



Report of the proceedings and operations of the
Local Government Commission
Mana Kāwanatanga ā Rohe
For the year ended 30 June 2014

*Presented to the House of Representatives pursuant to
clause 31 of Schedule 4 of the Local Government Act 2002.*

Local Government Commission

Minister of Local Government
Parliament Buildings
Wellington

Minister

We forward, in terms of clause 31 of Schedule 4 of the *Local Government Act 2002*, the report of the Local Government Commission to 30 June 2014.

Yours sincerely

The Local Government Commission

Basil Morrison	Chair
Anne Carter	Commissioner
Grant Kirby	Commissioner

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Local Government Commission

Membership

The Minister of Local Government appointed Janie Annear to be a temporary member of the Commission for a term beginning on 16 April 2014 and ending on 30 June 2014.

Prior to the end of the reporting year the Minister appointed members of the Commission for the year ahead as follows:

- Basil Morrison, Chairperson for a term ending on 30 June 2015
- Anne Carter, member for a term ending on 31 July 2015
- Janie Annear, member for a term ending on 30 June 2015

This marks the end of Grant Kirby's term of office. His fellow members would like to acknowledge Mr Kirby's lengthy contribution to the Commission – as Chairperson from 2001 to 2005 and again as a member from 2009 to 2014.

Better Local Government Reforms

In 2012, the government announced a series of reforms aimed at improving the performance of the local government sector, several of which were incorporated into subsequent amendments of the *Local Government Act 2002*. These reforms had direct relevance to the role of the Local Government Commission, in particular the process for dealing with applications for local government reorganisation.

In response to these reforms and the impact they were having on the Commission's role, Commissioners worked with the Department of Internal Affairs to commission a review of the Commission's role, and in particular to examine what capabilities and capacity the Commission would need going forward, if it was to deliver on its reorganisation role under the Better Local Government Reforms. The review was received on 30 May 2014, and it stated very clearly that the reforms were a game-changer for the Commission. It recommended a new structure for the Commission, with more specialist roles and additional capacity to respond to the applications it has under consideration from Northland, Hawke's Bay and Wellington-Wairarapa. The Department indicated that it would look to implement the recommendations from the review, subject to consultation with staff, and that it would look to provide the additional level of resourcing required to support the new structure. We look forward to the changes, and to continue undertaking the role expected of the Commission.

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Local government reorganisation

Northland Region

In March 2013 the Commission had agreed to assess a reorganisation application lodged by the Far North District Council (for it to become a unitary authority), and to invite alternative applications. Forty-one alternative applications were received.

The Commission held a series of consultation meetings with local authorities, iwi, sector groups, members of the public, and government agencies. These were completed by August 2013. It also carried out additional investigations and inquiries into a range of issues relating to local government in the Northland Region.

On 12 November 2013, after considering the application, alternative applications, and the information gathered through its consultations and other inquiries, the Commission issued a draft proposal for a single Northland Council for the Northland Region. Submissions on the draft proposal closed on 21 February 2014 by which time 1850 submissions had been received. The Commission held hearings of submissions during April 2014 at 10 different locations. Approximately 200 submitters spoke to their submissions at hearings.

Since the completion of the hearings the Commission has been considering the submissions, and undertaking further inquiries and consultations on specific issues.

The next step is for the Commission to decide between four options:

- issue the draft proposal as a final proposal
- modify the draft, and issue it as a final proposal
- issue a new draft proposal based on a different option for local government in Northland; or
- decide not to issue a final proposal at all.

Hawke's Bay Region

In March 2013 the Commission had agreed to assess a reorganisation application lodged by 'A Better Hawke's Bay' Trust, and to invite alternative applications. Nineteen alternative applications were received.

Following the receipt of alternative applications the Commission held a series of consultation meetings with local authorities, iwi, sector groups, members of the public, and government agencies. It also carried out additional investigations and inquiries into a range of issues relating to local government in the Hawke's Bay Region.

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On 26 November 2013, after considering the application, alternative applications, and the information gathered through its consultations and other inquiries, the Commission issued a draft proposal for a single Hawke's Bay Council for the Hawke's Bay Region. Submissions on the draft proposal closed on 7 March 2014 by which time 733 submissions had been received. The Commission held hearings of submissions during May and June. It also met with a number of interested organisations, including adjacent local authorities and relevant iwi organisations.

Since the completion of the hearings, the Commission has been considering the submissions, and undertaking further inquiries and consultations on specific issues.

The next step is for the Commission to decide between four options:

- issue the draft proposal as a final proposal
- modify the draft and issue it as a final proposal
- issue a new draft proposal based on a different option for local government in Hawke's Bay; or
- decide not to issue a final proposal at all.

Wellington Region

In May and June 2013, respectively, the Commission received reorganisation applications from the three district councils in the Wairarapa, and from the Greater Wellington Regional Council. The application from the Wairarapa councils sought a unitary council for the Wairarapa, separate from the Wellington Region, while the Greater Wellington Regional Council sought a single unitary council for the whole of the Wellington Region.

On 4 July 2013 the Commission decided that the applications met the requirements of Schedule 3 of the *Local Government Act 2002*, and agreed to assess them, and to invite alternative applications. As both applications affect the Wellington Region, the Commission decided to consider them together.

The Commission received 19 alternative applications.

The Commission also commenced a series of consultations with the affected and adjacent local authorities, iwi, alternative applicants, sector groups, members of the public, and government agencies. These were carried out between July 2013 and February 2014.

In addition to these consultations, the Commission has also undertaken inquiries into a variety of issues relating to local government in the Wellington Region.

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The next steps are for the Commission to:

- identify reasonably practicable options for the region
- determine a preferred option, and
- if the Commission does not select the status quo as the preferred option - prepare and issue a draft proposal for new local government arrangements.

North Rodney

In November 2013 the Commission received an application from the Northern Action Group for the constitution of a North Rodney Council as a unitary authority separate from the Auckland Council.

The Commission met the applicant (on 4 February 2014 and 12 May 2014) and the Auckland Council (on 5 February 2014). It also received further written material from both the applicant and the Council.

After considering the application, and the further material received, the Commission resolved, under clause 6 of Schedule 3, to decline to assess the application on the grounds that:

- the application did not sufficiently identify the boundary of the proposed North Rodney Council
- the application did not contain sufficient information to establish demonstrable community support for the application in areas of the Auckland district outside of the North Rodney area; and
- it was not in the public interest to assess the application.

Nelson City and Tasman District

Also in November 2013, the Commission received an application from Mr Rick Farr of Nelson for the Nelson City and the Tasman District Council to unite to form one local authority.

The Commission resolved, under clause 6 of Schedule 3, to decline to assess the application on the grounds that it does not contain the information required by clause 5(1)(d), (e), and (f) in sufficient detail for the Commission to assess the application.

Local Government Commission

Contact details

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