



LOCAL GOVERNMENT COMMISSION

**DRAFT REORGANISATION SCHEME
FOR THE ABOLITION OF
BANKS PENINSULA DISTRICT
AND ITS INCLUSION IN
CHRISTCHURCH CITY**



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Pursuant to clause 39(a) of Schedule 3 of the Local Government Act 2002, the Local Government Commission has prepared a draft reorganisation scheme as follows:

COMMENCEMENT

1. Commencement

- (1) Except as provided in subclause (2), this scheme shall come into force on the day after the day on which the electoral officer, pursuant to the Local Electoral Act 2001, declares the results of the first election of the members of the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board constituted by this scheme.
- (2) The provisions of this scheme necessary to provide for the first election of the members of the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board constituted by this scheme shall come into force on the date fixed by the Order in Council giving effect to this scheme.

CONSTITUTION

2. Constitution

- (1) The district of Banks Peninsula District is abolished.
- (2) The area of Banks Peninsula District is included in the area of Christchurch City.
- (3) The Banks Peninsula District Council is dissolved.
- (4) The existing Lyttelton-Mount Herbert Community and the existing Akaroa-Wairewa Community are abolished.

- (5) The existing Lyttelton-Mount Herbert Community Board and the existing Akaroa-Wairewa Community Board are dissolved.

3. First Election for Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board

- (1) The first election for the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board shall be held on 25 February 2006.
- (2) For the purposes of the first election for the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board, the electoral officer for that election shall be the electoral officer of the Christchurch City Council.
- (3) The first election for the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board shall be conducted by postal voting.
- (4) The names of candidates for the first election for the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board shall be arranged in random order on the voting documents.
- (5) Voting documents cast in the first election for the Banks Peninsula Ward, Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board shall be processed during the voting period.

4. Wards

The area of the former district of Banks Peninsula District shall form the Banks Peninsula Ward of Christchurch City.

5. Membership of the Banks Peninsula Ward

One member of the Christchurch City Council shall be elected from the Banks Peninsula Ward at its first election.

6. Lyttelton-Mount Herbert Community

- (1) There shall be constituted a community for the area of the former Lyttelton-Mount Herbert Community to be known as “the Lyttelton-Mount Herbert Community”.

- (2) The community board for the Lyttelton-Mount Herbert Community shall comprise:
 - (a) five members elected by the electors of the Lyttelton-Mount Herbert Community; and
 - (b) the person elected, from time to time, as a member of the Christchurch City Council representing the Banks Peninsula Ward and appointed to the community board by the Council.

7. Akaroa-Wairewa Community

- (1) There shall be constituted a community for the area of the former Akaroa-Wairewa Community to be known as “the Akaroa-Wairewa Community”.
- (2) The Akaroa-Wairewa Community shall be divided into two subdivisions for electoral purposes, and those subdivisions shall be:
 - (a) the Akaroa Subdivision, comprising the area of the former Akaroa Ward of Banks Peninsula District; and
 - (b) the Wairewa Subdivision, comprising the area of the former Wairewa Ward of Banks Peninsula District.
- (3) The community board for the Akaroa-Wairewa Community shall comprise:
 - (a) three members elected by the electors of the Akaroa Subdivision;
 - (b) two members elected by the electors of the Wairewa Subdivision; and
 - (c) the person elected, from time to time, as a member of the Christchurch City Council representing the Banks Peninsula Ward and appointed to the community board by the Council.

8. Powers of Community Boards

The Lyttelton-Mount Herbert Community Board and the Akaroa-Wairewa Community Board shall each have the same delegated powers as are conferred on the existing Christchurch City community boards as at the date this scheme comes into effect, subject to the following variations:

- (a) each board shall have power to recommend to the Christchurch City Council proposed expenditure from its reserves contributions account; and
- (b) each board shall have discretionary funding of \$10,000 (GST excl.) per annum.

RATING SYSTEM

9. Rating

The system of rating in the Banks Peninsula Ward shall be the Capital Value rating system.

SERVICE DELIVERY

10. Service Centres

The existing services centres in Lyttelton, Little River and Akaroa shall continue in existence for a period of at least five years from the date that this scheme comes into effect, and shall provide at least the same levels of service as provided at the date that this scheme comes into effect.

TRANSITIONAL MATTERS

11. Resource Management Act

- (1) In accordance with section 81 of the Resource Management Act 1991, the district plan and the proposed district plan under the Resource Management Act 1991 of the Banks Peninsula District Council shall be the district plan, or as the case may be, the proposed district plan of the Banks Peninsula Ward of the Christchurch City Council.
- (2) Any other matters, including proceedings before, or initiated by, the Banks Peninsula District Council under the Resource Management Act 1991, shall have effect as matters before, or initiated by, the Christchurch City Council.

12. Long-Term Council Community Plan

The Long-Term Council Community Plan prepared under the Local Government Act 2002 by the Banks Peninsula District Council shall continue in force in respect of the Banks Peninsula Ward of Christchurch City, until such time as the Christchurch City Council amends its existing Long-Term Council Community Plan to provide for the Banks Peninsula Ward.

13. Transitional Matters

Clause 67 of Schedule 3 of the Local Government Act 2002 shall apply in respect of this scheme.

MISCELLANEOUS PROVISIONS

14. Canterbury Museum Trust Board

The functions exercised by local authorities under paragraph (c) of section 5(2) of the Canterbury Museum Trust Board Act 1993 are to be exercised as if, for that paragraph were substituted the following paragraph:

“(c) One member appointed by the Selwyn District Council.”

15. Summit Road Protection Authority

The functions exercised by local authorities under paragraphs (a) to (c) of section 7(1) of the Summit Road (Canterbury) Protection Act 2001 are to be exercised as if, for those paragraphs were substituted the following paragraphs:

“(a) 2 members appointed by the Christchurch City Council; and
(b) 1 member appointed by the Selwyn District Council.”

LOCAL GOVERNMENT COMMISSION

Grant Kirby, Chairman
Linda Constable, Commissioner
Kerry Marshall, Commissioner

29 April 2005

EXPLANATORY STATEMENT

STATEMENT OF THE ADVANTAGES AND DISADVANTAGES OF THE ABOLITION OF BANKS PENINSULA DISTRICT AND ITS INCLUSION IN CHRISTCHURCH CITY

This statement is issued under clause 42 of Schedule 3 of the Local Government Act 2002. It is a statement of the advantages and disadvantages of the abolition of Banks Peninsula District and its inclusion in Christchurch City. The advantages and disadvantages are those, which in the opinion of the Commission, should be taken into account by persons entitled to vote in a poll held in respect of the proposal. It should be noted that the reorganisation scheme is a draft at this stage and could be subject to change following the Commission's consideration of submissions.

ADVANTAGES

Meets the statutory criteria

The proposal will promote good local government. In particular the Commission is satisfied that –

- It would result in an enlarged Christchurch City containing distinct communities of interest.
- It would promote the good local government of the Banks Peninsula area.
- The enlarged Christchurch City will have the resources necessary to enable its local authority to carry out its functions, duties and powers across the enlarged district.
- The enlarged Christchurch City will be appropriate for the effective and efficient exercise of local government functions, duties and powers.
- The Christchurch City Council will have the ability to deliver appropriate services to the various parts of the district in an effective and efficient manner.
- The proposal meets the statutory criteria that the Commission is required to take into account when considering such proposals.

Financial Considerations

The Commission is of the opinion that, in appropriate circumstances, it will be more economic to provide services to a similar standard through one local authority than through two. This would be achieved through avoiding duplication, through economies of scale, ensuring responsiveness to local concerns and having good financial resources and professional administration. The Commission considers that this will apply to the abolition of Banks Peninsula District and its inclusion in Christchurch City.

The independent financial study prepared for the Commission, and to which the affected local authorities were consulted and had the opportunity to provide input, indicates that if the proposal were to proceed, there would be significant savings to Banks Peninsula ratepayers derived from an application of the Christchurch City rating system and policies, which take a district-wide approach to areas of benefit. As the Banks Peninsula District Council operates a complex rating policy the benefits that would accrue to ratepayers will differ from area to area – examples of the rating impact of implementation of the proposal are contained in the Commission’s findings and decisions document.

The financial study also advises that the impact of an implementation of the proposal on existing Christchurch City ratepayers would be insignificant. The estimated rates income for the existing Christchurch City is 2005/06 is \$194 million (GST incl.) or an average of \$1,366 (GST incl.) per ratepayer across the current 142,000 Christchurch City ratepayers. The new rating requirement in 2005/06, including the Banks Peninsula area, would be approximately \$204 million (GST incl.) or an average of \$1,360 (GST incl.) per ratepayer spread across about 150,000 ratepayers.

The savings identified in the independent financial study take into account the one-off transition costs of approximately \$863,000 (GST excl.) for staff redundancy costs and \$110,000 (GST excl.) for data conversion.

The ongoing savings would be achieved through not requiring:

- Separate Mayors and elected member structures
- Separate Chief Executives and administration structures
- Separate computer systems
- Separate annual planning, annual reporting and financial management systems
- Separate roading management structures and reporting arrangements to Land Transport New Zealand
- Separate district plans under the Resource Management Act
- Separate administration of the requirements of the Resource Management Act.

Participation in Decision-Making

The provision of a Banks Peninsula Ward in Christchurch City is intended to provide effective representation for Banks Peninsula communities of interest in the enlarged Christchurch City.

The existing Lyttelton-Mount Herbert Community Board and Akaroa-Wairewa Community Board will be reconstituted. They will each have the same delegated powers as are conferred on the existing Christchurch City community boards as at the date that any final scheme comes into effect, subject to the following variations:

- each board shall have power to recommend to the Christchurch City Council proposed expenditure from its reserves contributions account; and
- each board shall have discretionary funding of \$10,000 (GST excl.) per annum.

Residents of the Banks Peninsula area will have a greater opportunity to participate in the planning and development of the enlarged Christchurch City.

Residents of the existing Christchurch City will have a greater opportunity to participate in the planning and development of the Banks Peninsula area.

The Commission is satisfied that a range of administrative arrangements can be made to ensure that local views are taken into account across the enlarged Christchurch City.

Staffing

For a local authority to adequately carry out its functions, duties and powers, particularly those under specific legislation such as the Resource Management Act, there is a need to attract and retain qualified staff.

In the opinion of the Commission, the enlarged Christchurch City will continue to obtain and retain the services of staff with the needed competencies. While the district of Christchurch City will gain a large rural and semi-rural area, giving rise to its own set of issues, the Christchurch City Council, being one of the largest local authorities in New Zealand, will have the capacity to attract and draw on the necessary resources to attend to local issues that arise across the enlarged district.

DISADVANTAGES

There may be a perceived loss of local democracy in the Banks Peninsula area, for instance, through the council for a larger district not necessarily being able to attend in detail to as many matters as the council of a smaller district. This concern can be addressed in part through providing the two community boards in the Banks Peninsula area with wide ranging responsibilities, and through appropriate delegations to staff of the Christchurch City Council.

CONCLUSION

The Commission considers that the perceived disadvantages will be significantly outweighed by the advantages listed above and the benefits that will result from the inclusion of the Banks Peninsula area in the district of a large and well resourced local authority.

EXPLANATORY NOTES TO THE SCHEME

These notes are intended as a guide to the contents of the draft reorganisation scheme.

The purpose of the draft reorganisation scheme is to provide for the abolition of Banks Peninsula District and its inclusion in Christchurch City.

It is proposed that the member of the new Banks Peninsula Ward of the enlarged Christchurch City, and the members of the Lyttelton-Mount Herbert and Akaroa-Wairewa Community Boards be elected on 25 February 2006, and that the Banks Peninsula District is abolished when the results of that election have been declared.

Some provisions of the scheme will come into effect as soon as the final reorganisation scheme is implemented by Order in Council – those provisions necessary to arrange the first election of the new ward and communities.

The scheme provides for the area of the Banks Peninsula District to become the Banks Peninsula Ward of Christchurch City.

Two Community Boards will be constituted in the area of the Banks Peninsula Ward. The Lyttelton-Mount Herbert Community Board will comprise five elected members and the councillor for the Banks Peninsula Ward. The Akaroa-Wairewa Community Board will comprise five elected members (three members from the Akaroa Subdivision and two members from the Wairewa Subdivision) and the councillor for the Banks Peninsula Ward.

The scheme sets out the powers of the community boards.

Maps showing the boundaries of the proposed ward, communities and subdivisions are attached to this explanatory statement.

Service centres are to be maintained in Lyttelton, Little River and Akaroa for a period of at least five years, with their current service levels maintained.

The scheme provides that the rating system in the Banks Peninsula Ward will be the Capital Value rating system.

Unless specifically excluded, the provisions of clause 67 of Schedule 3 of the Local Government Act 2002 apply to all reorganisation schemes. This clause deals with the passing of property to the new local authority, continuation of bylaws, and other matters that carry over from one local authority to another.

WHAT HAPPENS NEXT?

The procedure from now on is as follows –

- The draft reorganisation scheme is open to submissions until Thursday, 30 June 2005;
- The Commission meets with those who make submissions;
- The Commission considers the submissions and makes any other investigations or enquiries it considers necessary;
- The Commission decides whether to –
 - Issue a final reorganisation scheme based on the draft reorganisation scheme; or
 - Issue a final reorganisation scheme, based on modifications to the draft reorganisation scheme; or
 - Not issue any final reorganisation scheme if it considers that the proposal does not meet the Local Government Act's criteria.
- If the Commission issues a final reorganisation scheme, then a poll of electors of Banks Peninsula District will be held - for the final reorganisation scheme to be successful more than 50% of the votes cast by the electors of Banks Peninsula District must be in favour of the proposal;
- If the poll votes in favour of the proposal the final reorganisation scheme is implemented by Order in Council.

SUBMISSIONS

The draft reorganisation scheme is open to submissions until Thursday, 30 June 2005.

Submissions may be forwarded to the Commission by:

- Post: Chief Executive Officer
Local Government Commission
PO Box 5362
WELLINGTON
- Fax: 04 495 7287
- Email: info@lgc.govt.nz
- Electronic submission form: www.lgc.govt.nz

Persons making submissions should clearly state whether they wish to appear before the Commission, and should provide a daytime contact telephone number. If this information is not provided the Commission may assume that the submitter does not wish to appear before the Commission.

It is the Commission's policy to make submissions publicly available on request.