>		
		<ul style="list-style-type: none"> <li>▪ First LTCCPs adopted –either by July '03 or '04.</li> </ul>									
<b>Component of the evaluation</b>											
1. Design evaluation – rollout and initial responses to all 3 Acts	[Retrospective]		Report by January 2006								
2. Design / process evaluation – LEA for 2007 and 2010 elections*					Report due March 2008			Report due March 2011			
3. Design / process evaluation for the LTCCPs and community outcomes processes*							Report due October 2009			Report due October 2012	
4. Process evaluation – describing and documenting how principles in the Acts are being followed & processes adopted				Report by March 2007							
5. Outcome evaluation – short-term impacts – all 3 Acts						Report due October 2008					
6. Outcome evaluation – medium-to long-term impacts - – all 3 Acts										Report due June 2013	

\* Note: the short-term impacts and medium / long-term impacts from the 2007 and 2010 local authority elections and the subsequent cycles of LTCCPs and community outcomes processes shown in the rows numbered 2 and 3 above will feed into and be evaluated and reported as part of stages 5 and 6

## Appendices

### Appendix 1: Evaluation and monitoring of activity under the local government legislation underway or planned by DIA

#### Evaluation and Monitoring

##### 1. Formative Evaluation of Central Government Engagement in the Community Outcomes Processes

The Department of Internal Affairs' role is to facilitate central government's input to the local government-led community outcomes processes. The Department is providing services for central and local government which include: an online directory of central government agencies; examples of good practice in community outcomes processes; and four relationship managers and an information broker to encourage contact and information exchange by local and central government.

An evaluation is underway to assess whether or not changes or improvements are required to these services and provide information about the requirements for any future services. The evaluation also will analyse the short-term impacts of government engagement in the community outcomes processes for local and central government, and local communities. Advice on any baseline data to evaluate longer-term impacts also will be provided.

This Cabinet-directed evaluation is being carried out in conjunction with the Treasury and State Services Commission (SSC). The results from the evaluation will feed into the Department's report back to Cabinet on the effectiveness of its role in December 2006. The evaluation is being carried out for the Department by a team from Massey University, led by Dr Christine Cheyne, and overseen by a Steering Group with representatives from the Department and SSC.

##### 2. Survey of Local Government 2003/04 and 2004/05

A survey of the 86 local authorities was carried in 2003/04 and 2004/05 to monitor governance arrangements and other council processes, including consultation and communication with the community / Maori / other non-European groups, collaboration between councils, partnerships with central government agencies, and costs of reviewing water services. The 2003/04 Survey was designed to benchmark the operation of local authorities before the new Acts took effect and the 2004/05, and subsequent surveys, will monitor responses to the new legislation.

Mike Richardson carried out the 2003/04 Survey for the Department and Taylor Baines and Associates are carrying out the 2004/05 Survey, which will be completed in September 2005.

### **3. Local Election Statistics**

The Department collects and analyses voter turnout and other statistics from the local elections. This information has been collected since 1959. Information for the 2004 elections is currently being analysed and is scheduled for publication in September 2005.

### **4. Local Authority Election Candidates- Survey**

The Department has carried out a survey of candidates for the local elections since the elections in 1992. The report reveals the reasons candidates stood for election, their previous political experiences and some of the characteristics of candidates. It also enables us to see correlations between these factors and a candidate's likelihood of being elected. The report on the 2004 candidates and is scheduled for publication in September 2005.

### **5. Monitoring of Local Authorities' Progress with COPs**

The Department's team that facilitates contact between local authorities and government agencies involved in the community outcomes processes is collating information about the progress local authorities are making in implementing the community outcomes processes and preparing their LTCCPs. This information will be made available to local and central government.

## **Related Activities**

### **1. Policy review of local government funding**

The Department is leading a joint central/local government review and implementation of the funding needs and funding sources available to local authorities. A report on phase one will be made to the 10<sup>th</sup> Central and Local Government Forum in July 2005, and a report to Cabinet on options to address identified issues will be submitted in December 2005.

### **2. Analysis of 10-year projections of expenses/revenues in LTCCPs**

The Department will monitor local authorities' projected revenues and expenses in order to understand key issues facing the sector and communities. This work will contribute to monitoring the impact of the LGA and LGRA.

### **3. Monitoring of rating resolutions**

The Department is analysing local authorities' rates resolutions in order to monitor the impact of the LGRA.

The Department also supports the Local Government Commission, which has consulted with key local government stakeholders and prepared an initial report in July 2005 on the operational effectiveness of the LGA and the LEA, as provided for by the LGA. The Commission is now preparing for its substantive report on those Acts, will be published as soon as is practicable after the 2007 local elections.

## Appendix 2: Research and evaluation of local government legislation

Title of project	Authors/Period	Key Questions	Format/Update	Evaluation Stages
<b>PUCM research</b> (Planning Under Cooperative Management)	IGCI: 2005-2012	<ul style="list-style-type: none"> <li>▪ <i>Stage 1:</i> Development of community outcomes &amp; LTCCPs</li> <li>▪ <i>Stage 2:</i> Evaluation of LTCCPs on community plans</li> <li>▪ <i>Stage 3:</i> Evaluation of uptake of community outcomes</li> <li>▪ <i>Stage 4:</i> Evaluation of progress towards community outcomes</li> </ul>	Stage 1: Survey complete. Quantitative and qualitative data Stage 2: 2006-2008 Stage 3: 2006-2009 Stage 4: 2009-2012	Stage 1: <ul style="list-style-type: none"> <li>▪ Survey covers rollout issues</li> <li>▪ Focuses on LTCCP/community outcomes processes and role of central agencies in the LGA rollout</li> <li>▪ Touches on practices (e.g., budgeting changes, staff resources, adopting whole of council approaches, etc.)</li> </ul> Future research is likely to contribute to <b>process</b> , and <b>impact</b> evaluation – details of Stage 2 of the research are currently being confirmed by the PUCM research team.
<b>TPK Maori</b>	TPK Relationships Wahanga	No work on the LGA. However, development of following resources for local government: <ul style="list-style-type: none"> <li>▪ Te Kahui Mangai (iwi directory)</li> <li>▪ Best practice guidelines for Iwi Management Plans</li> </ul>	Some work directly with local government may develop in the future	
<b>Local Futures</b>	Victoria University: 2004-2008	<ul style="list-style-type: none"> <li>▪ Understanding strategic planning and decision-making</li> <li>▪ Key capabilities required</li> <li>▪ Identifying critical aspects that enhance performance of local authorities</li> </ul>	Case studies/Action Research Format of 19 councils  Updates on progress expected on website in August 2005.	If strategic planning can be considered as a “practice and operation” of the local government, then this study may contribute to <b>process</b> and <b>short-term outcomes</b> evaluations
<b>Engaging with communities over outcomes</b>	Kym Burke, LGNZ (2004)	<ul style="list-style-type: none"> <li>▪ Examples of local government engagement processes</li> <li>▪ Strategies for identifying community outcomes</li> <li>▪ Description of strategic planning exercises</li> </ul>	Report on 9 councils: interviews. Descriptive report proposed.	Strategies of Engagement: Practice & Operations/Activities & Outputs

Title of project	Authors/Period	Key Questions	Format/Update	Evaluation Stages
<b>Quality of Life Report (Big Cities Project)</b>	MSD, Quality of Life Project Team: ongoing 2001, 2003, 2005	<ul style="list-style-type: none"> <li>▪ Captures individual and community-based indicators that contribute to a 'good' life</li> </ul>	Survey covering 8000 people.	<p>Offers several <b>outcome</b> indicators (note – they are perceptions)</p> <p><b>Short-term outcome/impact data</b> on governance that could be used includes:</p> <ul style="list-style-type: none"> <li>▪ knowledge of local government processes</li> <li>▪ desire to have more of a say in council processes</li> <li>▪ confidence in the council</li> <li>▪ perceived influence on the council</li> <li>▪ perceived influence on central government decision-making</li> </ul> <p><b>Long-term outcome</b> data pertaining to:</p> <ul style="list-style-type: none"> <li>▪ individual well-being indicators (perceptions of physical, emotional well-being, work, leisure, etc.)</li> <li>▪ community well-being indicators (services, crime and safety, built environment and pollution, sense of community).</li> </ul>
<b>New Zealanders interaction with local government</b> Marsden-supported research:	Christine Cheyne 2004-2006	<ul style="list-style-type: none"> <li>▪ Young people's interaction with local government</li> <li>▪ Maori's interaction with local government</li> </ul>	Qualitative research	Potential information about civic participation for short-term outcome evaluation – to be confirmed
<b>PLUS research:</b>	Christine Cheyne 2002-2004	Leadership and governance issues in two city councils: Waitakere and Christchurch	Case study descriptions of the two cities and a questionnaire (rating scale).	Relevance to be confirmed
<b>New Zealand Council of Social Services (NZCOSS) - Local Government Mapping Project</b>	Karen Johnston/Christine Cheyne	<ul style="list-style-type: none"> <li>▪ How NZCOSS interacts with local government to produce LTCCPs.</li> </ul>		Example of local government interaction with a community-oriented organisation.

Title of project	Authors/Period	Key Questions	Format/Update	Evaluation Stages
<b>Office of the Auditor-General (OAG) Self-Assessment for 2006 LTCCP Audit</b>	Self-assessment by local authorities by July 2005	Topics covered include: <ul style="list-style-type: none"> <li>▪ Community inclusiveness and involvement</li> <li>▪ Use of information</li> <li>▪ Outcomes-focused planning and activities, LTCCP-community outcomes link</li> <li>▪ Compliance and Project Management processes</li> <li>▪ Governance</li> </ul>	Quantitative and qualitative reporting Checklist format Documentation for support	Relevant to several areas of governance, cost-effectiveness, impacts on practices identified in the Strategy for the design and process evaluations Access to this information needs to be agreed.
<b>Elected members post-LGA 2002</b>	Karen Webster, Auckland Regional Council	Role of local elected members and how requirements of sustainable development impacts on their role	Ph.D Thesis – methodology to be confirmed	May contribute to evaluation of short-term impacts.
<b>Social Report</b>	MSD	Indicators on a range of issues that constitutes a good and quality life	Based on surveys, and other indicators	May contribute background information about community well-being for the outcome evaluations.

### Appendix 3: Research and evaluation of local electoral legislation

Title of Research	Author/Period	Key Questions	Format/Update	Evaluation Stages
Exit Survey of Standing Members	LGNZ / DIA (2005)	Reasons why incumbents are not standing again	Self-administered questionnaire. Qualitative and Quantitative data	May contribute information about how councillors view the new legislation
Elected Members Survey	LGNZ (post-election)	Profiles newly elected members. Data on <ul style="list-style-type: none"> <li>▪ gender</li> <li>▪ position on council</li> <li>▪ ethnicity</li> <li>▪ age</li> <li>▪ main source of income</li> </ul>	Details of 2004 Election survey to be confirmed. Access to this information needs to be agreed.	
Justice and Electoral Select Committee Inquiry into the 2004 Local Authority Elections	Officials reports to the Select Committee from DIA – by July 2005 Select Committee Report – initial report July 2005	Proposed officials reports include: <ul style="list-style-type: none"> <li>▪ Election outcomes &amp; submissions</li> <li>▪ Legislative framework</li> <li>▪ Turnout and candidates</li> <li>▪ Education and information</li> <li>▪ Election management</li> </ul>	Varied sources, including Select Committee submissions, DIA's election statistics, focus group research by BRC Marketing & Social Research. Qualitative and quantitative information.	Information that will contribute to the <b>design</b> and <b>process</b> evaluations.
Election Expenses Survey	DIA (2001, 2004)	Topics include: <ul style="list-style-type: none"> <li>▪ How much is spent by candidates / elected members during the election campaign</li> <li>▪ How much of the expenditure is from donations</li> <li>▪ Changes over time, and differences between council positions and regions.</li> </ul>	Data provided by electoral officers	Information that will contribute to the design and process evaluations.

Title of Research	Author/Period	Key Questions	Format/Update	Evaluation Stages
<b>Post-Election Survey</b>	LGNZ – survey conducted for LGNZ by BRC Marketing & Social Research DIA also contributed to survey costs to insert question about the single transferable voting (STV) information campaign	Topics include: <ul style="list-style-type: none"> <li>▪ Awareness and knowledge of information and advertising about the elections</li> <li>▪ Reasons electors did or did not vote</li> <li>▪ Attitudes and opinions regarding the content of voting paper information</li> <li>▪ Attitudes and opinions regarding STV and the information campaign</li> <li>▪ Preference for voting using STV and FPP</li> </ul>	Survey of 2,814 electors across seven local and district councils.	Information that will contribute to the <b>design</b> evaluation (for example, voters' views about voting processes) Information that will contribute to the <b>short-term outcomes</b> evaluation (for example, voter-turnout and participation in elections)
<b>Research findings and recommendations</b> – report to the Justice & Electoral Select Committee Inquiry into 2004 Local Authority Elections	BRC Marketing & Social Research: March 2005	Topics include: <ul style="list-style-type: none"> <li>▪ Factors influencing elector turnout and quality of participation,</li> <li>▪ How to optimise turnout and quality of participation in the future</li> </ul>	In-depth interviews with 24 voters and non-voters in Auckland, Marlborough and Wellington. Qualitative data.	Information that will contribute to the <b>design, process</b> and <b>short-term outcomes</b> evaluations (for example, voters' views about voting processes, quality of participation)

## **Appendix 4: Legislation relating to local government**

Significant local-government related legislation includes:

- Biosecurity Act 1993 (Ministry of Agriculture and Forestry)
- Building Act 2004 (Ministry of Economic Development)
- Civil Defence Emergency Management Act 2002 (Ministry of Civil Defence and Emergency Management)
- Forest and Rural Fires Act 1977 (Department of Internal Affairs through Vote: Internal Affairs)
- Hazardous Substances and New Organisms Act 1996 (Ministry for the Environment)
- Health Act 1956 (Ministry of Health)
- Land Transport Management Act 2003 (Ministry of Transport)
- Land Transport Act 1998 (Ministry of Transport)
- Local Government Act 1974
- Public Works Act 1981 (Land Information New Zealand).
- Reserves Act 1977 (Department of Conservation)
- Resource Management Act 1991 (Ministry for the Environment)
- Soil Conservation and Rivers Control Act 1941 (Ministry for the Environment)
- Transit New Zealand Act 1989 (Ministry of Transport)
- Transport Act 1962 (Ministry of Transport)

## Appendix 5: Content of the Local Government Act

The Act consists of 12 Parts and 20 schedules.

- Part 1 states the purpose of the Act and also has a section relating to the Treaty of Waitangi (which clarifies that the Treaty relationship is between the Crown and Maori and, as local authorities are not part of the Crown, there is no Treaty relationships between local government and Maori).
- Part 2 states the purpose of local government and the role and powers of local authorities.
- Part 3 sets out the structure of local government and the mechanisms by which the structures can be altered.
- Part 4 provides principles for the governance and management of local authorities.
- Part 5 provides a governance and accountability framework for a local authority's involvement in arm's length organisations (council-controlled organisations and council organisations).
- Part 6 builds on the decision-making and accountability framework established under the LGA 1974 by enhancing the framework for consultation, planning, decision-making, including financial management, and reporting.
- Part 7 requires local authorities to assess their communities' needs for water, and wastewater and sanitary services, and places an obligation on local authorities to provide water services to ensure continued public ownership of water services.
- Part 8 provides regulatory, enforcement, coercive and development contribution powers.
- Part 9 cover matter such as offences (for example, relating to water meters), infringement notices and legal proceedings.
- Part 10 sets out the powers of the Minister in relation to local authorities.
- Part 11 provides regulation-making powers to prescribe breaches of bylaws and other matters to give full effect to the Act.
- Part 12 covers consequential amendments to other Acts and transitional provisions for the implementation of the new Act.

## Appendix 6: Principles relating to local authorities in the LGA

In performing its role, a local authority must act in accordance with the following principles:

- (a) a local authority should—
  - (i) conduct its business in an open, transparent, and democratically accountable manner; and
  - (ii) give effect to its identified priorities and desired outcomes in an efficient and effective manner:
- (b) a local authority should make itself aware of, and should have regard to, the views of all of its communities; and
- (c) when making a decision, a local authority should take account of—
  - (i) the diversity of the community, and the community's interests, within its district or region; and
  - (ii) the interests of future as well as current communities; and
  - (iii) the likely impact of any decision on each aspect of well-being referred to in section 10\*:
- (d) a local authority should provide opportunities for Maori to contribute to its decision-making processes:
- (e) a local authority should collaborate and co-operate with other local authorities and bodies as it considers appropriate to promote or achieve its priorities and desired outcomes, and make efficient use of resources; and
- (f) a local authority should undertake any commercial transactions in accordance with sound business practices; and
- (g) a local authority should ensure prudent stewardship and the efficient and effective use of its resources in the interests of its district or region; and
- (h) in taking a sustainable development approach, a local authority should take into account—
  - (i) the social, economic, and cultural well-being of people and communities; and
  - (ii) the need to maintain and enhance the quality of the environment; and
  - (iii) the reasonably foreseeable needs of future generations.

If any of these principles, or any aspects of well-being referred to in section 10, are in conflict in any particular case, the local authority should resolve the conflict in accordance with the principle in subsection (1)(a)(i).

\* see page 4 for details of section 10

## Appendix 7: Purpose and Principles of the Local Electoral Act

The **purpose** of the LEA (section 3) is to:

- (a) provide sufficient flexibility in the law to readily accommodate new technologies and processes as they are developed (through the use of regulations to prescribe matters of detail that will be the subject of future change); and
- (b) adopt uniform rules in relation to—
  - the timing of local elections; and
  - the right of individuals to vote, stand for election, and nominate candidates for election; and
  - the appointment, powers, and duties of electoral officers and other electoral officials; and
  - the compilation of electoral rolls; and
  - the procedures to be adopted for the conduct of elections and polls; and
  - offences against this Act and penalties for those offences; and
  - disputed elections; and
  - electoral expenses; and
  - extraordinary vacancies; and
- (c) allow diversity (through local decision-making) in relation to –
  - the particular electoral system to be used for local elections and polls; and
  - the regular review of representation arrangements for local authorities; and
  - the particular voting method to be used for local elections and polls; and
- (d) implement the principles set out (in the Act).

The **principles** of the LEA (section 4) are to:

- (a) fair and effective representation for individuals and communities:
- (b) all qualified persons have a reasonable and equal opportunity to cast an informed vote:
  - nominate 1 or more candidates:
  - accept nomination as a candidate:
- (c) public confidence in, and public understanding of, local electoral processes through –
  - the provision of a regular election cycle:
  - the provision of elections that are managed independently from the elected body:
  - protection of the freedom of choice of voters and the secrecy of the vote:
  - the provision of transparent electoral systems and voting methods and the adoption of procedures that produce certainty in electoral outcomes:
  - the provision of impartial mechanisms for resolving disputed elections and polls.”

## Appendix 8: Evaluation logic (detailed)

System logic	Local government (elected members and officers)	Communities / Maori	Other organisations
<b>Resources / inputs</b>	<ul style="list-style-type: none"> <li>▪ Elected members (mayors, councillors and Community Board members)</li> <li>▪ Officers</li> <li>▪ Funding (rates and other funds)</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community groups</li> <li>▪ Maori</li> <li>▪ Individuals</li> </ul>	<ul style="list-style-type: none"> <li>▪ Central government</li> <li>▪ Private sector</li> <li>▪ External experts</li> </ul>
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<b>Actions</b>	<ul style="list-style-type: none"> <li>▪ Training in the new Acts</li> <li>▪ Technical advice / analysis to support decision-making</li> <li>▪ Systems for gathering, analysing and interpreting information to support decision-making</li> <li>▪ Principles of Acts followed by councils when exercising their powers / conducting their business</li> <li>▪ Consultation (e.g. on electoral systems, significant decisions, plans), including consideration of community views expressed in consultation by others</li> <li>▪ Processes providing opportunities for Maori to contribute to decision-making processes</li> <li>▪ Processes for consulting with Maori</li> <li>▪ Local authorities considering ways they may foster the development of Maori capacity to contribute to decision-making</li> <li>▪ Collaboration between local authorities</li> <li>▪ Community outcomes processes facilitated</li> <li>▪ LTCCP preparation</li> <li>▪ Information / reports about plans, proposals / decisions</li> <li>▪ Representation reviews</li> <li>▪ Establishing rating system to fund local government activities</li> </ul>	<ul style="list-style-type: none"> <li>▪ Participation in community outcomes processes</li> <li>▪ Communities / Maori / individuals / responding to consultation / getting involved in decision-making processes</li> <li>▪ Maori capacity to participate in decision-making processes considered</li> <li>▪ Communities / Maori choosing electoral systems</li> <li>▪ Communities / Maori responding to local authority information / reports, including information on electoral and rating systems</li> </ul>	<ul style="list-style-type: none"> <li>▪ Advice / training to help councils implement the legislation</li> <li>▪ Participation in community outcomes processes</li> <li>▪ Collaboration between councils / other agencies / businesses</li> <li>▪ Evaluation / review / audit</li> </ul>
↓			
<b>Outputs</b>	<ul style="list-style-type: none"> <li>▪ Local authorities demonstrate good understanding of new legislation</li> <li>▪ Governance statements / codes of conduct</li> <li>▪ Significance policies (including strategic assets)</li> <li>▪ Financial management policies</li> <li>▪ Triennial agreements</li> <li>▪ LTCCPs (every 3 years)</li> <li>▪ Annual Plans / Reports</li> <li>▪ Monitoring reports on extent to which community outcomes have been achieved and well-being promoted (every 3 years)</li> <li>▪ Chosen electoral system / representation arrangements implemented</li> <li>▪ Rating system (e.g. targeted rates) developed &amp; implemented</li> </ul>	<ul style="list-style-type: none"> <li>▪ Community outcomes identified</li> <li>▪ Views expressed by communities, Maori and individuals on council's plans / proposals</li> <li>▪ Maori capacity to participate in decision-making processes built (if local authorities put mechanisms in place)</li> <li>▪ Participation in local elections (voting, nominating / standing as candidates)</li> <li>▪ Compliance with rating systems</li> </ul>	<ul style="list-style-type: none"> <li>▪ Training programmes / workshops</li> <li>▪ Roles for central government / business in delivering community outcomes agreed</li> <li>▪ Mechanisms established for national, regional and local collaboration</li> <li>▪ Partnerships formed with key players in the community to develop combined action plans to promote community well-being</li> <li>▪ Feedback on lessons learned</li> <li>▪ Reports to Minister</li> </ul>
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System logic – cont'd	Local government	Communities / Maori	Other organisations
<b>Short-term Impacts (in first 5 years)</b>	<ul style="list-style-type: none"> <li>▪ Clarity in governance roles</li> <li>▪ Effective, open and transparent processes</li> <li>▪ Local authorities deciding which activities they undertake and the manner in which they will undertake them to promote community well-being (empowered local government)</li> <li>▪ Long-term planning, informed by sustainable community outcomes</li> <li>▪ Local authorities making open and transparent decisions, with rigorous decision-making taking into account all reasonably practicable options</li> <li>▪ Local authorities informed of, and responding (as appropriate) to, their communities' views/choices about local government/democratic processes</li> <li>▪ Local authorities demonstrating prudent stewardship of resources</li> <li>▪ Rating systems funding local government activities</li> <li>▪ Clarity, certainty and stability in rating</li> </ul>	<ul style="list-style-type: none"> <li>▪ Communities / Maori buy into and start to give effect to community outcomes</li> <li>▪ Communities / Maori / individuals understand local government processes, and electoral, and rating systems</li> <li>▪ Communities / Maori / individuals have opportunities to participate in local government and local decision-making processes</li> <li>▪ Communities / Maori / individuals are informed about council decisions</li> <li>▪ Maori demonstrating increased capacity to participate in local decision-making</li> </ul>	<ul style="list-style-type: none"> <li>▪ Other organisations contribute to outcomes/priorities identified by communities</li> <li>▪ Coordination of public and private sector inputs to community outcomes</li> <li>▪ Improvements / enhancements to legislative framework</li> </ul>
↓			
<b>Medium- long-term impacts (5+ years)</b>	<ul style="list-style-type: none"> <li>▪ Local authorities accountable to their communities</li> <li>▪ Local authorities promoting sustainable social economic, environmental and cultural well-being of communities</li> <li>▪ Fair and effective representation for individuals and communities</li> <li>▪ Clarity in funding sources</li> <li>▪ Rating levels are acceptable</li> </ul>	<ul style="list-style-type: none"> <li>▪ Communities / Maori giving effect to community outcomes</li> <li>▪ Local communities / Maori make informed, sustainable choices</li> <li>▪ Local communities / Maori / individuals participate in local decision-making processes and local democracy</li> <li>▪ Communities / Maori / individuals have confidence in electoral systems</li> </ul>	<ul style="list-style-type: none"> <li>▪ Government policy takes greater cognisance of local issues and concerns</li> <li>▪ More efficient and effective use of public and private resources through greater coordination, streamlined information flows, improved communication and minimal duplication of services</li> </ul>
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<b>Overall aim</b>	<b>Democratic, local decision-making and social, economic, environmental and cultural well-being of communities in the present and for the future</b>		

## Appendix 9: Glossary of Terms

### Terms used in the legislation or relevant to local government

Term	Explanation
Activity*	A good or service provided by or on behalf of a local authority. A "group of activities" is two or more related activities
Annual plan	An annual plan must be prepared by a council annually, and it must be adopted before the commencement of the year in which it operates. Annual plans set out a local authorities budget for the year, and the sources of funding for the year. The purpose of the annual plan is set out in the Local Government Act 2002, section 95 (5).
Annual report	An annual report must be prepared annually for each financial year. The purpose of the annual report is to compare activities performed (both financial and non-financial) with those intended in the annual plan. The annual report is described in the Local Government Act 2002, section 98.
Annual value	Are the basis on which local authorities can set rates. It is a measure of what the property would fetch if rented on the open market.
Capital value	This is defined by the Rating Valuations Act 1998 as, "subject to sections 20 and 21, the sum that the owner's estate or interest in the land, if unencumbered by any mortgage or other charge, might be expected to realise at the time of valuation if offered for sale on such reasonable terms and conditions as a bona fide seller might be expected to require".  Capital value does not include chattels, stock, plant or machinery which may be normally included in the sales of properties
Central government	Central government is the national government of New Zealand. It is managed by the elected Members of Parliament and consists of parliamentary support agencies and a public service.
Citizens	A resident of a country, especially one entitled (by law) to vote and enjoy other privileges there  [source: North Shore, Auckland, Manukau, Waitakere, Hamilton, Wellington, Christchurch and Dunedin City Councils (2003), <i>Quality of Life in New Zealand's Largest Cities 2003</i> ]
Capability	What an organisation needs (in terms of access to people, resources, systems, structures, culture and relationships), to efficiently and effectively deliver the outputs required to achieve the Government's goals  [source: <i>State Service Commission - www.ssc.govt.nz/Glossary/</i> ]
Code of conduct*	A document that sets out members' expectations as to their roles and conduct while acting as an elected member.
Committee	A council may appoint a committee to work in a certain area of responsibility where the local authority operates. A committee is a working group that has fewer members than the full council.  Councils may form a <b>joint committee</b> to work together on certain issues.  A <b>Standing Committee</b> is a permanent committee of a council.
Community*	A network of people and organisations linked together by common factors. This might refer to a network of people linked by place (this, a geographic community), common interest or identity (for example, a hapū, a voluntary organization, business, or society), an administrative community (such as a district)

<b>Term</b>	<b>Explanation</b>
Community outcomes*	A set of desired states of affairs that the community identifies through a process. These outcomes are meant to inform the development of local authority planning, and coordinate the activities and planning of all sectors of the community  See also: Outcomes in the list of evaluation terms.
Community outcomes processes (COPs)	Local government-led processes to help communities identify community outcomes for the intermediate and long-term future of the district or region.  The process is defined in section 91 of the Local Government Act 2002.
Community Board	Section 52 of the Local Government Act 2002 specifies the role of the community boards is to: represent, and act as an advocate for, the interests of its community; consider and report on all matters referred to it by the territorial authority, or any matter of interest or concern to the community board; maintain an overview of the services provided by the territorial authority within the community; prepare an annual submission to the territorial authority for expenditure within the community; communicate with community organisations and special interest groups within the community; and undertake any other responsibilities that are delegated to it by the territorial authority. Also, according to schedule 7 clause 32 (6) a council must consider whether or not to delegate to a community board if the delegation would enable the community board to achieve its role.
Council organisation (CO)*	Any organisation in which one or more local authorities own or control any proportion of the voting rights or has the right to appoint one or more directors, trustees etc.
Council-controlled organisation (CCO)*	Any organisation in which one or more local authorities own or control 50 per cent or more of the voting rights, or have the right to appoint 50 per cent or more of the directors of the organisation. The following organisations are specifically excluded from being CCOs: Local Government New Zealand; Civic Assurance; Infrastructure Auckland; Watercare Services; and port, energy or electricity companies.
Decision*	A resolution or agreement to follow a particular course of action, including an agreement not to take any action in respect of a particular matter.
First past the post (FPP voting system)	Under FPP the voter places a tick next to the names of the candidates they wish to vote for. The voter can vote for as many candidates as there are positions available to be filled. The candidates with the most votes win.
Funding impact statement (FIS)*	Written information that sets out the funding mechanisms that a local authority will use, their level, and the reason for their selection in terms of the principles of financial management. Funding impact statements must be included in a long-term council community plan and in an annual plan.
District council	A branch of local government. The publicly elected governing body of a local authority representing a designated district.
General rate	A rate set under section 13 of the Local Government (Rating) Act 2002.
Governance	Processes and systems by which a society or organisation operate. Frequently a government is established to administer these processes and systems. As this term is currently being used in New Zealand, it refers to the means for collective action in society, responding to and guiding change that is beyond the capacity of private action.
Local authority (LA)	A unit of local government representing a particular geographic territory (locality) as described under the Local Government Act 2002.
Local council	The publicly elected governing body of a local authority.

Term	Explanation
Local governance statement*	A collection of information prepared under section 40 of the Local Government Act 2002 that includes information about the ways in which a local authority engages with its community and makes decisions , and the ways in which citizens can influence these processes.
Local government*	<p>The means by which communities, defined by location, make decisions about the nature of their locality and the range of publicly provided and funded services that will be available.</p> <p>Local government is one of the two branches of government in New Zealand - central government being the other. Branches of local government include:</p> <p>Local authorities (represented by local city councils)</p> <p>Territorial authorities (also known as district councils)</p> <p>Regional authorities (represented by regional councils)</p> <p>Unitary authorities (that carry out the functions of local/territorial and regional authorities).</p> <p>The purpose of local government is defined in Part 1, section 3 of the Local Government Act.</p>
Long-term Council Community Plan (LTCCP)*	<p>A LTCCP sets out the local authority's priorities over the medium to longer term. It describes the activities that the local authority will engage in to contribute to community well-being over the life of the plan, and how it will fund those activities. LTCCPs must be produced once every three years and must cover a period of at least ten years.</p> <p>Requirements for LTCCPs are set out in section 93b of the Local Government Act.</p>
Māori	The indigenous people of New Zealand.
Owner	In the context of the Local Government (Rating) Act 2002 means the person who, whether jointly or separately, is seized or possessed of, or entitled to, any estate or interest in land constituting a rating unit.
Private, public partnership (PPP)*	Any arrangement or agreement entered into between one or more local authorities and one or more other persons or organisations engaged in business, not including arrangements or agreements where all of the parties are local authorities or council organisations, or a contract for the supply of goods and services by or on behalf of a local authority.
Regional authority	A unit of local government representing a particular geographic territory (region) as described under the Local Government Act 2002. Regional councils are primarily responsible for sustainable regional well-being and the administration of environmental and transport matters.
Regional council	The publicly elected governing body of a regional authority.
Resident	A person who lives (resides) in a particular locality.
Significant decisions*	A decision which has a high degree of importance in terms of the four aspects of well-being, the people who are likely to be particularly affected by or interested in the decision, or the capacity of the local authority to perform its role and the financial and other costs of doing so.
Single transferable voting (STV)	Under STV voters rank candidates in their order of preference using numbers. A voter would write "1" next to the name of their favourite candidate, "2" next to their second favourite candidate and so on. Voters may give preferences to as few or many candidates as they wish

Term	Explanation
Special consultative procedure (SCP)	This is a procedure that councils are required to undertake in certain decision-making circumstances, as defined by the Local Government Act 2002 (section 83). The requirement to follow the SCP does not remove the responsibility for determining what additional consultation may be desirable in terms of the principles set out in the Act.
Strategic asset*	An asset or group of assets that the local authority needs to retain to maintain its capacity to promote any outcome it considers important to the current or future well-being of the community.
Sustainable development*	Taking into account the social, economic and cultural well-being of people and communities, maintaining and enhancing the environment and taking into account the reasonably foreseeable needs of future generations.  The Organisation of Economic Co-operation and Development (OECD) definition is "development that meets the needs of the present generation without compromising the ability of future generations to meet their own needs". The New Zealand Government subscribes to this definition.
Targeted rate	A local authority may set a targeted rate for one or more activities or groups of activities, if those activities or groups of activities are identified in its funding impact statement as the activities or groups of activities for which the targeted rate is to be set.
Triennial agreement*	An agreement entered into by all of the local authorities within a region that sets out the basis for communication and co-ordination between authorities.
Unitary authority	A unitary authority is a territorial authority that has the responsibilities, duties and powers of a regional council conferred on it, either by the provisions of any act, or by an Order in Council giving effect to a reorganisation scheme.
Well-being	The Local Government Act 2002 associates well-being with four dimensions – social, economic, environmental and cultural well-being.

\* Definitions of terms marked with an asterisk come from the KnowHow Guide: *Local Government Act 2002: An Overview*, published by SOLGM, LGNZ, and DIA.

### Evaluation Terms

Term	Explanation
Actions	Used in the evaluation logic to refer to the range of possible responses to the legislation by local authorities, communities, individuals, Maori, central government agencies, and other sectors.
Approach	A method or tactic in the design of evaluation.
Data	Facts, statistics and records.
Design evaluation	An evaluation to assess if an initiative is well constructed and on track to meet its outcomes. This evaluation most commonly takes place shortly after the initiative has started.
Effectiveness	Doing the right things. For example, the quality of what is produced.  [source: (Drucker, P.E. (1974). <i>Management: Tasks, responsibilities, practices</i> . Harper & Row, New York.)]
Efficiency	Doing things right. For example, increasing the level of service using the same resources, or providing the same level of service using fewer resources.  [source: (Drucker, P.E. (1974). <i>Management: Tasks, responsibilities, practices</i> . Harper & Row, New York.)]

Term	Explanation
Evaluation	A systematic examination to assess whether a programme, activity, project, plan, policy, legislation (etc), has met (or is meeting), its objectives.
Evaluation design	Includes choices on scope, models and methods of evaluation. It depends on the purpose or use of each evaluation, and considers such things as impartiality, credibility, cost-effectiveness, context, the information and capacities available to carry out the evaluation.
Impacts	The result, impact or consequence of programmes, plans, projects, services, policies, and actions.
Indicator	A summary measure(s) to show trends or changes in a particular condition. Indicators can provide an overview of progress over time. <i>[source: Statistics New Zealand (2002) Monitoring Progress Toward a Sustainable New Zealand: page 15].</i>
Inputs	Resources applied to a task For example, rating funds and staffing applied to establish an activity. <i>[source: New Zealand Office of the Controller and Auditor-General (2002) page 5].</i>
Intervention logic	A systematic, reasoned and evidence-based description of the links between outcomes and outputs. <i>[source: State Services Commission - <a href="http://www.ssc.govt.nz/Glossary/">http://www.ssc.govt.nz/Glossary/</a>]</i>
Methods	Technical processes within a broader methodology.
Methodology	The collection of methods and technical applications applied within a particular research model.
Monitoring	The regular collection of information to track the progress of a project (programme / intervention) against what is (was) planned and intended. Monitoring provides early indications of a lack of progress on a project and allows corrective measures to be identified and implemented.
Outcome evaluation	Evaluation activity that assesses whether or not a project, programme, policy etc is achieving (or has achieved) the desired outcomes. Intended and unintended consequences, both positive and negative also can be identified.
Outputs	Goods and services produced.
Performance	The way an organisation, such as a local authority, executes its functions and activities and its resulting accomplishments.
Performance evaluation	The measurement of inputs, outputs and processes used by an organisation to execute its functions and activities, to assess whether or not these have been applied efficiently and effectively.
Primary research	Research that will provide data directly from the relevant source. For example, a survey of citizen perceptions.
Process evaluation	Evaluation activity that assesses procedures, methods, practices, techniques. It describes what actually happened (is happening) in the course of an initiative. This evaluation most commonly takes place mid-way in the life cycle of an initiative and can be used to improve the initiative as it progresses.
Secondary research	Research using data that has been provided by someone else.
Qualitative research	Research that focuses on the quality of a subject. It uses descriptions to help illustrate a point. It does not generalise the findings to a population but does reflect perceptions or actions of people in the study.
Quantitative research	Research activity that focuses on numerical aspects of a subject. It uses numbers to provide evidence. Findings can be generalised to whole populations provided the

Term	Explanation
	sampling and statistical theory inherent in this type of research are applied.
Triangulation	Use of different research methods applied to the same subject to highlight various angles or perspectives on that subject.

#### Other terms used for the evaluation

Term	Explanation
Culture	Viewed in a broad sense to include elements of the way people affirm their identity as a group through sharing common objects, behaviours and knowledge.
Operations	The functions, activities, processes and procedures used by local authorities to deliver services.
Practices	The behaviours, habits, processes and procedures that typify the customary or traditional way of doing something
Programme	A linked set of initiatives/activities delivered by a project. A programme is usually run in stages over a period of time.
Project	A planned undertaking of a set of linked tasks and activities aimed at delivering a project's overall goal or objective. A project usually has a timeframe, with a definite beginning and ending, and it cannot be run without resources.
Stakeholders	Any individual or group that may be significantly involved in, affected by or have an interest, in a project.
State sector	Central government and its arms and agencies.