

- 5.001 This article reproduces the Executive Summary from the separately published joint report of the Parliamentary Commissioner for the Environment and the Controller and Auditor-General entitled *Local Government Environmental Management – A Study of Models and Outcomes*.¹

The Study

- 5.002 This study began as a study of environmental management in the unitary authority model of local government. As the investigation and analysis proceeded it became clear that the key features that contribute to desired region-wide environmental outcomes are more significant than the institutional form or model of local government.
- 5.003 The findings of this report draw on information gathered from all four existing unitary authorities and four examples of the regional council/territorial authority dual model of environmental management. While this study could only examine the two types of models currently operating, it found that other potential arrangements for delivering environmental outcomes need to be explored by local government.
- 5.004 Assessment of the relative cost or operational efficiencies of combining regional council and territorial authority environmental management functions into a unitary authority is not within the terms of reference of this study, nor is an assessment of the performance of the individual councils that participated in this study.²

Assessment of the Unitary Authority Model

- 5.005 Evidence from this study suggests that the unitary authority model can be an effective alternative model of integrating environmental management and delivering environmental outcomes, provided that it incorporates a number of key features of an effective environmental management system identified in chapter 4 of this report.

1 ISBN 0 908804 88 1 (published August 1999).

2 From time to time the Parliamentary Commissioner for the Environment or the Auditor-General may investigate the performance of individual local authorities.

5.006 However, this does not necessarily imply that the unitary authority model will be appropriate in all regions/districts. This is in part due to the following observations:

- experience of the application of the unitary authority model of environmental management is limited
- the wide range and diversity of local authority jurisdictions in New Zealand preclude a single approach to environmental management being adopted.

Key Features of an Effective Environmental Management System

5.007 In the course of this study a number of features have emerged as significant factors that contribute to the delivery of sound, integrated environmental management, and the achievement of region-wide environmental outcomes irrespective of the model of local government adopted. These include the following.

Integrated Management

5.008 The integrated management responsibilities of local government under the Resource Management Act 1991 (RMA) are not model-dependent. Integrated management requires a commitment by elected representatives and management in whatever model of local government exists to take a leadership role in environmental management, and to integrate:

- its internal structures and processes
- its short- to long-term strategic focus and region-wide perspective on environmental management
- the management of external relationships (ie the ability to work in partnership with tangata whenua, other agencies and stakeholders)
- the region's environmental as well as socio-economic and cultural inter-relationships
- the policies and methods (eg regulatory and non-regulatory approaches) adopted by the council

- the interests and values expressed by the community, tangata whenua and resource users.

Environmental Outcomes

5.009 Any future proposals to review the form of local government, including the system of environmental management, should first focus on the environmental outcomes sought, then consider the most appropriate structure, systems, resources and linkages to deliver those outcomes (ie form should follow function). In stating and reporting on the environmental outcomes sought it is important that local government:

- states clear and measurable outcomes (including interim targets for long-term outcomes) that enable progress in achieving them to be assessed
- shifts attention from outputs to outcomes as a measure of environmental management performance
- links its output priorities to the environmental outcomes being sought
- establishes a monitoring regime (eg state of the environment monitoring and reporting) capable of measuring progress towards meeting environmental outcomes
- maintains the necessary capability to undertake the monitoring, analysis, reporting and review of environmental outcomes and associated policies and plans
- maintains or shares a critical mass of skills, and ensures that allocation of financial resources is appropriate to the outcomes being sought
- develops appropriate internal management structures designed to achieve environmental outcomes.
- develops and maintains appropriate and effective relationships with tangata whenua, local communities and key stakeholders to ensure that environmental outcomes are relevant and achievable.

Separation of Regulatory and Service Delivery Functions

5.010 The Local Government Act 1974 (LGA) requires that ‘so far as is practicable’ councils must ensure that their regulatory functions are separated from their other functions (eg service delivery) to avoid any conflicts of interest where the council may be both the regulator and the regulated. All councils have a mix of these functions. It is important, therefore, that local government:

- clearly defines its statutory responsibilities and avoids possible overlaps with other agencies
- gives appropriate effect to statutory responsibilities, including the clear separation of potentially conflicting functions
- establishes structures, systems and processes that ensure transparent decision-making and avoid any conflicts of interest
- establishes conflict resolution processes that seek to resolve environmental management disputes and avoid internal or inter-council litigious situations arising
- makes appropriate use of independent commissioners to make decisions on council consent applications
- co-ordinates its regulatory and service delivery activities in a way that contributes to the achievement of environmental outcomes.

Interaction with the Public

5.011 Local government must be responsive to the needs of the communities it represents and is funded by. Issues that local government needs to consider in its interaction with the public on environmental management matters include:

- improving public awareness of the council’s role and responsibilities with respect to environmental management
- facilitating easy access to services and information that assist environmental management processes (eg consent application processing and opportunities to participate in the decision-making processes)

- encouraging public and resource users' confidence in the delivery of services and environmental outcomes, and trust in the decision-making and compliance monitoring processes.

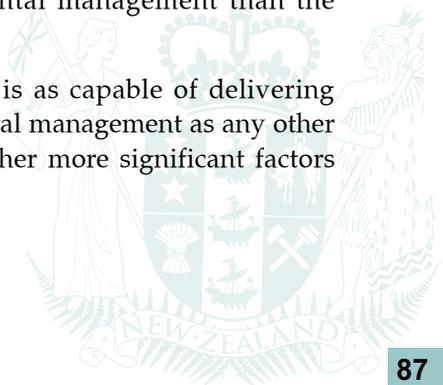
General Issues

5.012 A number of general issues that relate to the delivery of integrated environmental management have been identified in the course of this study. They include:

- the need to establish and maintain formal joint arrangements between councils where there are issues associated with cross-boundary jurisdiction or management of a shared resource (such as a catchment area)
- the potential loss of specialist skills (such as rivers control engineering) that are not being replaced in councils nor are readily available in the private sector, and that could affect a council's environmental management capability
- the need for national guidance on a consistent approach to local government environmental outcome setting and evaluation
- the uneven distribution of financial resources among councils, and the effect this has on their ability to deliver environmental outcomes.

Key messages

- 5.013 There are more significant factors in determining effective local government environmental management than the nature of the model.
- 5.014 The unitary authority model is as capable of delivering sound, integrated environmental management as any other model, provided that these other more significant factors are addressed.



- 5.015 The actual model adopted by local government to achieve effective environmental management needs to reflect the diversity of environmental issues of the regions and the socio-economic, cultural and biophysical outcomes desired by the communities involved (ie ‘one size does not fit all’).

Recommendations

- 5.016 It is recommended that:

Unitary Authorities

1. unitary authorities subject their environmental management performance to routine, independent audits, and that the results of such audits be made public (see section 3.3.1)

All Councils (individually)

2. in situations where matters relating to council consent applications are resolved internally under delegated authority between groups within the council, councils keep records of agreements and decisions reached (see section 3.4.4)
3. councils review their current resource management practices to ensure that priority is being given to monitoring, reviewing and reporting on the overall effectiveness of their environmental management (see section 3.5.3)
4. councils review their current environmental management structures, systems and practices in light of the *key features of environmental management systems* outlined in this report (see chapter 4)
5. councils investigate options for inter-council arrangements to achieve effective, efficient, and integrated resource management outcomes (see section 4.1.2)

Local Government (collectively)

6. local government collectively identifies specialist skills which may exist only on a nation-wide basis, and develops a system for accessing such skills (see section 4.2.3)

All Councils (individually)

7. where there are actual or potential boundary issues affecting environmental outcomes, councils establish joint formal arrangements for managing shared natural or physical resources (see section 5.1)

Local Government (collectively)

8. local government collectively undertakes a detailed analysis of its human resource needs to ascertain its capability to undertake current and emerging environmental management responsibilities and, if necessary, invest in appropriate training programmes to meet potential shortfalls (see section 5.2)

Minister for the Environment

9. the Minister for the Environment gives priority to the provision of national guidance to local authorities on the setting and evaluation of environmental outcomes (see section 5.3)

Central and Local Government (collectively)

10. any future proposals to restructure local government should emphasise the need for effectiveness and efficiency in achieving environmental outcomes (see section 5.3).

