



Local Government
Commission
Mana Kāwanatanga ā Rohe

Briefing to the Minister of Local Government

December 2020

Introduction

The Local Government Commission welcomes you back to the Local Government portfolio.

The Commission looks forward to collaborating with you to support you to deliver your priorities. We also look forward to fully understanding the direction you wish to take, particularly in relation to the future of local government generally, and the future roles for the Commission.

This briefing sets out the Commission's current work and the issues we plan to talk to you about when we meet you.

The Commission's current priorities

Strategic direction for local government

The Commission is interested in current developments in the wider local government sector, including:

- The Three Waters Reform Programme
- The Resource Management Act Review
- Governance issues within some councils

We also note the New Zealand Labour Party's 2020 election manifesto commitment to "strengthen the Local Government Commission to provide ongoing assurance of best practice and good governance across the sector".

In considering its future work the Commission has identified the following themes for further consideration:

- Promoting good governance
- Encouraging councils to work more efficiently and effectively together
- Identifying and removing barriers to representation
- Assisting councils struggling with these issues

We look forward to the opportunity to discuss these issues with you.



Promoting good practice

- The Commission is carrying out an analysis of councils' **Codes of Conduct** with a view to reporting to you on the findings of this work.

Reorganisation

The Commission is currently managing investigations into three reorganisation proposals.

- A series of boundary alterations between **Western Bay of Plenty District and Tauranga City**, designed to accommodate Tauranga's growth and ensure that planning for development and the provision of utilities can occur on a sound basis. Other than residual and transitional issues, this process is largely complete. It will result in four separate areas being transferred from Western Bay of Plenty District to Tauranga City, and one small area being transferred to Western Bay of Plenty District.
- A proposal to establish a **Golden Bay local board** in Tasman District. The Commission decided in November 2020 that a local board will not be established. It is instead meeting with the key parties to the process to discuss more appropriate local-decision-making in Golden Bay.
- A proposal from a residents' group to transfer the **Tokomaru and Opiki** areas from Horowhenua District to Palmerston North City. In November 2020 the Commission decided to issue a consultation document setting out different options for a boundary change, and indicating the impacts of those options on rates, assets and services. Following consultation and consideration of submissions the Commission expects to be able to decide whether or not to issue a reorganisation plan by May 2021.

Recent successes

Some recently completed, or near completed, reorganisation processes have resulted in constructive outcomes and have illustrated the benefit of employing a flexible evidence-based approach focused on supporting improvements to support the purposes of local government. Not all of those outcomes involved structural change. Where structural change did result the consultative processes managed by the Commission resulted in change different to that originally proposed. Four of those processes are discussed below

Auckland

Following its 2017 decision that proposals for North Rodney and Waiheke districts to separate from the Auckland Council would not proceed, the Commission developed a set of recommendations to the Auckland Council. These were based on issues the Commission had observed during the process. They mainly related to the relationship between the Auckland Council and rural communities, and between the broader council organisation and local boards. The Council was required to respond to the Commission's recommendations. In responding it displayed a constructive approach to dealing with the issues raised.



West Coast

In May 2019 the Commission completed by a process triggered a community initiated proposal for a single unitary council for the West Coast Region. Through engaging with the councils, rūnanga and the community, the Commission decided that a more practical approach was to facilitate the councils to work together more cooperatively, rather than requiring structural change. This resulted in a reorganisation plan for a combined West Coast district plan under the Resource Management Act. A joint committee of council and runanga appointees commenced work on the combined district plan in July 2019. It is making good progress.

Western Bay of Plenty District/Tauranga City boundary alterations

The original application received from the Western Bay of Plenty District Council relating to boundaries in the Western Bay of Plenty sub-region was for the transfer of a single area at Tauriko West from the district to Tauranga City. The process and engagement with councils, hapū, the community and government agencies resulted in a deeper consideration of Tauranga's growth needs. As a result a further three areas were identified as being appropriate for transfer to Tauranga City, along with the transfer of a small area from the city to the district.

A Golden Bay local board

In November 2020 the Commission decided not to proceed with the establishment of a Golden Bay local board. It instead concluded that it would be possible for more local decision-making to be achieved by the Golden Bay Community Board. It also felt the periodically tense relationship between Golden Bay and the Tasman District Council needs to be addressed further. During the process the Commission developed a strong relationship with the key parties – Tasman District Council, Golden Bay Community Board, Manawhenua ki Mohua and the Working Group for a Golden Bay Local Board. It has met collectively with the parties twice to discuss a basis for determining better local decision-making in Golden Bay on an ongoing basis, with encouraging results. A further meeting is planned for May 2021.

Upcoming work

Immediate, or possible issues, to be dealt with by the Commission over the next year and a half are set out below.

Representation reviews

Twenty four councils must review their representation arrangements prior to the 2022 local elections. In addition:

- other councils may decide to carry out a review
- any council adopting Māori wards or constituencies for the first time must carry out a review

Councils will carry out the formal part of their reviews in 2020, while the Commission will be involved in considering reviews from mid-2020 through to April 2021. The Commission becomes involved if:

- a council's review is appealed against; and/or
- the membership arrangements proposed by a council do not comply with the +/-10% rule

Currently Commission staff are providing guidance and information to councils to assist them in planning their reviews.

Commission staff will also work with officials, as required, over any legislative changes affecting Māori wards and constituencies or other representation related issues.



Licensing trust districts

In addition to the representation review work outlined above, the Commission will complete reviews of the boundaries of the 16 licensing trust districts prior to the 2021 local elections to ensure those boundaries comply with meshblock boundaries. The purpose of this is to make the compilation of electoral rolls for licensing trusts and the administration of their elections more efficient.

Boundary changes

We are aware from discussions with councils and through the news media that further reorganisation applications for boundary changes may be put forward in the short to medium term. These include:

- Kawerau District/Whakatane District
- Napier City/Hastings District
- Kaikoura District/Marlborough District

We will deal with these if and when they are submitted to us.

Additional information

More information about reorganisations, representation reviews and the Commission's other responsibilities is available:

- from the Commission's staff on 460 2228
- on the Commission's website www.lgc.govt.nz

The Commissioners



Brendan Duffy, ONZM, JP

Brendan was first appointed to the Commission in 2017, and as chair in 2019.

He was a member of the Horowhenua District Council from 1995 to 2004, and Mayor of Horowhenua from 2004 to 2016. He chaired the Provincial Sector of Local Government NZ for six years and was LGNZ's Zone 3 chair for nine years. He also held the position of Vice President of LGNZ for three years. Brendan is also chair of the Mid Central District Health Board.



Janie Annear, ONZM

Janie was first appointed to the Commission in 2014.

She was a member of the Timaru District Council from 1995 to 2004, and mayor of Timaru from 2004 to 2013. She was initially appointed by the Minister of Local Government as a temporary member of the Local Government Commission, and was made a permanent member in July 2014. Janie has experience across a wide range of private sector, local government and central government roles.



Sue Piper

Sue was appointed to the Commission in September 2019. She had previously been a member of the Commission from 2005 to 2011.

She was a member of the Wellington City Council from 1995 to 2004, a member of Local Government New Zealand's National Council, and has served in a number of other roles including being President of the New Zealand Public Service Association.

She is also a trustee of Football for the Community Development Trust.