



# Summary

## *Consulting matters: Our observations on the 2021-31 consultation documents*

This report provides our observations on the 2021-31 long-term plan consultation documents.

Effective consultation with communities is critical to ensuring that councils develop the right plan for their community. Councils need to provide their communities with reliable and clear information about the matters proposed for inclusion in the long-term plan so that their community can engage with and provide feedback on this.

Councils, as a whole, have realistically confronted the challenges they face and, for the most part, produced clear consultation documents. This is no small achievement at the best of times. In the middle of a pandemic and in a sector focused on significant reforms, this is even more significant.

### **Preparing long-term plans in a challenging environment**

The economic uncertainty from Covid-19 meant that many councils had to reset their existing work programmes. Councils also had to reconsider, in relatively short time frames, what they planned to

include in their long-term plans and consult their communities on. The number of reforms and reviews currently affecting the local government sector are also creating considerable uncertainty about the direction of local government. Although longer-term planning in these circumstances is more challenging, it is, in many ways, even more essential.

Despite this challenging environment, councils are well placed to engage directly with their communities. Most councils have used their consultation documents to have candid conversations with their communities about the issues they face and how they plan to respond. These conversations also mean being clear on the investment required to address those challenges.

We recognise that councils are improving their conversations with their communities on climate change matters. For many communities, this is a complicated area with many potential consequences. It is good to see councils turning their minds to these issues, even if all the implications are not yet clear.



## The audit reports we issued on the consultation documents

Unlike previous rounds of long-term plan consultation documents, our auditors included more emphasis of matter paragraphs in their audit reports. An emphasis of matter paragraph does not mean that the auditor has found anything wrong. However, there were important matters to draw the readers' attention to. In most cases, the emphasis of matter paragraphs reflected the significant uncertainties faced by councils in preparing their long-term plans.

We also issued an adverse audit opinion and 10 qualified audit opinions on long-term plan consultation documents. It is the first time we have issued qualifications on consultation documents since they were introduced in 2015. In most cases, the qualification was limited to a disagreement or a limitation in scope about an aspect of a council's consultation document or the underlying information on which it was based.

However, for the council that received an adverse audit opinion this meant, in our view, the council did not present a fit-for-purpose consultation document. This is because the document did not contain a credible plan to the challenges that the council faced. In our view, this defeats the purpose of the

consultation document and limits the ability of that community to effectively engage with the council's long-term plan.

## Engaging effectively with communities

We saw some excellent examples of councils using innovative approaches to engage with their communities on matters in their consultation documents, such as dedicated webpages on each matter or using social media. In many of those cases, the consultation document has not been at the centre of this engagement. It might be timely for the Department of Internal Affairs, working with the local government sector, to consider how engagement on the content of a long-term plan happens and the role of the consultation document in that process.

Although consultation documents are intended for public consultation on significant matters facing the council or the community, councils also need to make several mandatory disclosures. This can result in a long and information-heavy document, which could be daunting for people to engage with. Balancing effective consultation with effective legislative compliance is a challenge for councils.

## The types of issues councils consulted on in the 2021-31 consultation documents

