



LOCAL GOVERNMENT COMMISSION
MANA KĀWANATANGA Ā ROHE

**Draft Reorganisation Scheme for the
Union of Nelson City and Tasman District**

13 June 2011

CONTENTS

Introduction	3
Draft Reorganisation Scheme	4
Schedule: Powers of Community Boards	12
Maps	14
Notes on Draft Reorganisation Scheme	17
Explanatory Statement of Advantages and Disadvantages	19
What Happens Next?	21

Introduction

The Local Government Commission has prepared a draft reorganisation scheme for the union of Nelson City and Tasman District (the Scheme). The Scheme provides for a Nelson-Tasman District with a Nelson-Tasman District Council. Preparation of the Scheme follows the receipt of a reorganisation proposal initiated under clause 1(3)(c) of the Local Government Act 2002 (the Act) and consultation by the Commission on that proposal.

This document consists of:

- (a) the draft reorganisation scheme prepared pursuant to clause 41 of Schedule 3 of the Act along with maps and guidance notes
- (b) an explanatory statement of the advantages and disadvantages of the proposal being given effect to, prepared pursuant to clause 42 of the Act
- (c) what happens next in the statutory process.

This document should be read in conjunction with:

- (a) the Commission's *Decision on the Proposal for the Union of Nelson City and Tasman District*
- (b) the Commission's *Background Report on Communities of Interest and Planning in Nelson-Tasman*
- (c) *Report for the Local Government Commission on financial and service delivery matters relating to the proposal for a union of Nelson City and Tasman District* prepared by Strateg.Ease Ltd.

These documents are available on request from the Commission or can be found on the Commission's website – www.lgc.govt.nz

The provisions of the Scheme should also be read in conjunction with Parts 3 and 4 of Schedule 3 of the Act. Many technical matters that are not addressed in the Scheme, or at least not in detail, are dealt with under those provisions of the Act.

Draft Reorganisation Scheme for the Union of Nelson City and Tasman District

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

PRELIMINARY PROVISIONS

1. Commencement

- (1) Except as provided in subclause (2), this Scheme comes 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 for the Nelson-Tasman District Council.
- (2) The provisions of this Scheme necessary:
 - (a) to provide for the first election of the members of the council and the members of the community boards constituted by this Scheme and
 - (b) for the purpose of clauses 14 to 19

come into force on the date fixed by the Order in Council giving effect to this Scheme.

CONSTITUTION

2. Constitution of district and council

- (1) The districts of Nelson City and Tasman District are united into one district to be known as Nelson-Tasman District (referred to in this Scheme as “the united district”).
- (2) There shall be a council for the united district to be known as the Nelson-Tasman District Council (referred to in this Scheme as “the Council”).
- (3) The Nelson City Council and the Tasman District Council (referred to in this Scheme as the “affected local authorities”) are dissolved.

3. Boundaries

The seaward boundary of the united district is the outer limit of the territorial sea of New Zealand.

Note: Currently the seaward boundaries of Nelson City follow mean low water springs while those of Tasman District extend to the 12 mile limit. This clause would establish a consistent boundary at the 12 mile limit.

4. Regional government

- (1) The Nelson Region and the Tasman Region are united into one region known as the Nelson-Tasman Region.

Note: The Local Government Amendment Act 1992 which abolished the Nelson-Marlborough Regional Council and established the Marlborough District Council, Nelson City Council and Tasman District Council as unitary authorities also established regions for each of the unitary authorities. It is therefore necessary to amalgamate the Nelson and Tasman Regions.

- (2) The Council has the responsibilities, duties and powers of a regional council in respect of the Nelson-Tasman Region.

5. First election of council

- (1) The first election of the Council shall be held on 13 October 2012.

Note: The effect of section 11 of the Local Electoral Act is that if the first general election of the Council is held within 12 months of the date of the 2013 triennial general elections the second general election of the Council would be held in 2016. Therefore, if the Council's first election is held on or after 13 October 2012 the subsequent election would be held in 2016. If the election is held before 13 October 2012 the subsequent election would be held in 2013.

- (2) For the purposes of the first election of the Council, the electoral officer for the united district shall be appointed by the transition committee established under clause 14.
- (3) The first election of the Council shall be held using the first past the post electoral system.
- (4) The first election of the Council shall be conducted by postal voting.
- (5) The names of the candidates for the first election of the Council shall be arranged in random order on the voting documents.
- (6) Voting documents cast in the first election of the Council shall be processed during the voting period.

6. Wards

- (1) The united district shall be divided into six wards.
- (2) Those wards shall be:
 - (a) the Golden Bay Ward, comprising the area delineated on Map A
 - (b) the Lakes-Murchison Ward, comprising the area delineated on Map A
 - (c) the Motueka Ward, comprising the area delineated on Map A
 - (d) the Moutere-Waimea Ward, comprising the area delineated on Map A
 - (e) the Richmond Ward, comprising the area delineated on Map A
 - (f) the Nelson Ward, comprising the area delineated on Map A.

7. Membership

- (1) The Council shall comprise a mayor and 16 members.
- (2) The members of the Council to be elected at the first election of the Council shall be elected as follows:
 - (a) one member elected by the electors of the Golden Bay Ward
 - (b) one member elected by the electors of the Lakes-Murchison Ward
 - (c) two members elected by the electors of the Motueka Ward
 - (d) two members elected by the electors of the Moutere-Waimea Ward
 - (e) three members elected by the electors of the Richmond Ward
 - (f) seven members elected by the electors of the Nelson Ward.

8. Communities

- (1) There shall be five communities in the united district as follows:
 - (a) the Golden Bay Community, comprising the area of the Golden Bay Ward
 - (b) the Lakes-Murchison Community, comprising the area of the Lakes-Murchison Ward
 - (c) the Motueka Community, comprising the area of the Motueka Ward
 - (d) the Moutere-Waimea Community, comprising the area of the Moutere-Waimea Ward
 - (e) the Nelson-Richmond Community, comprising the area of the Nelson Ward and the area of the Richmond Ward.

- (2) The existing Golden Bay Community and Motueka Community are abolished and the community boards for those communities are dissolved, and each is replaced by the relevant communities and boards specified in subclause (1) and clause 9 (a) and (b).

9. Community boards

The membership of the community board for each community shall be comprised as follows:

- (a) the Golden Community Board comprising four elected members and the member of the Council representing the Golden Bay Ward and appointed to the community board by the Council
- (b) the Lakes-Murchison Community Board comprising four elected members and the member of the Council representing the Lakes-Murchison Ward and appointed to the community board by the Council
- (c) the Motueka Community Board comprising five elected members and one member of the Council representing the Motueka Ward and appointed to the community board by the Council
- (d) the Moutere-Waimea Community Board comprising four elected members and one member of the Council representing the Moutere-Waimea Ward and appointed to the community board by the Council
- (e) the Nelson-Richmond Community Board comprising:
 - (i) four members elected from the Nelson Ward
 - (ii) two members elected from the Richmond Ward
 - (iii) one member of the Council representing the Nelson Ward and appointed to the community board by the Council
 - (iv) one member of the Council representing the Richmond Ward and appointed to the community board by the Council.

10. Powers of community boards

- (1) The community boards established by this Scheme have the powers listed in the Schedule to this Scheme.
- (2) The powers conferred on the community boards by this Scheme must not be altered for a period of six years.
- (3) Nothing in this Scheme prevents the Council from conferring further responsibilities on any community board.

COUNCIL FACILITIES

11. Administrative headquarters

The administrative headquarters of the Council shall be located in Richmond.

12. Service centres

- (1) The existing services to the public, provided by the Nelson City Council in Nelson and the Tasman District Council in Motueka, Murchison, Richmond and Takaka at the time this Scheme comes into effect, must continue to be provided in those locations for a period of not less than five years from the date that this Scheme comes into effect.
- (2) Nothing in this Scheme prevents the Council from offering additional public services during the five-year period prescribed in subclause (1) of this clause.

RATING SYSTEM

13. Rating

The system of rating in the Nelson-Tasman District shall be the capital value system.

TRANSITION COMMITTEE

14. Transition committee

- (1) The affected local authorities must unite in appointing a transition committee.
- (2) The transition committee shall be a joint committee of the affected local authorities.

15. Membership

The transition committee shall consist of:

- (a) three members appointed by the Nelson City Council
- (b) three members appointed by the Tasman District Council
- (c) the chief executives of the affected local authorities who shall be non-voting members of the committee.

16. Chairperson

The voting members of the transition committee must appoint a chairperson of the committee from among their number.

17. No casting vote

The chairperson of the transition committee or other person presiding at any meeting of that committee shall not have a casting vote in the case of an equality of votes.

18. Exclusion of non-voting members

The transition committee may resolve to exclude any non-voting member of the committee from any meeting, or part of a meeting, where it proposes to consider any matter that affects or may affect that member personally.

19. Functions

The functions of the transition committee shall be to:

- (a) make arrangements for a person to be the Acting Chief Executive of the Council until a person appointed by the Council takes up the position of Chief Executive
- (b) undertake preparatory work for the 2013/2014 draft annual plan for the Council
- (c) make recommendations to the Council on its management and administration structure
- (d) make recommendations to the Council on general principles of funding and rating policies for the united district
- (e) make recommendations to the Council on any proposed powers of community boards, which would be additional to those prescribed in this Scheme
- (f) make recommendations to the Council on the amount of funding to be provided to each community board
- (g) make recommendations to the Council on whether the Council should have committees, and what the membership and functions of any committee should be
- (h) make recommendations to the Council on such other administrative matters as are required to ensure that the Council is able to function effectively from the day on which it comes into existence
- (i) consult with community boards and residents organisations on the matters specified in paragraphs (b), (d), (e) (f) and (h).

TRANSITIONAL MATTERS

20. Long-term council community plans

The long-term council community plans prepared by the Nelson City Council and the Tasman District Council continue in force in respect of their areas until a new long-term plan is made by the Council.

21. Resource Management Act

- (1) The Nelson City Council's Regional Policy Statement and the Tasman District Council's Regional Policy Statement are deemed to be regional policy statements of the Nelson-Tasman District Council.
- (2) The Nelson Resource Management Plan and the Tasman Resource Management Plan are deemed to be plans of the Nelson-Tasman District Council.
- (3) The Nelson Air Quality Plan is deemed to be a regional plan of the Nelson-Tasman District Council.
- (4) The statements and plans referred to in subclauses (1), (2) and (3) remain in force for the area for which they were made until a new statement or plan is made by the Nelson-Tasman District Council.
- (5) Any matters, including proceedings before, or initiated by, the affected local authorities under the Resource Management Act 1991, shall have effect as matters before, or initiated by, the Council.

22. Other plans

- (1) Any plan, policy, rule or strategy prepared by the Nelson City Council or the Tasman District Council under any Act continues in force in respect of those areas until that plan, policy, rule or strategy expires or is revoked by the Council.
- (2) This clause applies subject to any provision in any Act providing anything to the contrary.

23. Transitional matters

Clause 67 of Schedule 3 of the Local Government Act 2002 applies in respect of this Scheme.

Note: Clause 67, the provisions of which apply to all reorganisation schemes except those specifically excluded (in whole or in part), deals with the passing of property to the successor local authority, continuation of bylaws and contracts, and other matters that carry over from one local authority to another. In addition, clause 68 contains provisions that apply if a local authority assumes jurisdiction over an area which was formerly part of another district or region.

MISCELLANEOUS PROVISIONS

24. Thomas Cawthron Trust

The functions exercised by local authorities under subparagraphs (i) and (ii) of paragraph (a) of section 3(1) of the Thomas Cawthron Trust Act 1924 are to be exercised as if, for those subparagraphs, the following subparagraphs were substituted:

“(i) Mayor of Nelson-Tasman District:

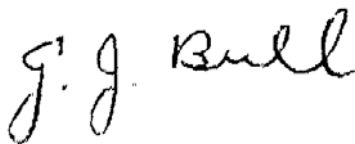
“(ii) one member of the Nelson-Tasman District Council appointed by that Council.”

Note: The Thomas Cawthron Trust Act provides for the Mayor of Nelson and the Mayor of Tasman to be members of the Trust.

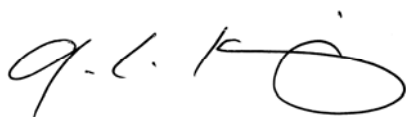
LOCAL GOVERNMENT COMMISSION



Sue Piper, Chair



Gwen Bull, Commissioner



Grant Kirby, Commissioner

13 June 2011

Schedule

Powers of Community Boards

- (1) Community boards shall have responsibility to:
 - (a) facilitate engagement of their community in relation to policies, plans and projects proposed for their community
 - (b) advise the Council on the priorities and preferences of their community in respect of the level and nature of local services to be provided by the Council –in their community
 - (c) advise the Council on variations in levels of service provided to their community compared to planned levels of service
 - (d) where preferred service levels in their community are higher than default levels, advise the Council on the recommended funding mechanism
 - (e) undertake activities for which a budget has been allocated by the Council to the Board.

- (2) Community boards shall have delegated authority, in accordance with the policies, plans and bylaws of the Council, to:
 - (a) allocate funding and operational grants to local community groups in their community
 - (b) manage, maintain and approve usage (including hireage charges) of community halls in their community
 - (c) seek funding (to be held by the Council) from external organisations which can be applied to community projects within their community
 - (d) make recommendations to the Council on the granting of leases or licences on reserves and public spaces in their community
 - (e) make recommendations to the Council on proposed developments or activities on local parks, reserves and waterways in their community
 - (f) make recommendations to the Council on submissions and objections in relation to statutory processes
 - (g) approve traffic control and constraint measures, parking restrictions and traffic control signs on streets in their community (e.g. stop and give way signs etc)
 - (h) approve the design and location of bus stops and shelters in their community
 - (i) approve the design and location of neighbourhood improvements, such as street furniture, in their community
 - (j) approve names of roads, streets and parks in their community

- (k) grant consent for the removal of trees from parks, reserves, streets or other Council land in their community
- (l) authorise, within approved budgets, board member attendance at appropriate conferences and training courses.

Notes:

The role of a community board is set out in section 52 of the Local Government Act 2002 as follows:

- *represent, and act as an advocate for, the interests of its community*
- *consider and report on all matters referred to it by the territorial authority, or any matter of interest or concern to the community board*
- *maintain an overview of services provided by the territorial authority within the community*
- *prepare an annual submission to the territorial authority for expenditure within the community*
- *communicate with community organisations and special interest groups within the community*
- *undertake any other responsibilities that are delegated to it by the territorial authority.*

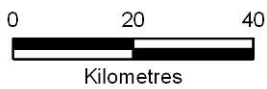
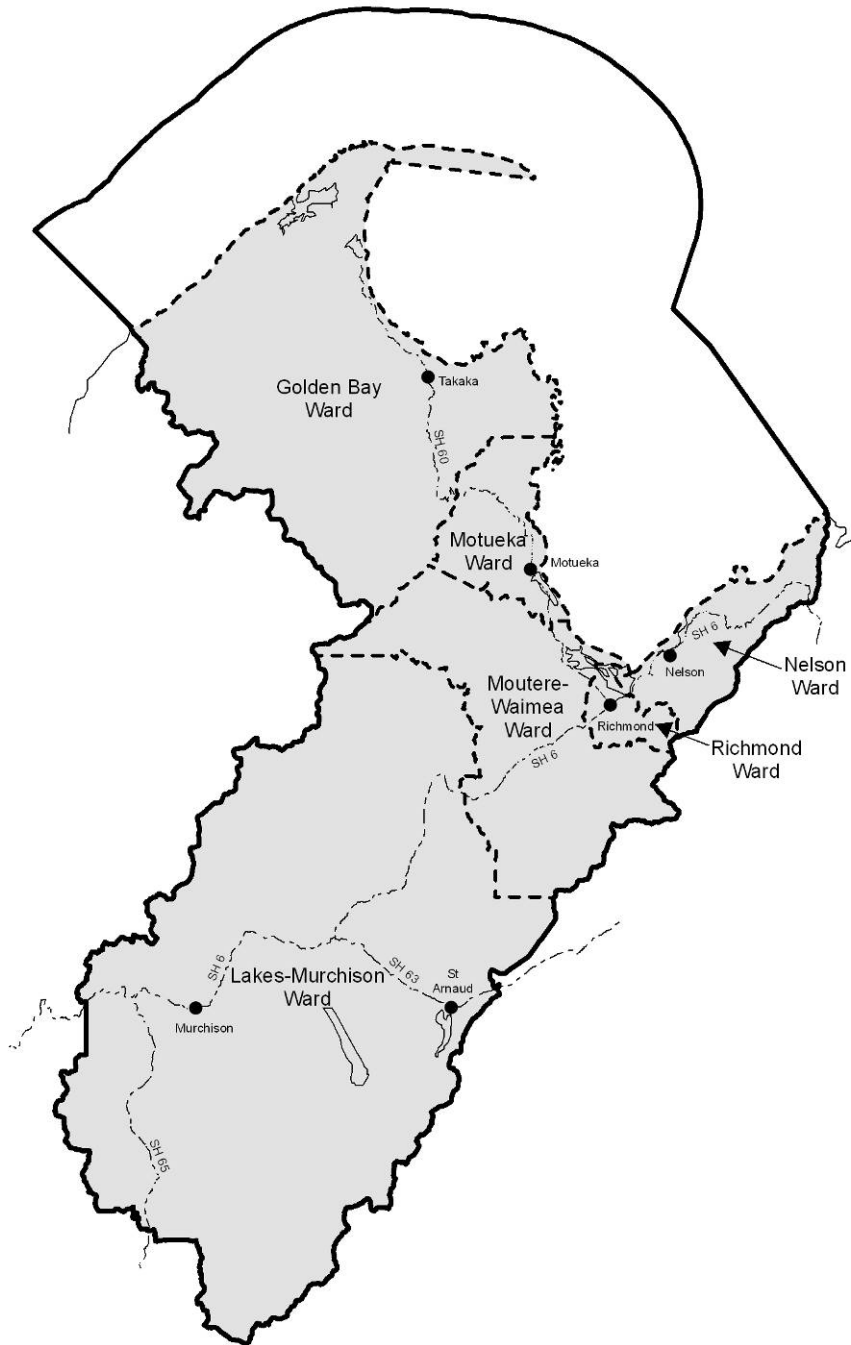
Clauses 38 and 39 of Schedule 7 of the Local Government Act 2002 contain the following provisions relating to administration and expenses of community boards:

- *Clause 38: A territorial authority within whose district the community of a community board is situated must provide the necessary administrative and other facilities for that community board.*
- *Clause 39: (1) The expenses of the performance and exercise by a community board of its responsibilities, duties, and powers must be paid by the territorial authority within whose district the community is situated. (2) The territorial authority may fix a limit within which expenditure may be incurred under subclause (1), and no community board may incur expenditure in excess of any limit so fixed without the prior approval of the territorial authority.*

Map A

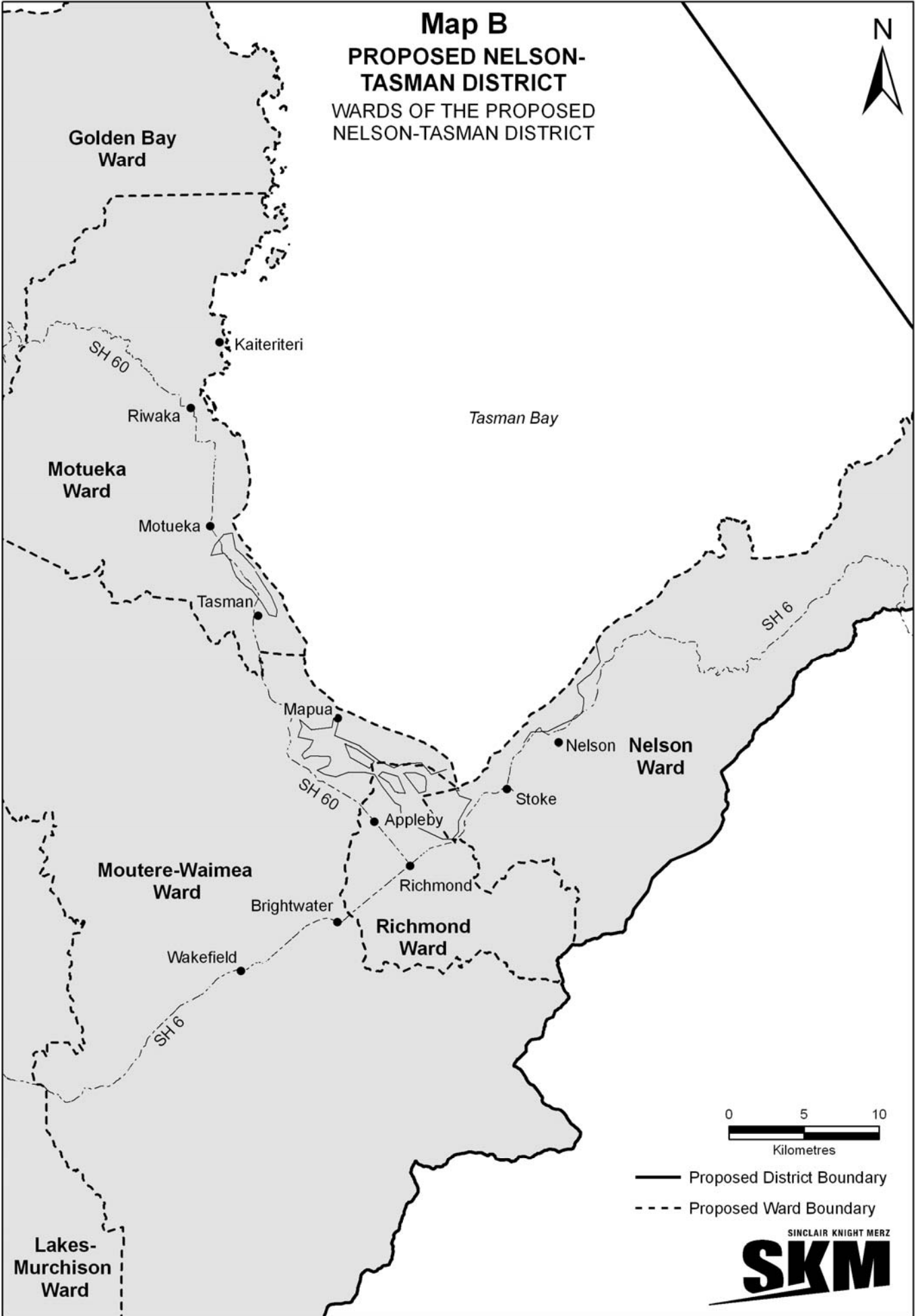
PROPOSED NELSON-TASMAN DISTRICT

WARDS OF THE PROPOSED
NELSON-TASMAN DISTRICT



- Proposed District Boundary
- - - Proposed Ward Boundary





Map C

PROPOSED NELSON-TASMAN DISTRICT

COMMUNITIES OF THE PROPOSED NELSON-TASMAN DISTRICT



- Proposed District Boundary
- - - Proposed Community Boundary



Notes on Draft Reorganisation Scheme

These notes are intended as a guide to the contents of the draft reorganisation scheme for the union of Nelson City and Tasman District.

Purpose of scheme

The purpose of the draft reorganisation scheme is to provide for the union of Nelson City and Tasman District, and the constitution of a Nelson-Tasman District and a Nelson-Tasman District Council.

First election

It is proposed that the new Council and community boards will be elected on 13 October 2012. The Council elected at that election will remain in office for four years with the next election being held in October 2016.

Representation

The Council will comprise a mayor and 16 members elected as follows:

Golden Bay Ward	1 member
Lakes-Murchison Ward	1 member
Motueka Ward	2 members
Moutere-Waimea Ward	2 members
Richmond Ward	3 members
Nelson Ward	7 members

The proposed Moutere-Waimea Ward covers an area including Wai-iti, Foxhill and Belgrove currently in the Lakes-Murchison Ward.

Tasman Village and vicinity is transferred from the current Moutere-Waimea Ward to the proposed Motueka Ward.

The proposed Nelson Ward contains the same area as the current Nelson City except that an area north of Champion Road is included in the Richmond Ward.

Community boards

It is proposed that there be five communities with community boards as follows:

- Golden Bay Community
- Lakes-Murchison Community
- Motueka Community
- Moutere-Waimea Community
- Nelson-Richmond Community

Each community covers the same area as the ward of the same name, except for the Nelson-Richmond Community which includes the areas of the Nelson Ward and the Richmond Ward.

The Scheme contains a list of the proposed powers of the community boards. These powers will remain in place for six years but can be added to by the Council.

Rating

The Scheme proposes that rates in the new district be levied on the capital value system.

Nelson City currently uses the land value system and Tasman District uses the capital value system. The Strateg.Ease report comments that “a standardised system based on capital value would have a lower magnitude of impact on overall rates levels than using land value.”

Council facilities

The Scheme proposes that the Council’s administrative headquarters be located in Richmond, being central for the new district.

The Scheme also proposes that the existing services to the public delivered by the Nelson City Council in Nelson and the Tasman District Council in Motueka, Murchison, Richmond and Takaka at the time the Scheme comes into effect, must continue to be provided in those locations for a period of not less than five years from the date that this Scheme comes into effect.

Transition committee

Clauses 14 to 19 of the Scheme provides for the two existing councils to establish a transition committee to make arrangements for the new council. The committee is to have an equal number of members from each council.

Transitional provisions

The Scheme includes a number of transitional provisions to assist a smooth transition from the current arrangements to the new council arrangements.

Explanatory Statement of Advantages and Disadvantages of the Proposed Union of Nelson City and Tasman District

Introduction

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 proposed union of Nelson City and Tasman District. 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

Regional decision-making and action

The draft reorganisation scheme better represents the nature and interests of communities within the Nelson-Tasman area and removes an increasingly artificial boundary between Nelson City and Tasman District. The Nelson-Tasman area as a whole is experiencing a pattern of population and economic growth that intensifies challenges and opportunities in the promotion of community well-being and sustainability across the area of both councils.

The draft scheme promotes a truly regional approach to council-community decision-making and action and this is required to efficiently and effectively address key issues facing the wider region. Shared service arrangements between the councils will not achieve this because of their limited scope and dependence on coordinated decision-making by the two councils. The interests of, and accountability to, the two separate communities will remain paramount over the interests of the regional community as a whole. The draft scheme will enhance:

- the efficiency and effectiveness of council decision-making and action as a consequence of the ability to take account of truly regional community interests and views
- community and other stakeholder participation in the planning and development of the region
- representation of, and accountability to, the region
- advocacy on behalf of the region.

Local representation

The draft scheme better reflects the nature of distinct local communities within the Nelson-Tasman area, and relationships between these local communities. It maintains a ward structure to ensure specific representation of rural and outlying communities. It provides district-wide coverage of community boards to enable decision-making and action by and on behalf of local communities where appropriate.

Council capacity

A combined council will have significantly greater financial capacity than the councils separately, to respond to community needs and address current and future issues such as adequate water supply, drinking water and unforeseen disasters/emergencies.

A combined council will have enhanced organisational capacity, through designated specialist positions, to identify and address both regional and local priorities. Resources currently applied to facilitating collaborative links between the councils will be directly focused on achieving regional outcomes.

Costs

The draft scheme will generate immediate efficiency gains through a reduction in the total number of duplicate management, support service and supervisory positions. However, there are some off-setting costs, including one-off transitional costs and ongoing additional costs of democracy.

Promotion of good local government

The draft scheme will result in structural arrangements that improve the ability of local government in Nelson-Tasman to deliver on its purpose to:

- (a) enable democratic local decision-making and action by, and on behalf of, communities
- (b) promote the social, economic, environmental, and cultural wellbeing of communities, in the present and for the future.

Disadvantages

Transitional disruption

Implementation of a reorganisation scheme will cause some short-term transitional costs and disruption associated with, for example, redundancy and organisational change. The draft scheme sets out transition provisions to effectively manage and mitigate potential disruption and cost.

Perceived loss of democracy

There may be perceptions of a loss of local and/or rural representation in the Tasman District area and remoteness of a council for a larger district. These concerns are addressed by a system of wards to ensure representation of rural and outlying communities, district-wide coverage of community boards with budgets and decision-making responsibilities, and a central location for the council headquarters.

There is likely to be a modest increase in overall democracy costs associated with the provision and servicing of a greater number of community boards.

What Happens Next?

The procedure from now on is as follows:

- The draft reorganisation scheme is open to submissions until Friday, 19 August 2011.
- The Commission meets with those who make submissions.
- The Commission considers the submissions and makes any other investigations or inquiries 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 a 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 polls of electors in Nelson City and Tasman District will be held.
- For the final reorganisation scheme to be successful more than 50% of the votes cast by the electors in each poll must be in favour of the proposal.
- If both polls are 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 Friday, 19 August 2011.

Submissions can be made on both the proposal made by the draft scheme as a whole and on the specific provisions of the draft scheme.

Submissions may be forwarded to the Commission by:

- Post: Chief Executive Officer
Local Government Commission
PO Box 5362
WELLINGTON 6145
- Email: info@lgc.govt.nz
- Fax: 04 494 0501

Persons making submissions should clearly state whether they wish to appear before the Commission at a hearing, 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.