



ICC Governance Review - Fact sheet

Why was the review needed?

On 18 August 2020, the Department of Internal Affairs wrote to Invercargill City Council in response to concerns raised about council governance. It requested reassurance the Council was taking proactive measures to address the concerns and a range of specific actions. One of these was that the Council carry out an independent evaluation of the current standard of governance performance by elected representatives.

What did the review find?

The report highlights a range of issues which ultimately focus on what it calls a “leadership void” within the elected council. It recommends a range of actions and interventions that are required in order to give the DIA the assurance that the Council is addressing the issues and working to fix the governance problems.

The report sets out seven key themes, under which it describes the Council’s governance problems, however it continues to come back to the “leadership void” as the organisation’s key issue. The report contends that the leadership void is largely due to Sir Tim Shadbolt’s “[struggle] to fulfil significant aspects of his role”. This is evidenced through interviews with Councillors and the Mayor himself, senior staff, review of council meeting videos and documents, and an unprompted contact by three “southern mayors.”

The other key themes raised in the report are: “The impact of a new CEO”, “Election of Councillor Clark”, “Breakdown in CEO and Mayoral relationship”, “Continuing stone-in-the-shoe issues”, “Relationships between councillors”, and “General state of the city”.

Do the Council and Elected Members accept the findings of the review?

The Council unanimously accepted the report on 12 November 2020, and agreed a range of actions to address the issues raised.

What is the Council doing to address the findings of the review?

Council has adopted an Action Plan to make governance improvements and focus on future progress for the city. The Action Plan focuses on three key areas:

1. **Addressing the foundations** through the appointment of two External Appointees to Council and developing a clear set of delegations for the Deputy Mayor
2. **Strengthening the team** through a review of strategic projects, mentoring support, training for elected members and the development of media protocols
3. **Measuring progress** through workshops and annual evaluations to make sure the council stays on track.

Are the Council's planned actions enough to fix the problem?

The actions include the significant step of appointing two External Appointees to Council to help guide the council through the coming months. Along with a range of other smaller interventions, the council believes this will be sufficient to help address the problems and restore confidence amongst the community. Progress will be measured at regular intervals and updates provided to the community.

What confidence can the community have that the Council can continue to function and deliver services?

By making the decision to put an action plan in place to address the issues raised in the governance review, the council has accepted that there is a problem and is being proactive in addressing it. The community can have confidence that the council is committed to a process of improvements and regular updates will be provided to share progress and measure success.

What will the action plan cost to implement?

The actual financial costs of the action plan are yet to be specifically determined, however it is anticipated that the bulk of the cost will be in funding two new External Appointee roles – for the period to 30 June 2022 (19 months), it is estimated the cost might fall between \$570,000 and \$730,000.

How will the Council measure progress?

Measuring progress and reporting on improvements is a key part of the Action Plan adopted by Council. This will include regular evaluation and reporting mechanisms, including within Council, to the DIA and to the wider community through regular updates.

What happens now?

Work will begin on implementing the Action Plan, with a focus on identifying External Appointees and setting up key workshops and development opportunities.