

We note in the latest edition of the Tasman District Council Newslite newsletter of 17 May 2019 that the Golden Bay Community Board are actively pursuing the idea of changing over to a Local Board and this is now being looked at by the Local Government Commission.

We believe that this is a positive step forward as it would put more responsibility in the hands of the local inhabitants thus providing more better governance and financial decision making for the local population.

We also believe that Motueka and its Community Board should be following suit and we have written to the Chairman of the Motueka Community Board expressing this opinion.

Brian & Lorraine Lister



Motueka Community Board

tasman district council

27th May 2019

Mr Donald Riezebos
Chief Executive Officer
Local Government Commission
PO Box 5362
Wellington 6145
E: info@lgc.govt.nz

Dear Donald

Re: Alternative to Golden Bay local board application – Tasman District

Please accept this proposal from the Motueka Community Board, (MCB) as an alternative proposal for the Motueka Ward.

The Motueka Community Board wishes to propose that **the status quo remains for the Motueka Ward, that being a Community Board comprising of 4 elected members and 3 elected Motueka Ward Councillors.**

The MCB acknowledges that a local board has more guaranteed decision-making powers than a community board. It also negotiates an annual agreement with the council on services to be provided in the local area and how these are to be funded. A local board shares decisionmaking with the council and is democratically accountable to the community for particular decisions. Its ongoing decision-making role is established by the Local Government Commission through a reorganisation scheme. This is in contrast to a community board which only has a decision-making role if the council has agreed to delegate some of its decisionmaking powers.

The MCB, (as has the Golden Bay Community Board), have worked hard with Council over the past 12 months to increase the Board's delegations. At the Board's request Council has provided the increased delegations to the MCB to date:

- RFC allocation and approvals
- Motueka Library (New Build) governance group
- Footpath renewal sign-off
- Input into Motueka Community Housing review

The Board is also concerned at the additional costs that would be involved in operating a Local Board and would consider that any additional costs would be met by the ward. We do not support increased costs to governance for the Motueka Ward ratepayers.

If the proposal to approve a local board for Golden Bay proceeds, and then as a result the Commission decides to reduce a Golden Bay Councillor as a result, the Motueka Community Board feels that this councillor position must be retained as a rural voice and that consideration to increase either Motueka or Moutere / Waimea councillors by one be considered.

The Board considers that the current Community Board (4 members) and 3 Motueka Ward Councillors is the best representation for both the Motueka Ward and the Tasman District and is the most economical option. Our board remains confident that Council will continue to utilise existing delegation powers to the Community Boards, where Boards request specific decision making.

Thank you for the opportunity to submit our alternative proposal.

Yours sincerely

A handwritten signature in black ink, appearing to read 'Brent Maru', with a large, sweeping flourish extending to the right.

Brent Maru
Motueka Community Board Chair.

Submission: Alternative Proposal to the Golden Bay Local Board Application Submitted by the “Working Group for a Golden Bay Local Board”

1. This is an Alternative Proposal to replace the Motueka Community Board with a Motueka Local Board, simultaneous to the establishment of a Golden Bay Local Board.
2. Motueka Ward is one of five Wards within the Tasman District Council. It was established in March 1989, when the Motueka Borough Council was merged with the north-western part of the Waimea County Council, to become part of Tasman District. At that time Regional Council Services were provided by the Nelson-Marlborough Regional Council. That Council ceased in October 1992 and Tasman became a Unitary Council, as did Nelson City and Marlborough District.
3. The usually-resident population of Motueka Ward is close to 14,000, with 5,000 rateable units. There is an additional seasonal population of holiday-home residents, camping visitors, and horticultural workers. It's assessed that for three months of the summer (mid December to mid March) the population exceeds 20,000.
4. The Ward extends from the southern Motueka and Moutere River Valleys to Kaiteriteri and Marahau with western boundary the Kahurangi National Park, northern boundary Abel Tasman National Park, and eastern boundary, Tasman Bay, covering over 500km².
5. Motueka town has a population of 8,000 and is the second largest town in Tasman District. The current growth rate is 0.8% to 1.0% per annum. Growth for the Ward, beyond the town, is limited, mostly to Kaiteriteri.

Motueka is a Service town providing for an economy based on horticulture, tourism, fishing and forestry. An evident population factor is 25% over the age of 65, attracted by the equable climate and a welcoming community well serviced for retail and medical facilities and a range of recreational and social opportunities.

6. Motueka Ward elects three Councillors to the TDC and also four Community Board members. (The Councillors have full speaking and voting rights as the Board members – although this has not always been available).
7. Community Board Budget – Targeted Rate

The Annual Motueka Community Board Income is approaching \$110,000 (The Budget for 2018 – 2019 \$107,411), in a “closed” account.

This is derived from two sources:-

- (a) Community Board targeted per rateable unit rate of \$18.85 in 2018 – 2019:- \$94,000 in 2018 – 2019.
- (b) The Motueka Sunday Market lease, and any interest earned on the Account:- \$13,000 in 2018 – 2019.

Included in the Rate is a \$10 levy to fund “Special Community Projects” described as “high-priority locally, low-priority District-wide”. In recent years, the special projects have included footpaths, scooter crossings, pedestrian refuges, support for youth activities and for residents' groups / associations. The projects require community consultation and formal approval by the District Council.

The Annual Expenditure includes over \$50,000 for the Special Projects and Community Grants, with the balance (also over \$50,000) funding the Board Members' Remuneration, Election costs, and Community Board meetings expenses.

The District Council's contribution to the administration of the Community Board is limited and is approx. \$10,000 annually. The Council's policy towards each Community Board is “User Pays”. The financial contribution parallels that given to the various Residents Associations within the District, excluding those of Golden Bay and Motueka.

The policy is based on the sentiment “if the ratepayers of Motueka and Golden Bay want to have a Community Board, then those ratepayers should properly pay for the Boards' costs. The costs should not be met by those other ratepayers who don't have a Community Board”.

8. Community Board and District Council Relationship

The relationship between the Community Board and the District Council has over the thirty years been a mix of storm and sunshine. Since 2013, the relationship has steadily improved, although the level of delegations from the Council is minimal, tightly controlled and all resolutions by the Board flow (as recommendations) to the Council for approval.

The “advocacy” role of the Board is emphasised by Council, and varies little from similar roles of the other Residents Associations. In recent months, the Council has increased delegations to Board Members, e.g. when the Motueka Ward Reserves Management Plan was reviewed (the Board Chair was one of five members on the Hearing Committee). A new Library is being planned for Motueka and Board Members are on the Working Party (including Councillors and iwi representatives) for consideration of a preferred library site, size, and design prior to a final decision by the Council.

The worst period involving Council and Community Boards occurred between 2004 – 2007 when the Council resolved to abolish the two Boards. This was appealed by the Boards and with over-whelming community support the Local Government Commission upheld their appeal.

Notwithstanding the marked improvement in recent years, the popular sentiment is that Motueka is a “poor relation” when it comes to services, activities and projects, provided by the Council.

There remains a continual attitude that any services etc. could be more efficiently and more effectively conducted by a more powerful Community Board, possibly in the form of an Auckland-style Local Board. This independence has its roots in local government history for the Ward, supported by the geographical separation from Richmond and the Waimeas, the travel distance involving cost and time to Richmond and the sense of centralised power and priority that is a reality.

“Things happen first in Richmond!” Examples of deferred projects are manifest, many of a minor scale (resulting in the \$10 levy) but some significant including the Library, Stormwater Capital Projects, Transportation, and River Stopbank improvement.

9. Defining the Roles of Council and a Local Board

This priority issue could be addressed – at least partly – by the establishment of a Local Board, where authority is given to the Local Board to decide on specific services, activities and projects.

It is understood that the District Council would continue to provide those functions that are “regional” or “district-wide”. This “separation of powers” is not un-usual and will lead to more effective, more efficient and less costly local government services for Motueka, and for the District Council.

10. The following are decision-making responsibilities promoted for a Motueka Local Board:-

(a) Statutory

- Adoption of a Local Board Plan, three-yearly.
- Adoption of a Local Board targeted rate.
- Providing input into District strategies, policies and plans.
- Proposing local area bylaws.
- Community engagement, consultation and advocacy.
- Any non-regulatory activities of the District Council that are allocated to the Local Board.
- Agreement of the Local Board's memorandum of understanding with the District Council.

(b) Delegations from the District Council

- Input into notification decisions for Resource Consent applications.
- Input into Liquor Licensing applications.

- Amendments to the Dogs Policy relating to dog access rules in the Local Board area.
- Administration of the Motueka Reserves Management Plan.
- Powers under the Reserve Act 1977 for local reserves:- declaring a reserve, classifying and re-classifying reserves, revoking reserve status.
- Decision-making role for the Motueka Library on the site, design and fit-out, following community and iwi consultation, and advice from District Council management.

(c) Allocation of Responsibilities

- Local governance.
- Local planning and development proposals.
- Improvements and maintenance of local streets and roads.
- Business planning; local economic developments.
- Design, build and fit-out of a local library.
- Local recreation, arts and culture policies and facilities.
- Local parks improvements and maintenance.
- Management and maintenance of local cemeteries.
- Local environmental initiatives and projects.
- Management and maintenance of local Council Community Cottages and Community Halls.
- Management and maintenance of the Motueka Airport, Top 10 Holiday Park, Port Motueka facilities, Motueka Museum, Sunday Market with the current lease terms.
- Administration of the Motueka Harbour and Coastal Funds.
- Administration, management and maintenance of the Domestic Water Supply for Motueka, including Riwaka-Kaiteriteri and Lower Moutere.
- Local Community funding and grants.
- Maintenance and improvements for footpaths, walkways, and cycling in the Local area.
- Administration, management and maintenance of stormwater services.

11. General Comments

The decision-making responsibilities as listed are not exhaustive. Clearly, they will develop with regulations, funding, time and management / administrative variations.

Motueka is of a size, both in population and in rates collected, to manage as a “Council” in its own right.

The disruption to the provision of services by today's Tasman District Council would be significant but manageable. The cost of travel from Richmond to Motueka, a “round” 60 minute trip is considerable (more, if it includes Kaiteriteri, Marahau or the Motueka Valley). This is a major factor for “overheads” for administration.

Tasman District Council has operated a “club” system for the utilities – wastewater, stormwater, and domestic water – since 2012. For Motueka, this has been problematic. The wastewater rate and the benefits / work have been aligned; with stormwater a major underspend for Motueka; while the Motueka Domestic Water supply is not within the “club” system.

A Local Board may not take on the operation of these utilities totally, but some separation to improve efficiencies is practicable.

There are similar benefits which are both available and practical across all the District Council's provision of services, activities and projects. A decision to establish a Motueka Local Board, could achieve these benefits. Local people taking ownership for local decisions.

David Ogilvie, MNZM

10th June 2019

Biographical Note

I was elected to the Motueka Borough Council in 1971 and have been involved in Local Government since. During 1989 – 1992 I was a member of the Nelson-Marlborough Regional Council, have served as Deputy Mayor both for Motueka and Tasman, and as Chair of the Motueka Community Board. Currently, I am a Tasman District Councillor and Chair of the Audit and risk Committee.

I am prepared to discuss and elaborate on any of the items mentioned should that be helpful. Thank you for the opportunity to submit this report.

10 June 2019

Donald Riezebos
Chief Executive Officer
Local Government Commission
PO Box 5362
Wellington 6145

Donald.Riezebos@dia.govt.nz

Dear Donald

Golden Bay Local Board Proposal

Tasman District Council thanks the Local Government Commission for the opportunity to submit an alternative proposal to the Golden Bay Local Board application. Council has decided not to put in an alternative proposal. However, Council wishes to highlight to the Commission some key matters it is important for the Commission to consider during its assessment of the 'Working Group for a Golden Bay local board' application and any alternative governance arrangements for Tasman District. To come to this view, and to inform us of the implications of a local board within the Tasman governance arrangements, we have invested time and thought in working with Auckland Council to see the opportunities and challenges that we would face should you decide to advance the local board proposal.

We have attached a submission outlining the key matters Council thinks are essential for the Commission to consider when assessing the range of governance options for the Tasman District. We would be happy to provide the Commission with any further information you may require in relation to these matters.

Yours sincerely



Mayor Kempthorne
Mayor, Tasman District



Janine Dowding
Chief Executive Officer, Tasman District Council

Tasman District Council submission on the Golden Bay Local Board Proposal

1. Tasman District Council (Council) thanks the Local Government Commission for the opportunity to submit an alternative proposal to the Golden Bay Local Board application submitted by the 'Working Group for a Golden Bay local board'.
2. Council has decided not to put in an alternative proposal. However, Council wishes to highlight to the Commission some key matters it is important that the Commission considers during its assessment of the application and any alternative governance arrangements for Tasman District. To come to this view, and to inform us of the implications of a local board within the Tasman governance arrangements, we have invested time and thought in working with Auckland Council to see the opportunities and challenges that we would face should you decide to advance the local board proposal.
3. Council makes this submission on behalf of itself and the community of Tasman District that it represents comprising over 52,100 residents (based on Statistics NZ population estimates as at June 2018).

Tasman District Council is a high rates and high debt Council supported by a low wage economy

4. Given that Tasman is a relatively high rates and high debt Council, and that our ratepayers have the lowest mean annual earnings of any region in New Zealand, we request that the Commission gives strong consideration to the financial impact of any proposal for local boards on our residents and ratepayers. The figures in the table below are from the Taxpayers Union website (ratepayers and average rates) and the published

2018 annual reports (average debt). Please note that we have amended our Council's figures to align with the figures in our Annual Report 2018.

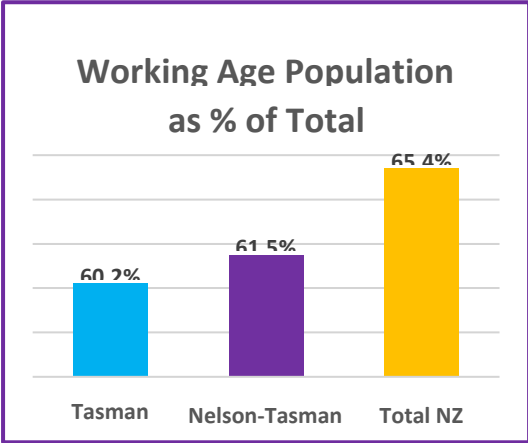
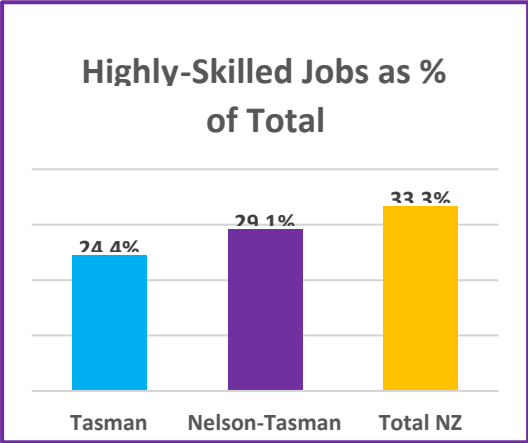
Council	Ratepayers	Average Rates per Ratepayer \$	Average Debt per Ratepayer \$
Gisborne	22,214	3,096	1,981
Marlborough	26,154	2,224	2,883
NCC	21,511	2,883	4,137
TDC	24,052	2,968	5,821

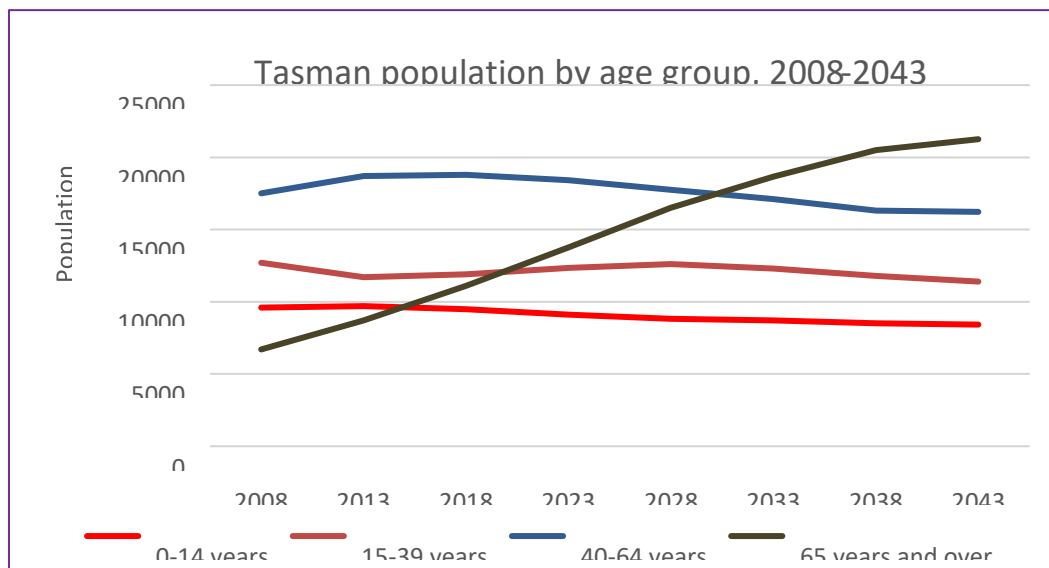
5. Tasman's lower-than average wages remain a key challenge for the region. The average annual earnings in Tasman District of \$50,768¹ is 17% lower than the national average of \$60,891.

¹ Source: Infometrics Regional Economic Profile, as at March 2018.
<https://www.nelsontasman.nz/do-business/insights/>

Region	Mean Annual Earnings
Wellington	\$ 67,580
Auckland	\$ 66,205
Taranaki	\$ 59,783
Canterbury	\$ 58,487
Waikato	\$ 56,944
Bay of Plenty	\$ 54,573
Otago	\$ 54,490
Northland	\$ 54,110
West Coast	\$ 53,967
Nelson	\$ 53,965
Marlborough	\$ 53,897
Southland	\$ 53,278
Manawatu-Wanganui	\$ 53,020
Hawkes Bay	\$ 52,825
Gisborne	\$ 51,251
Tasman	\$ 50,768

- 6. Tasman has a relatively low proportion of highly-skilled jobs which contributes to our low wage earnings.
- 7. Moreover, Tasman’s ageing population means the proportion of ‘working-age’ population is notably lower than the New Zealand average, and is projected to decrease at an accelerated level over the next decade. Please refer to the graphs below, which provide further information on these matters.





Impact of a local board and changes to rating and financial policies on the Council’s District-wide “Club” approach for utility and community infrastructure

8. Tasman District Council operates a ‘Club’ approach for the provision of utility and community infrastructure across the District.
9. With respect to utility infrastructure, Council has three clubs – one for each of the water supply, wastewater and stormwater activities. How the clubs operate is that most of the urban areas where Council provides specific water supply, wastewater and stormwater services all pay the same amount of rates per household or business for those services. Clubs only apply to the urban areas which receive these services. The rural areas, which do not get these services, do not pay.
10. Over time, Council spends money maintaining, renewing and upgrading the three waters services in each urban area and the funding for this work comes out of the Club funding pool. By taking this approach, it reduces the fluctuations in rates incurred by ratepayers due to lumpy infrastructure demands. It also tends to mean that the smaller communities are provided with infrastructure that they may not otherwise be able to afford without some cross-subsidisation from the larger urban communities. A local board proposal in Golden Bay, or in other areas of the District, has the potential to unwind the Club approach, reinforce “user-pays”, and therefore make it harder for smaller communities across the District to:
 - a. upgrade their water supplies to meet the ongoing increase in the Government’s drinking water standards;
 - b. meet increasing environmental standards for wastewater treatment; and
 - c. meet the increasing need for stormwater management due to climate change and other factors.
11. With respect to community infrastructure, Council has taken a Club approach to the provision of new multi-purpose community facilities. Council recently constructed a new \$4.2 million community recreation facility in Takaka for the Golden Bay community. Over \$1 million of this funding was raised by community

fundraising, but the balance came from funding spread across the District. Smaller communities in our District may not be able to afford such facilities without District-wide funding through the Club approach.

12. District-wide funding through the Club approach enables Council to deliver similar levels of service to all the urban areas within our District, with everyone paying the same amount of rates for that service no matter where they live. The question arises as to how funding one local board might impact on this arrangement, or how it can be ring fenced to ensure it doesn't.

Potential implications on Golden Bay representation around the Council chamber if a local board was to result in a reduction in Councillors

13. As you will be aware, the Commission has treated the Golden Bay Ward as an isolated community and allowed it to depart from complying with section 19V(2) of the Local Electoral Act 2001.
14. The population (using population estimates from Statistics NZ as at 30 June 2017, based on the 2013 census) that each member will represent is as follows:

Ward	Population	Number of Councillors	Population per Councillor	% deviation from District average population per Councillor
Golden Bay	5,320	2	2,660	-32.44*
Motueka	12,300	3	4,100	4.14
Moutere/Waimea	13,500	3	4,500	14.30*
Lakes/Murchison	3,660	1	3,660	-7.03
Richmond	16,400	4	4,100	4.14
	51,180	13	3,937	

**Non-compliance with s.19V(2) Local Electoral Act 2001 (LEA) (+/- 10% rule)*

15. If Golden Bay was to get a local board, it will receive a higher level of governance service than other areas of the District. Therefore, it would be difficult to justify a second Councillor for Golden Bay on the Council. As many matters of importance to Golden Bay (along with the rest of the Tasman District) will still be considered by the Council, it may disadvantage the Golden Bay community if their representation on Council was reduced to one Councillor.

The administrative complexity of the options, for example if Council has a local board in Golden Bay, a community board in Motueka and no boards in other wards

16. There will be increased complexity for Council and staff if it has a local board in Golden Bay, a community board in Motueka, no boards in other wards, and a governing body. Any local board(s) will have functions allocated to it and other functions delegated to it. A community board(s) will have a range of delegated functions, which may or may not be similar to the allocated and delegated functions given to a local board.

17. There is a cost to Council of having a variety of governance arrangements across the District, and a greater cost to having local or community boards across the entire District.

Fairness and equity in who pays for local boards – targeted rate on Golden Bay v general rate for a higher level of governance service

18. As a general principle, Tasman District Council's rating policies support an approach of ratepayers paying for higher levels of service through targeted rates. Our ratepayers have been consulted on the development and implementation of this rating principle through our Long Term Plan processes.
19. We are not aware of any proposals for local boards in wards or areas in the District outside of Golden Bay.
20. Therefore, if Golden Bay (and any other ward in the District) was to receive a higher level of governance service than other areas, Council would favour that increased level of service being paid for by a targeted rate, rather than being paid for by all of Tasman District's ratepayers.
21. Also, Golden Bay currently has lower population growth than many other areas in our District. Therefore, over time the proportion Golden Bay ratepayers contribute to the general rate take in the District will be has been decreasing. In 2015/16 14.5% of the general rates were collected in Golden Bay by 2018/19 this had dropped to 12.7%. In the latest district wide valuation the movement in regards to the residential sector was that average Capital value changes for the Golden Bay ward (residential) were up 18.3%, well below the bulk of the District such as Richmond, Wakefield, and Tapawera that were all up at least 30%. Governance costs (excluding some community board direct costs, which are target rated) are met from general rates. If a decision was that the increased local board costs should be met from general rates that would see an increasing rates burden on the rest of the District. Note that both the Golden Bay and Motueka Wards currently have a targeted rate in place that offset only some of the community boards' costs and also allow for some modest spending on local projects.

Additional costs of local boards (e.g. servicing, staff reporting and policy/plan preparation, impact on accommodating additional staff needed, additional governance costs etc)

22. A local board will inevitably lead to additional costs on the community. These costs will come in the form of servicing the local board, and preparing local board plans, local board funding policies, local board agreements, additional staff reporting to local boards, etc. Council will require additional staff to undertake this extra work. These additional costs will have an impact on rates, and as noted earlier, we are already a high rates and debt Council.
23. All the Council's service centres in Richmond, Motueka and Takaka are already nearing capacity in terms of staff numbers. As a growing Region we will need additional office space. In the absence of a local board, we would not have prioritised Golden Bay. Additional staff to support a Golden Bay local board would either be based in Takaka, creating challenges around management and accommodation, or based in Richmond resulting in significant downtime for travel.

Would having a local board model make the relationship between the Golden Bay community and Council any better than a community board model?

24. The applicants for the Golden Bay local board note that there is a difficult relationship between Tasman District Council and the Golden Bay community, due in part to the distinctness and isolation of Golden Bay. This situation appears to be driving some dissatisfaction with the current governance of Golden Bay and a desire for more local decision making.
25. Council is aware of the relationship difficulties it has with the Golden Bay community and has researched causes for this dissatisfaction. In late 2017, we had an independent consultant prepare a report on the reasons for the current state of the relationship between the Council and the Golden Bay community. We have been bearing in mind the outcomes of this report in our ongoing engagement with the Golden Bay community. We are happy to make a copy of the report available to the Commission, should you wish to review it.
26. We invest a substantial amount of time and resources into managing projects and activities within Golden Bay and working with local people on these projects.
27. In the current environment, we consider that a local board could well face similar challenges and may not bring the benefits the applicants envisage.
28. While local boards prepare their local board plans, the prioritising of the funding for implementing them is undertaken by the governing body. Therefore, it is still likely that there will be tensions between any local board(s) and the Council, and in the Golden Bay case, the community is likely to continue to believe that it is not receiving its fair share of the funding it generates.
29. Finance staff have prepared information on the make-up of rates in Golden Bay Ward.

2018/19 Rates Strike	2018/19 \$000s
General rate including UAGC	5,748
Wastewater	1,192
Hamama Rural Water Supply	24
Waimea Community Dam	47
Takaka firefighting	143
Mapua rehabilitation	21
Museums facilities	201
District facilities	164
Facilities operations	177
GB Community Board	63
Urban Water Supply- Service Charge	94
Refuse-Recycling	298
Regional Rivers Works	380
Stormwater	468
Shared facilities	233
Warm Tasman	3
Water supply- rural water extensions	1
Total Rates Charged	\$9,259

30. Finance staff have also prepared the table below illustrating Council expenditure in Golden Bay over the past five years. These figures are estimates and provide an “in the order of” estimate of expenditure across Council activities. Council does not account for income or costs on a ward by ward basis. Such an approach would incur significant additional administration costs along with the need to allocate all costs including overheads across the District. For instance costs incurred in Environment and Planning are often expended on a district wide basis and population may not be the most applicable proxy for cost allocation. Expenditure on the likes of the Takaka Freshwater and Land Advisory Group process or Outstanding Natural Landscapes has been high in recent years beyond what an apportionment on population would deliver but for most activities costs will fluctuate over time.

Expenditure by Activity	Estimated Actual 2014 \$000s	Estimated Actual 2015 \$000s	Estimated Actual 2016 \$000s	Estimated Actual 2017 \$000s	Estimated Actual 2018 \$000s
Access and Transport	2,244	1,625	1,553	1,768	4,084*
Coastal Structures	33	54	8	38	48
Community Facilities & Parks	1,240	1,254	1,182	1,252	1,392
Governance	345	302	232	251	248
Council Enterprises	389	509	679	849	970
Environmental Management	627	633	836	600	682
Overheads	2,769	3,188	3,228	3,492	3,962
Public Health & Safety	309	332	387	418	461
Rivers & Flood Protection	363	306	246	407	908
Solid Waste	748	790	797	791	1,109
Stormwater	164	63	116	109	135
Wastewater	666	604	1,235	1,279	1,062
Water Supply	195	218	331	317	370
Grand Total	\$10,092	\$9,880	\$10,831	\$11,570	\$15,432

*The reason 2017/2018 is particularly high is because of the impacts of cyclone Gita/Fehi.

31. In order to allocate the expenditure finance staff (in consultation with activity managers) have used 11 different factors for cost allocations based on ‘best fit’ with the activity type. The method and a brief description are provided below.

Basis	Factor
Population Based on Population	
Road	Based on Kilometer of Road
Direct	All costs attributable to GB e.g. GB RFC
Exclude	No costs attributable to GB e.g. Richmond RFC
Waste	Asset value
Parks	Nelmac Contract
Water	Asset value
Rivers	Asset value
Refuse	Asset value
Coastal	Asset value
Overhead	Based on Direct Costs in Golden Bay as a % of Total

32. The reason we have provided this information is to give the Commission some context of activity level and income collected in Golden Bay.
33. The cost of the current community boards is partly met from the community boards' rate. We do not recover the full cost of supporting the boards. This results in a level of cross subsidy from wards without community boards.
34. If the Commission decides to proceed with any local boards in the District, Council notes that it will be critical for the Commission, in its decision making, to ensure that any community to be covered by a local board clearly understands what that local board will and will not deliver. If it is not clear to the community what a local board will and will not deliver, it is possible that tensions between Council and the local boards and their communities will increase.

Effectiveness and efficiency of decision making e.g. decisions delegated to staff should remain

35. Council has made a number of delegations to staff to enable efficient processing of activities and services. If the Commission was to allocate to any local board(s) the delegations currently held by staff, it is likely to lead to additional costs and time delays. The efficiency and effectiveness of the current delegations are likely to be negatively affected. Therefore, should the Commission decide to implement a local board we recommend that the Commission does not allocate any functions to the board that are currently undertaken by staff. We understand regulatory delegations are already out of scope despite the fact that the applicants have talked about building and other development consents, regulatory bylaws, and other issues that have local expressions but which are district wide in nature (e.g. freedom camping).

Whether there are sufficient local assets in Golden Bay to make decision making and the additional costs of a local board meaningful

36. An important consideration for the Commission will be whether Golden Bay or any other area within Tasman District proposed for a local board, has the critical mass of assets and people to justify a local board structure.
37. Local boards will add an additional layer of governance costs on the communities they cover, to the current community boards and Council governance structure. We ask that the Commission gives due consideration to the value for money associated with any changes to the governance structure, particularly given the low wage economy in Tasman District.

Extra workloads for staff across Council and the extra costs associated with meeting that workload

38. We estimate that at a minimum the following additional staff will be required to help service each local board and that these staff would be located in the local board area:
 - a. a local board meeting support team leader;
 - b. a customer support officer;
 - c. a senior advisor;

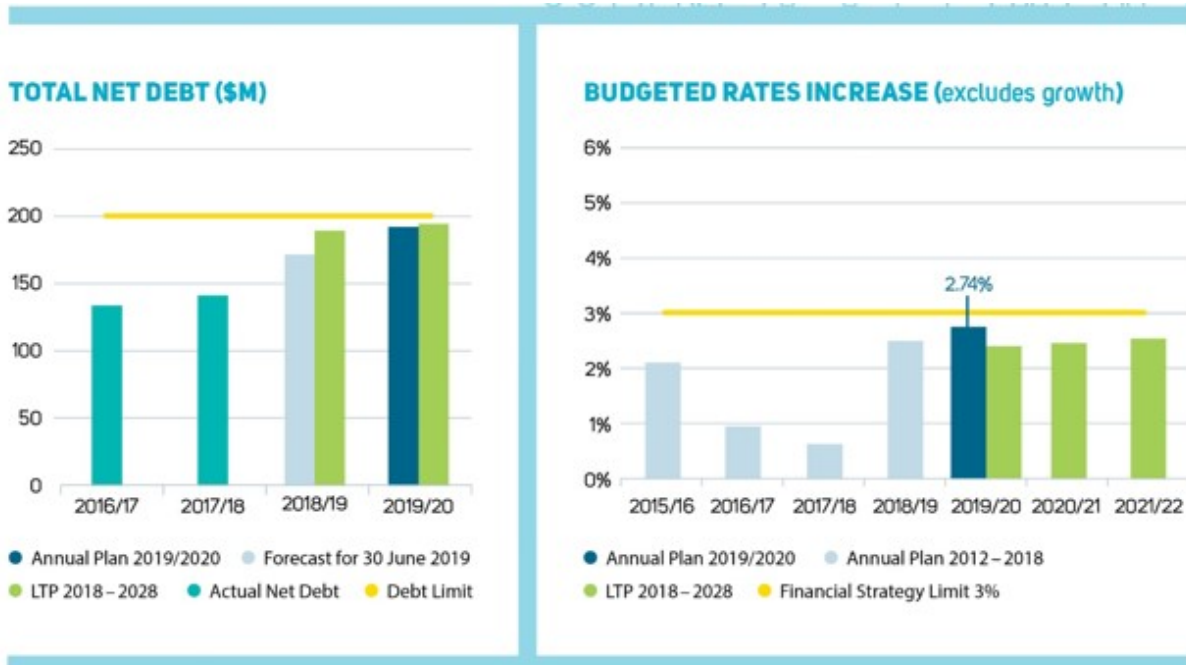
- d. a part-time advisor (to also carry out engagement work with the community); and
 - e. a PA/community liaison officer.
39. If the Commission's decision is that there will be several local boards across the District, Council will also need a local board relationship manager and an assistant to help manage the local board relationship and interaction.
40. In addition to the above roles, Council is likely to need to provide organisational support to undertake the following additional work:
- a. finance support to develop budgets, and input into the Long Term Plans and Annual Plans;
 - b. communications support for consultation and informing the public of local activities being undertaken by the local board(s);
 - c. support from the activity groups in Council which have functions allocated or delegated to the local boards, preparing reports to enable local decisions and preparing annual work programmes;
 - d. support from policy staff on input into regional policies and strategies, to help prepare local board plans and the agreements between the board and Council;
 - e. support from commercial staff and advisors if the commercial portfolio is disaggregated; and
 - f. manage demands for local decision-making support through budgeted work programmes,.
41. The Council currently does not have sufficient capacity to add this extra work onto our already busy workload. We would need to employ extra staff and accommodate them. Our current service centres and our main Richmond Offices are largely at capacity, so additional space would be required.
42. The extra staff and the accommodation of them will add additional costs, which as noted above, our ratepayers will struggle to afford given our low wage economy and current rates and debt levels.

Implications on Council's rating and debt limits and Council's Revenue and Financing Policy

43. Our Council has made a concerted effort over recent years to keep rates increases to a minimum to help affordability for our communities. We have kept our rates increases below 3% per annum for several years now and are planning to continue keeping rates increases below this level for the remaining eight years of our Long Term Plan 2018-2028. Our Long Term Plan rates increase limit is 3%. As noted above, we are the lowest wage economy of any region in New Zealand, so keeping our rates affordable is important for the well-being of our communities.
44. We are also working hard to keep our debt within our \$200 million net debt limit in our Long Term Plan. We are a high growth Council which means we are under

pressure to deliver services and infrastructure in our growth communities to meet the demands of our population increases. The Government’s National Policy Statement on Urban Development Capacity places requirements on us to ensure there are sufficient areas of serviced land available for development.

45. Please refer to the following graphs on our debt and rates.



46. We ask the Commission to consider Council’s financial position and its strategy to keep within its rates and debt limits when it makes its decision on the governance structure for the Tasman District.

Any governance arrangements should enable alignment with District wide regional priorities and plans

47. Currently community boards are already engaged and invited to be involved in district wide plans and strategies, especially as they may impact on local communities. Future involvement depends very much on the allocation and delegation of functions to a local board and whether the transaction costs are kept separate.

Consideration should be given as to whether additional delegations to the Community Board are a more effective and efficient way of delivering decisions and activities and services

48. Council would like the Commission to consider whether increasing the delegations to the existing community boards in Motueka and Golden Bay is a more effective and efficient way of enabling increased local decision making in order to deliver local activities and services. Council is happy to work with the Commission on ways to enhance the current delegations to the two community boards, should the Commission decide that this is the preferred option for governance of the Tasman District.

49. The Council has recently increased the delegations to the Motueka and Golden Bay community boards. As a result of having reviewed the Auckland local boards

allocations and delegations, Council is aware that there are further opportunities to increase the delegations to the existing community boards.

50. The Golden Bay community has expressed concerns about the risk of Council having the ability to remove delegations, whereas allocation of functions to a local board are more difficult to change. Council has a history of adding delegations to the community boards and never removing any delegations. That said, we acknowledge that a future Council could decide to remove delegations to the community boards, if it so wished.

Any decision will need to take account of iwi relationships and the associated workload

51. Over the last year, Council has been working to improve its relationship with Te Tau Ihu iwi. The Council has recently decided to employ a Kaihautū to further assist our ongoing relationships with iwi.
52. We ask the Commission to consider the impact on iwi of establishing local boards and the need for iwi to engage with those boards, as well as with Council. We understand that the Commission is consulting with iwi over the governance options for the Tasman District and are pleased that the consultation is occurring. Some Golden Bay iwi work through Manawhenua ki Mohua based at Onetahua Marae and we recommend that you speak with them in addition to the parent iwi bodies.

Should the Commission decide on a local board, it is recommended that the allocations and delegations are specific and clear as to what functions are delegated and the implications for the governing body (similar to Auckland Council, but in a Tasman District Council context)

53. As noted earlier in this submission, it is critical that any allocations and delegations to local boards are very specific and clear, and that the role of the local board and the governing body (the Council) are explicit. This clarity will be important to ensure that there is a common understanding of roles, particularly within the Golden Bay community and any other communities with local boards.
54. Without this clarity, there is a risk that tensions between the local boards, the community and Council will increase across all ratepayers.

When making allocation decisions to a local board, the Commission gives consideration to the impact of disaggregating the commercial portfolio managed by Council

55. Council manages a range of commercial and semi-commercial assets within one portfolio. This portfolio includes Port Tarahoke, the Takaka aerodrome, and the Collingwood and Pohara camping grounds in Golden Bay, along with a range of other assets across the Tasman District. Council manages the portfolio as a whole to provide a return to ratepayers across the Tasman District. The commercial assets help off-set the need for Council to increase rates.
56. Council asks that the Commission gives consideration to the impact on the District's ratepayers of separating any assets from the Council's commercial portfolio if it was to propose this.

Should the Commission decide on a local board, Tasman District Council's least preferred option is five local boards across the District due to increased cost, increased inconsistency of policy and service levels across the community, and cuts across communities of interest

57. Tasman District Council has not yet decided what governance structure it considers is in the best interest of the Tasman ratepayers. Council awaits further information on the options prior to forming a view.
58. Council does, however, have a view that local boards across the whole District are not in the best interests of the wider District due to the cost of them, concerns about inconsistency of policy and service levels across our communities, and that local boards may cut across local communities of interest.

Any preferred option released for consultation should include the mechanism by which it will be funded

59. It is our view that the preference for a local board in Golden Bay is strongly linked to a perception that they do not receive their proportionate value from the rates spend. Our assessment indicates quite the opposite where Golden Bay ward benefits significantly from the district wide funding of many services (as do other smaller communities). We also believe it to be highly likely that the community would object to any increase in rates specifically to fund a local board. It is therefore important that any option outlines the funding mechanism so that the Golden Bay community can consider the trade-offs if it is a targeted rate to them, or the wider community can consider the impact on them of a general rate.

Conclusion

60. Tasman District Council does not currently have a preference for the governance structure for the wider District. We are interested in hearing community views expressed during the Commission's consultation and on hearing the outcomes of the Commission's research prior to forming a view.
61. The purpose of this submission is to outline some key matters which Council considers the Commission should consider as part of its investigations and decisionmaking processes on the governance structure for the Tasman District.
62. We hope that the information provided in this submission is helpful to the Commission. We are happy to provide you with further information on any of the matters contained in this submission, should the Commission require it.
63. Thank you for taking the time to consider this submission.

From -

J E Butler

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Local Government Commission
PO Box 5362 Wellington 6145
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5 June 2019

Dear Sir,

ALTERNATIVE APPLICATION IN RESPONSE TO GOLDEN BAY APPLICATION

INTRODUCTION

I now describe myself as a grumpy old ratepayer largely because of a 50 year history of being involved on the fringe of local government affairs. First as an active committee member of an residents association in Wellington for nearly 30 years. Then as local body representative on the Motueka Grey Power committee, who has attended and reported on almost all public meetings of the Motueka Community Board during the last 20 years. Since resigning from the Grey Power committee last year, I have continued to attend the public Motueka Community Board meetings, although no longer representing Grey Power. Just as a grumpy old ratepayer.

REASONS FOR MAKING THIS ALTERNATIVE APPLICATION

It was a perception I had for about 20 years, which recently found to be incorrect, that has provoked me into drafting this application. I was very surprised to find that the settlement of Ngatimoti is in the Moutere-Waimea Ward and not in the Motueka Ward.

I gained this perception soon after moving to Motueka because as an RSA member, WW2 service, I found that when the Motueka RSA holds its commemorative services, they are held at Ngatimoti, where it has members, as well as in Motueka.

This perception was bolstered by noticing that Grey Power Motueka also has members in Ngatimoti. And that the Ngatimoti settlement is probably closer to the Motueka township than the Motueka Ward settlements of Marahau or Kaiteriteri.

While both the Motueka and Moutere-Waimea Wards each elect 3 Councillors to Tasman District Council, the 2013 Census shows that the latter Ward has the larger population. Moving the Ngatimoti settlement into the Motueka Ward would help reduce the difference.

But the 2018 Census, when it is produced, may show the Motueka Ward now has the larger population and also, any boundary change is likely to raise objections.

It was just my surprise at finding Ngatimoti in the Moutere-Waimea Ward that provoked me into writing this application and gave me the incentive to support the Golden Bay's Application.

SUPPORT FOR GOLDEN BAY'S APPLICATION FOR A LOCAL BOARD

When I arrived in Motueka, the Golden Bay Ward, like the Motueka Ward, both had Ward Managers, who in effect replaced the town or county clerk each ward had when they were a separate borough (in the case of Motueka) or county (in the case of Golden Bay) prior to the amalgamations in 1989 into Tasman District Council (TDC).

Ward Managers sat in on the Community Board meetings that replaced the councils and still had limited powers to oversee and get works done. But they were not replaced after they retired about 15 years ago, though there was an interim period when one Ward Manager covered both wards. Their replacements at Board meetings have been TDC senior staff members based in TDC's head office at Richmond.

The result has been all planning, as well as approvals, even for minor works, has been done in TDC's head office in Richmond. This has made consultation more difficult and expensive. and more traveling for all concerned.

Not so bad for Motueka, only 30 minute drive to the Richmond office. However, for Golden Bay, there is an extra one hour's drive on the only road in and out, over the hill that is closed periodically by snow and ice most winters and was badly damaged by a storm in 2018 that has left it as a one way road in several places. So it is not surprising that year after year, the approval rating survey of TDC residents throughout the district is lowest in Golden Bay. Thus many of Golden Bay residents consider its present system of governance is inadequate and needs improvement. In the last few years the Motueka Community Board has been allocated funding to arrange for some minor works done more quickly, than if these had been left for the Richmond head office to arrange. I do not know if Golden Bay has had this same benefit.

SHOULD MOTUEKA GET A LOCAL BOARD ?

I am not sure because I fear increasing bureaucracy. I think that the Motueka Community Board is going to put in an alternative application which I will not oppose regardless of its content. They are a good team, their hearts are in the right place and they do watch the pennies.

While I do not agree with all that they do, I suspect they know better than me. My only complaint is their lack of publicity, as I am sure that many local residents are unaware of what they do.

BUREAUCRACY BREEDS

At a public meeting recently I said that I was pleased that TDC had put a cap on rate and debt increases, but why should not a cap be also placed on staff increases. I did not get an answer.

TDC annual reports over the years show a steady increase in staff numbers and in TDC's wages bill, getting close to one fifth of TDC's annual income. I suspect that staff numbers have been increasing faster than the number of ratepayers in Tasman District.

If I am correct, it is worth relating my experience as a public servant in a government department in Wellington. I joined a section of six staff including the boss, to do a specific job that took me about two years.

Then further work was found for me and other work after that.

I became the odd job man in that section that grew in numbers to 28 before Roger Douglas came on the scene. About half the public servants in Wellington lost their jobs, including 22 of those in my section (I was one of the 22) that was reduced to having only six staff again.

Outside of Wellington I doubt if this slashing of staff numbers in Wellington made any difference. As for me, I just retired a month or two early.

REASON I AM A GRUMPY OLD RATEPAYER

I for one was pleased when TDC put a cap on its borrowing of no more than \$200 million. Although I still believe it is too much for the present number of ratepayers in Tasman District, who on average will be responsible for close to \$10,000 of this debt each.

Enquiries made to TDC fairly recently have provided the response that compared with other councils, the TDC debt level is roughly in the middle. I find this a little surprising as I understand that some years ago, the Local Government Commission publicly expressed concern about TDCs increasing debt.

Until recent years TDC's annual reports showed that expenditure for the year was nearly always greater than its income, the difference being funded by borrowing.

About 10 years ago \$48 million was borrowed over a 2 year period, and funded by 20 year loans which doubles their pay back cost (less inflation) which we ratepayers are still repaying.

The reason given for this borrowing was to spread the cost of the works carried out over future generations who would be getting the benefit. A poor reason when it has about doubled the cost of the works. Also it increased TDC debt to over \$100 million. An amount it has not been able to get below in subsequent years.

While borrowing reduces a sharp rise in rates. Long term it must cause a bigger increase as a lot more interest has to be paid for which TDC ratepayers are suffering from now.

COST OF OVERHEAD EXPENSES

Overhead expenses cannot be avoided. They occur even with volunteer work. What I have found surprising is the cost of overheads on work carried out by TDC.

Some years ago the Motueka Grey Power committee got a 4 year breakdown of the operational cost of maintaining the local river system. We were shocked to find that the cost of overheads was marginally more than the actual cost of the maintenance.

During the follow up we obtained a list of all the overhead expenses and were told that the expenditure of public money requires much more consultation and publicity than the expenditure of private money, all of which adds to the expense of overheads. So I suspect the same applies to all other councils and central government as well.

While only based on guess-work and imagination, I produced the following -

"A contractor gets \$100,000 to carry out a work. The council's costs for arranging and inspection of the work including overheads is also \$100,000, total \$200,000. The council funds this through a 20 year loan which will cost ratepayers \$400,000. But the contractor has overheads too and needs to make a profit. So the end result is that it cost ratepayers \$400,000 to get about \$50,000 of work completed." Frightening isn't it.

Yours Sincerely,



Grumpy old ratepayer