



Local Government
Commission

Mana Kāwanatanga ā Rohe

**Investigation process for
proposed boundary alteration between
Horowhenua District and Palmerston North
City at Tokomaru and Opiki
Amended version - November 2020**

November 2020

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Purpose of document

1. This document is prepared in accordance with clause 7 of Schedule 3 of the Local Government Act 2002. It sets out the process the Local Government Commission intends undertaking to investigate the local government reorganisation application it has received for a boundary alteration between Horowhenua District and Palmerston North City in the areas of Tokomaru and Opiki.
2. This version, dated November 2020, amends the original version dated July 2020. It includes updated information about the timeframes for the investigation process and minor editorial changes. There are no other changes to the process set out in the earlier version of this document.

Background

3. On 5 November 2018, a local government reorganisation application was lodged on behalf of the “Tokopiki Boundary Change Group”. It sought a change in the boundary between Horowhenua District and Palmerston North City to move the township of Tokomaru and the neighbouring rural locality of Opiki (along with an area to the south of them) from the district to the city.
4. At its meeting on 29 November 2018, the Commission agreed to assess the application after considering the legislative tests that then applied. The Commission publicly notified the application on 4 April 2019 and, as required, called for alternative applications to be received by 15 May 2019. The responses received were considered in late May 2019 and the lead commissioner subsequently met the one alternative applicant to clarify their position. Research work related to the issues raised by the application was initiated.
5. On 22 October 2019, legislation amending the local government reorganisation process set out in Schedule 3 of the Local Government Act 2002 came into effect. This deemed the process already underway to be a “reorganisation investigation” and required the Commission to prepare a document setting out the process it intended following for its investigation.

6. Before adopting this document, the Commission was required to consult the affected local authorities and affected iwi and hapū. Accordingly, the Commission in February 2020 first sought input from the applicant and also affected local authorities based on a discussion draft of a process document that had been prepared. Meetings were held with the applicant, Horowhenua District Council and Palmerston North City Council on 19 February 2020.
7. The Commission also sought input from Rangitāne o Manawatū and Ngāti Raukawa ki to Tonga. On the basis of the advice received, the Commission also sought further input from the Ngāti Tūranga and Ngāti Whakarete hapū of Ngāti Raukawa.
8. The engagement process was then delayed over the period of the Covid-19 emergency as it was not possible for the type of face-to-face engagement that was envisaged over that period.

Principles for undertaking investigation

9. The legislation sets out principles the Commission must have regard to when undertaking a reorganisation investigation. These principles are set out in the *Appendix*.

Matters to be investigated

10. The process will investigate the application for an alteration to the boundary between Horowhenua District and Palmerston North City, which seeks to have the township of Tokomaru, the neighbouring rural locality of Opiki and an area to the south of them move from the district to the city.
11. The proposed change to be investigated is not one involving a major change in the structure of local governance. It is a proposal for a boundary alteration affecting a relatively small geographic area, a small resident population and small-scale local authority infrastructure.
12. The most immediate impacts of the proposed change would be on the residents and ratepayers of the area affected. The question of community of interest is one the Commission will need to consider carefully. This includes both the perceptions of residents, and of iwi and hapū with interests in the area, and also functional connections between the areas such as for shopping, schooling and employment.
13. In addition, the Commission is conscious of the need for it to understand and consider any potentially broader impacts of the proposed change. These would, for instance, include potential financial impacts that may arise for either Horowhenua District, were it to lose the area in question, or on Palmerston North City, were it to gain it.
14. The Commission's consideration of these matters needs to be assessed in accordance with the statutory criteria set out in the Local Government Act 2002.

Affected area and local authorities affected

15. In terms of the legislation, the “affected area” is the township of Tokomaru, the neighbouring rural locality of Opiki and an area to the south (as shown in the map attached) along with balance of Horowhenua District and Palmerston North City. This results from the amended definition of affected area as being areas affected, or potentially affected, by the matters to be investigated,
16. Accordingly, the affected local authorities are:
 - Horowhenua District Council
 - Palmerston North City Council
 - Horizons Regional Council.
17. The Commission will continue to engage with the affected local authorities.

The procedure and timetable

18. The proposed procedure reflects the statutory principles for undertaking an investigation. Firstly, given the extent of investigations and consultations carried out under the previous legislation, the process recognises the relevant evidence and information that the Commission already holds.
19. Work already undertaken has focused on identifying indicators of communities of interest in the affected area and gaining an understanding of the potential impacts on the affected territorial authorities. The Commission needs to complete and possibly update the work in these areas. This will occur concurrently with the first phase of public consultation outlined below.
20. The steps necessary to complete the investigation that are outlined below, reflect further principles for undertaking an investigation and, in particular, these steps are seen to:
 - a. be in proportion to the scale, scope and potential impact of the identified issues
 - b. recognise and reflect the nature and extent of the interests of affected iwi and hapū
 - c. provide persons, entities and organisations who wish to have their views considered by the Commission with a reasonable opportunity to present those views.
21. The Commission proposes to test community opinion in two phases. The first is to test community opinion in relation to a possible boundary alteration within the area identified by the applicant. This will be done by convening one or more public meetings to present information and hear community views. It is expected that this will be completed by the end of October 2020.
22. The Commission will then consider all the information it has in relation to communities of interest, the impacts on affected local authorities and community views about any boundary alteration. If it decides to continue the process, it will undertake a second consultation phase. This will involve publishing a short consultation document signalling the Commission’s intentions at that point and inviting public submissions. It expects to complete this phase in early 2021.

23. The Commission will maintain open communications with and be available to meet with affected local authorities, the applicant and interested iwi and hapū throughout both phases of the consultation process.
24. It is expected that the Commission will hear submissions in April 2021, and make a final decision on whether to develop and adopt a reorganisation plan in May 2021

Each affected iwi or hapū and how they will be given the opportunity to engage

25. The Commission acknowledges the interest in the affected area of Rangitāne o Manawatū which are recognised under a Deed of Settlement between the Crown and Rangitāne o Manawatū signed on 14 November 2015.
26. The Commission also acknowledges the interest in the area expressed by the Ngāti Tūranga and Ngāti Whakitere hapū of Ngāti Raukawa ki to Tonga.
27. The Commission is available to meet the relevant iwi and hapū and will keep them informed of progress when iwi and hapū want to engage.

Key stakeholders

28. The key stakeholders are:
 - a. the three affected local authorities
 - b. iwi and hapū with interests in the areas concerned (as above)
 - c. the applicant
 - d. residents and ratepayers in the affected area.

How and when members of the public will be consulted

29. Before considering whether to develop and adopt a reorganisation plan, the Commission will convene one or more public meetings within the Tokomaru, Opiki and immediately surrounding area. It will also consider the desirability of developing a specific draft boundary alteration proposal. These steps will enable the Commission to assess the level and make-up of community support and opposition for any boundary alteration. In conjunction with this, the Commission will offer meetings to the affected iwi and hapū, and to the affected local authorities.

Appendix

Principles to have regard to when undertaking a reorganisation investigation

Clause 7(3) of Schedule 3 of the Local Government Act 2002 (as amended on 22 October 2019) sets out the following principles which the Local Government Commission must have regard to when undertaking its investigation into the Golden Bay local board application:

- a) early information should be available to the public and stakeholders about the issues to be investigated, the process to be followed, and the opportunities for public input
- b) the process should be in proportion to the scale, scope and potential impact of the identified issues and of any reorganisation plan that may result from the investigation
- c) the process should recognise the relevant evidence and information that the Commission already holds
- d) the process should recognise and reflect the nature and extent of the interests of affected iwi or hapū in the outcome of the investigation
- e) the process should provide persons, entities and organisations who wish to have their views on the subject matter of the investigation considered by the Commission with a reasonable opportunity to present those views to the Commission
- f) the extent and nature of public and stakeholder engagement should:
 - i. reflect the degree of public interest (including of each affected iwi or hapū) in the issues and in any reorganisation plan that may result from the investigation
 - ii. reflect the importance of:
 - A. stakeholder input
 - B. community engagement
 - C. public acceptance of the process and the potential outcome
 - iii. appropriately balance the costs and benefits of different processes.